

OTHERS TNB POWER GENERATION SDN BHDS LODGEMENT OF AN ISLAMIC MEDIUM TERM NOTES PROGRAMME OF UP TO RINGGIT MALAYSIA TEN BILLION (RM10,000,000,000.00) IN NOMINAL VALUE BASED ON THE SHARIAH PRINCIPLE OF WAKALAH BI AL-ISTITHMAR ("SUKUK WAKALAH PROGRAMME")

TENAGA NASIONAL BHD

Type	Announcement
Subject	OTHERS
Description	TNB POWER GENERATION SDN BHDS LODGEMENT OF AN ISLAMIC MEDIUM TERM NOTES PROGRAMME OF UP TO RINGGIT MALAYSIA TEN BILLION (RM10,000,000,000.00) IN NOMINAL VALUE BASED ON THE SHARIAH PRINCIPLE OF WAKALAH BI AL-ISTITHMAR ("SUKUK WAKALAH PROGRAMME")

1. INTRODUCTION

On behalf of TNB's Board of Directors, Maybank Investment Bank Berhad ("**Maybank IB**") is pleased to announce that TNB Power Generation Sdn. Bhd. (the "**Issuer**" or "**TPGSB**"), a wholly-owned subsidiary of TNB had on 5 April 2022 lodged the Sukuk Wakalah Programme with the Securities Commission Malaysia ("**SC**") pursuant to the SC's Guidelines on Unlisted Capital Market Products under the Lodge and Launch Framework ("**LOLA Guidelines**").

2. DETAILS OF THE SUKUK WAKALAH PROGRAMME

The Sukuk Wakalah Programme shall have a tenure of 30 years from the date of the first issue of Sukuk Wakalah under the Sukuk Wakalah Programme which shall be made within 90 business days from the date of the lodgment with the SC (or such other extended dates approved by the SC). The tenure of each Sukuk Wakalah to be issued under the Sukuk Wakalah Programme shall be between 1 year and up to 30 years, provided that no Sukuk Wakalah shall mature after the expiry of the Sukuk Wakalah Programme.

The Sukuk Wakalah Programme will also give the Issuer the flexibility to issue Sukuk Wakalah which complies with any one or more of the following guidelines, standards or principles, as amended from time to time:

- (i) the Sustainable and Responsible Investment Sukuk provisions under the SC's LOLA Guidelines;
- (ii) the ASEAN Green Bond Standards issued by the ASEAN Capital Markets Forum ("**ACMF**");
- (iii) the ASEAN Social Bond Standards issued by the ACMF;
- (iv) the ASEAN Sustainability Bond Standards issued by the ACMF;
- (v) the Green Bond Principles issued by the International Capital Market Association ("**ICMA**");

(vi) the Social Bond Principles issued by the ICMA;

(vii) the Sustainability Bond Guidelines issued by the ICMA; and/or

(viii) such other related guidelines or principles or frameworks or standards, whether or not having the force of law, in relation to sustainability/social/green bonds issued from time to time.

(collectively, the “**Sustainability Guidelines/Framework**”).

Any Sukuk Wakalah issued under such Sustainability Guidelines/Frameworks shall be referred to as “**Sustainability Sukuk Wakalah**”.

The Sukuk Wakalah Programme has been assigned a preliminary rating of AAAIS by MARC Ratings Berhad.

3. UTILISATION OF PROCEEDS

Sukuk Wakalah

The proceeds from the issuance of the Sukuk Wakalah under the Sukuk Wakalah Programme (other than the Sustainability Sukuk Wakalah) shall be utilised by the Issuer to finance Shariah-compliant capital expenditure, investment, general corporate purposes, working capital requirements and/or refinance any existing conventional borrowing and/or existing/future Islamic financing facilities of the Issuer and/or its subsidiaries and/or to defray any fees and expenses of the Sukuk Wakalah Programme.

Sustainability Sukuk Wakalah

The proceeds raised from the issuance of the Sustainability Sukuk Wakalah under the Sukuk Wakalah Programme shall be utilised by the Issuer for the eligible projects that meet the criteria as set out in the TPGSB Sustainability Sukuk Framework (which will be made available on TPGSB’s website at <https://tnbgenco.com.my>), and which is consistent with the applicable Sustainability Guidelines/Frameworks (including the eligible Sustainable and Responsible Investment projects as set out under paragraph 7.08, Chapter 7, Part 3 of Section B of the LOLA Guidelines) under which such Sustainability Sukuk Wakalah are issued as further set out in the relevant Sustainability Sukuk Wakalah issuance documents.

For the avoidance of doubt, the proceeds raised from issuance of Sukuk Wakalah and Sustainability Sukuk Wakalah under the Sukuk Wakalah Programme shall at all times be for Shariah-compliant purposes.

4. RATIONALE FOR THE SUKUK WAKALAH PROGRAMME

The Sukuk Wakalah Programme will provide TPGSB with the flexibility to time its fund-raising exercises with varying nominal value and tenures for optimal asset-liability matching. TPGSB will also be able to access to diversified pool of investors in local capital markets.

The Sukuk Wakalah Programme will also allow TPGSB to fund eligible projects that meet the criteria as set out in the TPGSB Sustainability Sukuk Framework, in support of TNB's sustainability pathway with an aspiration to achieve net zero emissions by 2050.

5. APPROVALS OBTAINED FOR THE SUKUK WAKALAH PROGRAMME

- (i) Endorsement by the SC's Shariah Advisory Council obtained on 14 March 2022; and
- (ii) Lodgement with the SC made on 5 April 2022.


6. INTEREST OF DIRECTORS AND/OR MAJOR SHAREHOLDERS AND PERSONS CONNECTED WITH THEM

None of TNB's Directors, major shareholders and/or persons connected with them has any interest, direct or indirect, in the Sukuk Wakalah Programme.

7. ADVISERS

CIMB Investment Bank Berhad and Maybank IB are the Joint Principal Advisers, Joint Lead Arrangers and Joint Sustainability Framework Advisers for the Sukuk Wakalah Programme as well as the Joint Lead Managers for the first issuance of Sukuk Wakalah to be made under the Sukuk Wakalah Programme. CIMB Islamic Bank Berhad and Maybank Islamic Berhad are the Joint Shariah Advisers for the Sukuk Wakalah Programme.

This announcement is dated 5 April 2022.

 Announcement Info	
Company Name	TENAGA NASIONAL BHD
Stock Name	TENAGA
Date Announced	05 Apr 2022
Category	General Announcement for PLC
Reference Number	GA1-05042022-00071