

# OTHERS TENAGA NASIONAL BERHAD ("TNB" OR "COMPANY") PROPOSED INTERNAL REORGANISATION BY WAY OF A MEMBERS' SCHEME OF ARRANGEMENT UNDER SECTION 366 OF THE COMPANIES ACT, 2016 ("PROPOSED INTERNAL REORGANISATION")

## TENAGA NASIONAL BHD

Type	Announcement
Subject	OTHERS
Description	TENAGA NASIONAL BERHAD ("TNB" OR "COMPANY") PROPOSED INTERNAL REORGANISATION BY WAY OF A MEMBERS' SCHEME OF ARRANGEMENT UNDER SECTION 366 OF THE COMPANIES ACT, 2016 ("PROPOSED INTERNAL REORGANISATION")

We refer to the Company's announcements dated 29 July 2019, 1 August 2019, 6 November 2019, 7 November 2019, 22 November 2019, 28 November 2019, 10 January 2020, 23 January 2020, 11 February 2020 and the Explanatory Statement dated 13 January 2020 in relation to the Proposed Internal Reorganisation.

On behalf of the Board of Directors of TNB, Maybank Investment Bank Berhad wishes to announce that the Energy Commission, Malaysia ("EC") has, vide its letter dated 19 June 2020, granted the following approvals:

1. approval for TNB to undertake the Proposed Internal Reorganisation; 2. approval-in-principle for the proposed licensing structure pursuant to the Proposed Internal Reorganisation subject to the following: (i) TNB retaining its existing licence and generation licences for TNB's power plants situated at Ulu Jelai, Pahang and Hulu Terengganu,

Terengganu respectively;

(ii) an application to be made for a new retail licence for TNB Retail Sdn. Bhd.;

(iii) an application to be made for new generation licences for the nine (9) power plants to be held by TNB Power Generation Sdn. Bhd.

("TPGSB") pursuant to the Proposed Internal Reorganisation; and

(iv) an application to be made for the amendments to the ten (10) generation licences held by TNB's subsidiaries for the transfer of TNB's

shares in these subsidiaries to TPGSB pursuant to the Proposed Internal Reorganisation; and

3. all applications for new licences or amendments to licences shall be subject to the Minister of Energy and Natural Resources, Malaysia's

approval upon the said applications having been made in accordance with the procedures and guidelines set by the EC.

Following the receipt of the EC's letter of approval, the Company has today filed the relevant court papers to obtain the requisite orders from the High Court of Malaya at Kuala Lumpur pursuant to Sections 366 and 370 of the Companies Act, 2016 to approve the Proposed Internal Reorganisation ("**Vesting Orders**").

In addition, TNB and TPGSB have on 22 June 2020 mutually agreed in writing to waive the requirement to fulfil the condition precedent for TNB to obtain consent of the Ministry of Finance, Malaysia ("**MOF**") for TPGSB to assume TNB's loan obligation from the Overseas Economic Cooperation Fund and Japan Bank for International Cooperation ("**Loan Obligation**") in respect of the conditional TPGSB Share Purchase Agreement and the conditional TPGSB Asset Purchase Agreement entered into between TNB and TPGSB on 6 November 2019. Notwithstanding the aforesaid waiver and filing of the Vesting Orders made today, TNB shall continue to seek the MOF's consent for TPGSB to assume the Loan Obligation, and upon receipt of the MOF's consent, TPGSB shall assume the Loan Obligation.

Pursuant to the abovementioned waiver, the Tuanku Jaafar Power Station located in Port Dickson, Seremban ("**PD Plant**") together with its related assets and liabilities shall not be transferred to TPGSB under the Vesting Orders and shall remain in TNB. The PD Plant shall remain in TNB and shall be transferred to TPGSB in a separate transaction at a later date upon receipt of the MOF's consent for TPGSB to assume the Loan Obligation.

This announcement is dated 22 June 2020.

### Announcement Info

Company Name	TENAGA NASIONAL BHD
Stock Name	TENAGA
Date Announced	22 Jun 2020
Category	General Announcement for PLC
Reference Number	GA1-22062020-00030