GENERAL MEETINGS: Notice of Meeting

TENAGA NASIONAL BHD

Type of Meeting	Annual General Meeting
Indicator	Notice of Meeting
Description	NOTICE OF THE TWENTY-SEVENTH (27TH) ANNUAL GENERAL MEETING OF TENAGA NASIONAL BERHAD
Date of Meeting	18 Dec 2017
Time	10:00 AM
Venue	Tun Hussein Onn Hall, Level 2, Putra World Trade Centre, 41 Jalan Tun Ismail, 50480 Kuala Lumpur, Malaysia.
Date of General Meeting Record of Depositors	11 Dec 2017

Please refer attachment below.

Attachments

Notice of 27th AGM.pdf
431.7 kB

Announcement Info

Company Name	TENAGA NASIONAL BHD
Stock Name	TENAGA
Date Announced	20 Nov 2017
Category	General Meeting
Reference Number	GMA-16112017-00004

TENAGA NASIONAL BERHAD (200866-W)
(Incorporated in Malaysia)

NOTICE OF THE 27TH ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the Twenty-Seventh Annual General Meeting ("27th AGM") of Tenaga Nasional Berhad ("TNB" or "the Company") will be held on **Monday, 18 December 2017** at **10.00 a.m.** at **Tun Hussein Onn Hall, Level 2, Putra World Trade Centre, 41 Jalan Tun Ismail, 50480 Kuala Lumpur, Malaysia** to transact the following businesses:

AGENDA

AS ORDINARY BUSINESS:

1. To receive the Audited Financial Statements for the Financial Year ended 31 August 2017 together with the Reports of the Directors and Auditors thereon. **(Please refer to Note (i) of the Explanatory Notes on Ordinary Businesses)**

2. To approve the declaration of a final single-tier dividend of 44.0 sen per ordinary share for the Financial Year ended 31 August 2017. **Ordinary Resolution 1**

3. To re-elect the following Directors who were appointed to the Board during the year and retire in accordance with Article 133 of the Company's Articles of Association and being eligible offer themselves for re-election:
   (i) Juniwati Rahmat Hussin **Ordinary Resolution 2**
   (ii) Amran Hafiz bin Affifudin **Ordinary Resolution 3**
   (iii) Badrul Ilahan bin Abd Jabbar **Ordinary Resolution 4**

4. To re-elect the following Directors who retire by rotation in accordance with Article 135 of the Company's Articles of Association and being eligible offer themselves for re-election:
   (i) Datuk Seri Ir. Azman bin Mohd **Ordinary Resolution 5**
   (ii) Tan Sri Dato' Seri Chor Chee Heung **Ordinary Resolution 6**

5. To re-appoint Tan Sri Leo Moggie, who retires upon expiration of term of office at the conclusion of 27th AGM. **Ordinary Resolution 7**

   Tan Sri Dato' Seri Siti Norma binti Yaakob, who holds office until the conclusion of 27th AGM, has expressed her intention of not to seek for re-appointment and shall retain office until the conclusion of the 27th AGM.

6. To approve the payment of Non-Executive Directors' fees of RM2,629,677.41 for the Financial Year ended 31 August 2017. **Ordinary Resolution 8**

7. To approve the payment of benefits to the Non-Executive Directors amounting to RM3,003,000.00 from 31 January 2017 until the conclusion of the next Annual General Meeting ("AGM") of the Company. **Ordinary Resolution 9**

8. To re-appoint Messrs PricewaterhouseCoopers ("PwC"), having consented to act, as Auditors of the Company, to hold office until the conclusion of the next AGM and to authorise the Directors to fix their remuneration. **Ordinary Resolution 10**

AS SPECIAL BUSINESS:

To consider and if thought fit, to pass the following Ordinary Resolution:

9. Proposed renewal of authority for the Company to purchase its own shares:

   "THAT subject to compliance with the Companies Act 2016 ("Act"), the Company's Memorandum and Articles of Association ("M&A"), the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("MMLR") and all other applicable laws, guidelines, rules and regulations for the time being in force or as may be amended from time to time, and the approvals from all relevant authorities, the Company be and is hereby authorised to purchase such amount of ordinary shares in the Company's issued share capital through Bursa Malaysia Securities Berhad ("BMSB") upon such terms and conditions as the Board may deem fit and expedient in the interest of the Company provided that:

   (i) the aggregate number of shares purchased pursuant to this resolution shall not exceed 10% of the total issued share capital of the Company ("Proposed Share Buy-Back");
   (ii) the maximum amount of funds to be utilised for the purpose of the Proposed Share Buy-Back shall not exceed the Company's aggregate retained profits at the time of purchase be allocated by the Company for the Proposed Share Buy-Back;
   (iii) the shares purchased by the Company pursuant to the Proposed Share Buy-Back may be dealt with by the Directors in all or any of the following manner:
      (a) the shares so purchased may be cancelled; and/or
      (b) the shares so purchased may be retained in treasury for distribution as dividend to the shareholders and/or resold on the market of BMSB and/or subsequently cancelled; and/or
      (c) part of the shares so purchased may be retained as treasury shares with the remainder being cancelled; and/or
      (d) transfer the shares, or any of the shares for the purposes of or under an employees' shares scheme; and/or
      (e) transfer the shares, or any of the shares as purchase consideration; and/or
      (f) deal with the shares in any other manner as may be permitted by the applicable laws and/or regulations in force from time to time.
   (iv) the authority conferred by this resolution shall commence immediately upon the passing of this resolution and shall continue to be in force until:
      (a) the conclusion of the next AGM of the Company at which time the authority shall lapse unless by an ordinary resolution passed by the shareholders of the Company in a general meeting, the authority is renewed either unconditionally or subject to conditions;
      (b) the expiry of the period within which the next AGM of the Company is required by law to be held;
      (c) the authority is revoked or varied by an ordinary resolution passed by the shareholders of the Company at a general meeting,

      whichever is earlier."

   "AND THAT the Board be and is hereby authorised to take such steps to give full effect to the Proposed Share Buy-Back with full power to assent to any conditions, modifications, variations and/or amendments as may be imposed by the relevant authorities and/or to do all such acts and things as the Board may deem fit and expedient in the best interest of the Company." **Ordinary Resolution 11**

To consider and if thought fit, to pass the following Special Resolution:

10. Proposed Alteration of Existing M&A in its entirety and substituting with a new Constitution of the Company ("Proposed Alteration"):

    "THAT subject to the approval of any other parties, if required, the Company's M&A be altered, modified, added and/or deleted, as the case may be, in the form and manner as set out in Appendix II of the Circular to Shareholders dated 21 November 2017."

    "AND THAT the Board be and is hereby authorised to do all such acts, deeds and things as are necessary and/or expedient in order to give full effect to the Proposed Alteration with full powers to assent to any conditions, modifications and/or amendments as may be required by any relevant authorities or third parties to give effect to the Proposed Alteration." **Special Resolution 1**

11. To transact any other business of which due notice shall have been given in accordance with the Act.

FURTHER NOTICE IS HEREBY GIVEN THAT for the purpose of determining a member who shall be entitled to attend this 27th AGM, the Company shall be requesting Bursa Malaysia Depository Sdn. Bhd. ("Bursa Depository") in accordance with Article 87(B)(1) of the Company's Articles of Association and Section 34(1) of the Securities Industry (Central Depositories) Act 1991 ("SICDA") to issue a General Meeting Record of Depositors ("ROD") as at 11 December 2017. Only a depositor whose name appears on the ROD as at 11 December 2017 shall be entitled to attend the said Meeting or appoint proxy/proxies to attend and/or vote on his/her behalf.

NOTICE ON ENTITLEMENT AND PAYMENT OF FINAL DIVIDEND

NOTICE IS ALSO HEREBY GIVEN THAT subject to the approval of Members at the 27th AGM to be held on 18 December 2017, a final single-tier dividend of 44.0 sen per ordinary share for the Financial Year ended 31 August 2017 will be paid on 29 December 2017 to Depositors whose names appear in the ROD on 21 December 2017.

FURTHER NOTICE IS HEREBY GIVEN THAT a Depositor shall qualify for entitlement to the dividend only in respect of:

(a) shares transferred into the Depositor's securities account before 4.00 p.m. on 21 December 2017 in respect of ordinary transfers; and
(b) shares bought on BMSB on a cum entitlement basis according to the Rules of the BMSB.

BY ORDER OF THE BOARD

NORAZNI BINTI MOHD ISA
(LS 0009635)
Company Secretary

Kuala Lumpur
21 November 2017

EXPLANATORY NOTES ON ORDINARY BUSINESSES:

(i) **Agenda No. 1** is meant for discussion only as the provision of Section 340(1)(a) of the Act does not require shareholders' approval for the Audited Financial Statements. As such, it is not put forward for voting.

(ii) **Ordinary Resolution 1 – Final Single-Tier Dividend**

Pursuant to Section 131 of the Act, a Company may only make a distribution to the shareholders out of profits of the Company available if the Company is solvent. On 31 October 2017, the Board had considered the amount of final single-tier dividend to be paid and resolved to recommend the same for the shareholders' approval in accordance with Article 156 of the Company's Articles of Association.

The Directors are satisfied that the Company will be solvent as it will be able to pay its debts as and when the debts become due within 12 months immediately after the distribution to be made on 29 December 2017 in accordance with Sections 132(2) and 132(3) of the Act.

(iii) **Ordinary Resolutions 2-6 – Proposed Re-election of Directors in accordance with Article 133 & 135 of the Company's Articles of Association**

Article 133 of the Company's Articles of Association provides among others, that the Directors shall have power at any time and from time to time to appoint any other person to be a Director of the Company either to fill a casual vacancy or as an addition to the existing Directors. Any Director so appointed shall hold office only until the next following AGM of the Company and shall then be eligible for re-election.

Article 135 of the Company's Articles of Association provides among others, that one-third (1/3) of the Directors at the time being of whom have been longest in office shall retire by rotation at the AGM of the Company and shall be eligible for re-election.

The Board and Board Nomination and Remuneration Committee ("BNRC") have conducted an assessment on the independence of all Independent Directors including Juniwati Rahmat Hussin, Badrul Ilahan bin Abd Jabbar and Tan Sri Dato' Seri Chor Chee Heung and are satisfied that they have complied with the independence criteria as required by the MMLR and continue to bring independent and objective judgment to the Board deliberations.

The Board and BNRC have also considered the evaluation of Juniwati Rahmat Hussin, Badrul Ilahan bin Abd Jabbar and Tan Sri Dato' Seri Chor Chee Heung and agree that they have met the Board's expectation in terms of experience, expertise, integrity, competency and commitment by continuously performing their duties diligently as Directors of the Company.

Datuk Seri Ir. Azman bin Mohd, an Appointed Director by the Minister of Finance (Incorporated) ("MoF Inc."), the Special Shareholder of TNB and Amran Hafiz bin Affifudin, an Appointed Director by Khazanah Nasional Berhad, a Major Shareholder of TNB, both are also standing for re-election.

(iv) **Ordinary Resolution 7 – Proposed Re-appointment of Director**

At the 26th AGM duly held on 15 December 2016, the re-appointment of Tan Sri Leo Moggie and Tan Sri Dato' Seri Siti Norma binti Yaakob were approved by the shareholders for continuation in office until the conclusion of the 27th AGM pursuant to Section 129(6) of the Companies Act 1965.

With the enforcement of the Act with effect from 31 January 2017 and the abolishment of the Companies Act 1965, there is no age limit imposed for the Directors. The Ordinary Resolution 7 is tabled to seek the shareholders' approval for the continuation in office of Tan Sri Leo Moggie upon the expiry of his term of office. Should this resolution be passed, he shall thereafter be subject to retirement by rotation.

Tan Sri Leo Moggie is an Appointed Director by the MoF Inc., the Special Shareholder of TNB. Tan Sri Leo Moggie's extensive knowledge, experience and reputation in the energy-related industry are incomparable. He is also the Chairman of the Board Finance and Investment Committee and of several subsidiaries within TNB Group.

With the adoption of the Board's nine (9) year policy pursuant to the Malaysian Code on Corporate Governance 2017, Tan Sri Dato' Seri Siti Norma binti Yaakob has expressed her intention of not to seek for re-appointment and shall retain office until the conclusion of the 27th AGM of the Company.

The Board and BNRC hereby recommend for the re-election and re-appointment of the abovementioned Directors.

(v) **Non-Executive Directors' Remuneration**

Section 230(1) of the Act stipulates among others that the fees and any benefits payable to the Directors of a listed company and its subsidiaries shall be approved at a general meeting. As agreed by the Board, the shareholders' approval shall be sought at the 27th AGM on the Non-Executive Directors' remuneration through two (2) separate resolutions as follows:

Ordinary Resolution 8 on payment of Non-Executive Directors' fees in respect of the preceding Financial Year 2017; and

Ordinary Resolution 9 on the payment of benefits to the Non-Executive Directors amounting to RM3,003,000.00 from 31 January 2017 until the conclusion of the next AGM of the Company.

The existing remuneration policy of Non-Executive Directors, last reviewed in 2013 is as follows:

Description	TNB Board		TNB Subsidiaries	
	Chairman	Non-Executive Directors	Chairman	Non-Executive Directors
Monthly fixed fees	RM30,000 per month	RM20,000 per month	Category I – RM7,000 Category II – RM5,000	Category I – RM5,000 Category II – RM3,000
*Meeting Allowances (per meeting): (i) Board (ii) Board Committees	 RM2,500 RM2,000	 RM2,000 RM1,500	 RM1,500 RM1,000	 RM1,000 RM800
Benefits	Medical, Insurance, Business Peripherals, Travelling & Communication and other claimable benefits			

* subject to not more than three (3) payments in a month.

In determining the estimated total amount of other benefits payable, the Board has considered various factors including the number of scheduled and special meetings for the Board and Board Committees.

Payment of Non-Executive Directors' benefits will be made by the Company and its subsidiaries on a monthly basis and/or as and when incurred, provided that the proposed Ordinary Resolution 9 be passed at the 27th AGM. The Board is of the view that it is just and equitable for the Non-Executive Directors' fees to be paid on monthly basis and/or as and when incurred, after the Non-Executive Directors have discharged their responsibilities and rendered their services to the Company.

(vi) **Ordinary Resolution 10 – Re-appointment of Auditors**

Based on the External Auditors Assessment Result for the Financial Year under review, the Board and Board Audit Committee are satisfied with the quality of service, adequacy of resources provided, communication, interaction skills and independence, objectivity and professionalism demonstrated by the External Auditors in carrying out their functions. Being satisfied with the External Auditors' performance, the Board recommends their re-appointment for shareholders' approval at the forthcoming AGM.

EXPLANATORY NOTES ON SPECIAL BUSINESSES:

(i) **Ordinary Resolution 11 – Proposed Renewal of Share Buy-Back Authority**

The proposed Ordinary Resolution, if passed, is to empower the Directors to purchase the Company's shares of up to 10% of the issued share capital of the Company by utilising the funds allocated out of the retained profits of the Company. This authority, unless revoked or varied at a general meeting, will expire at the next AGM of the Company.

The details of the Proposed Renewal of Share Buy-Back Authority is set out in the Statement to Shareholders dated 21 November 2017 dispatched together with the 2017 Integrated Annual Report.

(ii) **Special Resolution 1 – Proposed Alteration**

The proposed Special Resolution, if passed, shall streamline the Company's Constitution to be aligned with the enforcement of the Act and to enhance administrative efficiency. The details of Proposed Alteration is set out in Appendix II of the Circular to Shareholders dated 21 November 2017 dispatched together with the 2017 Integrated Annual Report.

Additional Information on Ordinary Resolutions 2 to 7

Additional Information on the particulars of the retiring Directors, as required under Appendix 8A of the MMLR is detailed out in the Statement Accompanying Notice of 27th AGM in the 2017 Integrated Annual Report.

NOTES:

1. A member of a Company shall be entitled to appoint another person as his/her proxy to exercise all or any of his/her rights to attend, participate, speak and vote at a meeting of members of the Company, in accordance with Section 334(1) of the Act.
2. Only members whose names appear in the ROD as at 11 December 2017 shall be entitled to attend the AGM or appoint proxy(ies) to attend and/or vote on their behalf. There shall be no restriction as to the qualification of a proxy.
3. Where a member is an authorised nominee as defined in accordance with the provisions of the SICDA, it may appoint up to two (2) proxies in respect of each Securities Account it holds with ordinary shares in the Company standing to the credit of the said Securities Account.
4. A member entitled to attend and vote at the Meeting is entitled to appoint not more than two (2) proxies to attend and vote on his/her behalf. Where a member appoints two (2) proxies, the appointments shall be invalid unless the proportion of the shareholdings to be represented by each proxy is specified.
5. The Instrument appointing a proxy/Proxy Form shall be in writing under the hand of the appointer or of his attorney duly appointed under a power of attorney. Where the instrument appointing a proxy/Proxy Form is executed by a corporation, it shall be executed either under its common seal or under the hand of any officer or attorney duly appointed under a power of attorney.
6. A corporation which is a member may by resolution of its Directors or other governing body authorise such person as it thinks fit to act as its representative at the Meeting in accordance with Article 107(6) of the Company's Articles of Association.
7. Duly completed Proxy Form must be deposited at Symphony Share Registrars Sdn. Bhd., Level 6, Symphony House, Pusat Dagangan Dana 1, Jalan PJU 1A/46, 47301 Petaling Jaya, Selangor Darul Ehsan, Malaysia not less than twenty-four (24) hours before the time appointed for the taking of the poll or no later than 17 December 2017 at 12.00 p.m.
8. Pursuant to Paragraph 8.29A of the MMLR, voting at the 27th AGM of the Company will be conducted by poll. Poll Administrator and Independent Scrutineers will be appointed respectively to conduct the polling/e-voting process and to verify the results of the poll.

Registration of Members/Proxies

Registration of members/proxies attending the Meeting will start from 7.00 a.m. on the day of the Meeting and shall remain open until such time as may be determined by the Chairman of the Meeting. At the closure thereof, no person will be allowed to register for the Meeting nor enter the Meeting venue. Members/proxies are required to produce identification documents for registration.