

CAB Cakaran upbeat on biomass power generation

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GEORGE TOWN: Poultry company CAB Cakaran Corp Bhd is targeting its new biomass power generation business to generate 10% of its turnover in two years.

Group managing director Chris Chuah said the biomass power generation facility would be able to produce about 300 tonnes of biomass waste daily.

"The amount could be utilised to produce more than a megawatt of power. We have yet to determine the cost of investment. The project should commence at end of the year," he said after the company AGM yesterday.

Chuah said the group was now looking in the northern region for a 30 acre to set up the facility.

CAB recently inked a memorandum of understanding (MoU) with New Chemical Trading Co Ltd from Japan and Seri Kedah Corp Sdn Bhd to venture into the biomass project.

It will incinerate chicken droppings for the biomass project and also produce fertiliser as a by-product.

Under this MoU, New Chemical Trading and Seri Kedah would set up a joint-venture company for the licensing of specific technology and know-how related to biomass power generation.



CAB Cakaran's biomass project entails the incineration of chicken droppings and the production of fertiliser as a by-product.

On its plans to acquire a 169-acre broiler farm in Johor, Chuah said the acquisition exercise would be completed in mid-2015.

"The broiler farm, which already has the Agri-Food and Veterinary Authority certification, has the capacity to breed 2.2 birds per cycle. Each cycle is between 30 and 40 days. We are targeting the Singapore market, which is expected to absorb 1 million birds per month.

"The farm is also able to produce 5 million day-old-chicks per month," Chuah said.

Chuah said the acquisition of the Singapore-based poultry slaughtering house, Tong Huat Poultry Processing Factory, would be completed end of next month.

"Tong Huat is expected to generate S\$32mil (RM86mil) to S\$35mil per annum in revenue and a net profit of S\$2mil to S\$2.5mil," Chuah said.