

OTHERS NOTICES OF ASSESSMENT RECEIVED FROM INLAND REVENUE BOARD OF MALAYSIA ("IRB") BY KAPAR ENERGY VENTURES SDN. BHD. ("KEV")

TENAGA NASIONAL BHD

Type	Announcement
Subject	OTHERS
Description	NOTICES OF ASSESSMENT RECEIVED FROM INLAND REVENUE BOARD OF MALAYSIA ("IRB") BY KAPAR ENERGY VENTURES SDN. BHD. ("KEV")

Tenaga Nasional Berhad ("TNB") wishes to announce that on 1 November 2021, Kapar Energy Ventures Sdn. Bhd. ("KEV"), a 60% subsidiary of TNB Power Generation Sdn. Bhd., the latter being a wholly owned subsidiary of TNB, received notices of assessment for the years of assessment ("YAs") 2011, 2012 and 2014 and notices of additional assessment for the YAs 2013, 2015, 2016, 2017 and 2018 all dated 29 October 2021 amounting in aggregate to RM595,948,256.18.

The Inland Revenue Board of Malaysia ("IRB") took the position that the Redeemable Unsecured Loan Stock ("RULS") granted to KEV by TNB and Malakoff Corporation Berhad to finance the acquisition and operation of Stesen Janaelektrik Sultan Salahuddin Abdul Aziz, Kapar should be treated as an equity transaction and thus, capital in nature. Consequent to this, the interest expenses incurred by KEV in relation to the RULS are not allowed by the IRB as expenses deductible under Section 33(1)(a) of the Income Tax Act 1967.

Furthermore, the IRB had also disallowed KEV's revision of revenue for the YAs 2004 to 2009.

Based on the legal advice obtained from its tax solicitors, KEV is of the view that it has a good basis in law to contend that the said assessments were incorrectly raised by the IRB.

The Board of KEV is currently deliberating on the next course of action. TNB shall make further announcements on any material development in respect of the foregoing.

This announcement is dated 5 November 2021.

Announcement Info

Company Name	TENAGA NASIONAL BHD
Stock Name	TENAGA
Date Announced	05 Nov 2021
Category	General Announcement for PLC
Reference Number	GA1-05112021-00006