

OTHERS ACQUISITION OF 49% STAKE IN BLYTH OFFSHORE DEMONSTRATOR LIMITED ("BODL") IN UNITED KINGDOM FROM EDF RENEWABLES

TENAGA NASIONAL BHD

Type	Announcement
Subject	OTHERS
Description	ACQUISITION OF 49% STAKE IN BLYTH OFFSHORE DEMONSTRATOR LIMITED ("BODL") IN UNITED KINGDOM FROM EDF RENEWABLES

Tenaga Nasional Berhad ("TNB") wishes to announce that it has, via its wholly-owned subsidiary, Vantage RE Ltd. ("Vantage RE"), completed its acquisition of a 49% stake in Blyth Offshore Demonstrator Limited ("BODL") from EDF Renewables, the renewable energy ("RE") arm of French state-owned utility company, Électricité de France ("EDF") (herein after referred to as the "Acquisition").

BODL is an entity which currently owns an operating offshore wind asset comprising five (5) turbines with installed capacity of 41.5MW ("Blyth 1"), and development rights for an innovative floating offshore wind project of up to 58.4MW ("Blyth 2") located off the Northumberland coast in England.

The Acquisition showcases TNB's capability in delivering its Sustainability Pathway aspiration, thus accelerating its global Environmental, Social and Governance ("ESG") drive. As announced recently, TNB aspires to achieve net zero emissions by 2050, and this is underpinned by a commitment to reduce 35% of its emissions intensity as well as 50% of its coal generation capacity by 2035.

The Acquisition also marks TNB's maiden entry into the UK offshore wind market. This new strategic partnership provides a platform for TNB to learn and benefit from EDF Renewables' vast experience and capabilities in the offshore wind sector for future growth across TNB's focus markets, mainly in the UK, Europe and Southeast Asia.

The Acquisition will not have any effect on the share capital, substantial shareholders' shareholdings and further is not expected to have a material effect on the net assets and gearing of TNB.

None of the Directors or Major Shareholders of TNB and/or persons connected with them have any interest, direct or indirect, in relation to the Acquisition.

Please refer to the press release for further details of the Acquisition.

This announcement is dated 20 October 2021.

INFORMATION ON ENTITIES

1. Tenaga Nasional Berhad

Tenaga Nasional Berhad ("TNB") is a leading Malaysian utility company in Asia with an international presence in the United Kingdom, Kuwait, Turkey, Saudi Arabia, Pakistan and India. Within the renewable energy space, as of 2020, TNB has a total portfolio of 2,732.3MW in Malaysia (including 2,536.1MW of large hydro) and 666MW across the UK, Turkey and India comprising mainly solar, wind and hydro energy generation assets.

TNB's core activities are in the generation, transmission, and distribution of electricity. In addition to being the nation's primary electricity generation enterprise, TNB also transmits and distributes all the electricity in Peninsular Malaysia, Sabah and Federal Territory of Labuan. As at 30 September 2020, TNB supplies electricity to approximately 10 million customers.

TNB, through its subsidiaries, is also involved in the manufacturing of transformers, high voltage switchgears and cables; the provider of professional consultancy services, construction, operating and maintenance of district cooling facilities, generation equipment, repair and maintenance, fuel supply services; services related to renewable energy, energy efficiency and power quality; higher education and skill training and undertakes research and development.

As an integrated electricity provider, TNB has and will continue to meet its crucial role in powering the nation's progress.

2. Vantage RE Ltd.

The company, Vantage RE Ltd. ("Vantage RE") has been established to own, operate and manage a portfolio of renewable energy ("RE") assets in the United Kingdom ("UK") and Europe. Headquartered in London, Vantage RE's portfolio consists of solar and onshore wind assets and today, it has further grown the portfolio with the addition of offshore wind assets, making up a total of capacity close to 450MW.

3. EDF

The selling party of Blyth Offshore Demonstrator Limited ("BODL") is EDF EN UK Limited which is a wholly-owned subsidiary of EDF Renewables, which in turn is a wholly-owned subsidiary of the French utility company, Électricité de France ("EDF"). Headquartered in Paris, with EUR 70 billion in revenues in 2020, EDF operates a diverse portfolio of around 120 gigawatts of generation capacity in Europe, South America, North America, Asia, the Middle East, and Africa.

Please refer attachment below.

Attachments



[TNB FORAYS INTO UK OFFSHORE WIND. VANTAGE RE FORMS STRATEGIC PARTNERSHIP WITH EDF RENEWABLES.pdf](#)
324.2 kB

Announcement Info

Company Name	TENAGA NASIONAL BHD
Stock Name	TENAGA
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TNB FORAYS INTO UK OFFSHORE WIND, VANTAGE RE FORMS STRATEGIC PARTNERSHIP WITH EDF RENEWABLES

Tenaga Nasional Berhad (TNB)'s wholly-owned subsidiary, Vantage RE Ltd. (Vantage RE) has signed a Share Purchase Agreement (SPA) to acquire a 49% stake in an offshore wind farm company, Blyth Offshore Demonstrator Limited (BODL) from EDF Renewables (EDFR), a subsidiary of the French utility company, Électricité de France (EDF).

Vantage RE was launched on 1 July 2021 to own, operate and manage TNB's portfolio of renewable energy (RE) assets in Europe.

The acquisition marks TNB's maiden entry into the international offshore wind market as BODL currently owns offshore wind assets off the coast of Blyth, Northumberland, England. The assets include five turbines with a total installed capacity of 41.5MW ("Blyth 1") and further development rights for a floating offshore wind project of up to 58.4MW ("Blyth 2") located off the Northumberland coast.

The five 8.3MW turbines of Blyth 1 are installed with gravity-based foundations, which use a concrete load to keep the turbines securely in place without penetrating the seabed. The wind farm has been in operation since 2017 under the Renewable Obligation Certificates (ROC) subsidy regime that is expected to provide stable revenues. Blyth 2 is an innovative floating offshore wind project currently in the early stage of development.

"This landmark acquisition is one of the planned strategic acquisitions for TNB to accelerate its journey in delivering on its global Environmental, Social and Governance (ESG) vision," said TNB's President and Chief Executive Officer (CEO), Datuk Ir. Baharin Din. "We have recently announced our Sustainability Pathway, a blueprint with an aspiration to achieve net zero emissions by 2050. The Pathway is underpinned by our commitment to reduce 35% of TNB's emissions intensity as well as 50% of our coal generation capacity by 2035."

Acknowledging EDFR's long-standing know-how and expertise in developing and operating major renewable energy projects, he said, "similar to EDFR, TNB shares the aspiration to continue driving sustainable development for its stakeholders by delivering reliable and affordable energy, embracing innovation and the energy transition as well as providing future generations with the means to power their lives in the most economic, environmental and socially responsible ways possible."



S.A. 2021/10/128 (HQ)

He added that TNB aims to grow its RE capacity to 8,300MW by 2025. “We believe this partnership will give us an edge in an increasingly competitive industry as we look to rapidly scale up our global RE portfolio and strengthen our position in the future energy landscape.”

Baharin expressed confidence that the strategic partnership would allow the Group to fully benefit from EDFR’s extensive experience in the offshore wind sector across TNB’s focus markets, mainly UK, Europe and Southeast Asia. “It not only sets the pace for Vantage RE to grow in the UK and Europe, but also provides a solid pathway for TNB to accelerate its ambition to be a leading provider of sustainable energy solutions.” Involvement in the UK offshore wind sector will allow TNB to capitalise on the vast experience of the existing Vantage RE management, broaden its technology know-how and provide further capability and talent development within the Group.

Bruno Bensasson, EDF Group Senior Executive Vice President Renewable Energies, Chairman and CEO of EDFR declared, “As an international low carbon energy leader, EDF Group is committed to contribute to the sector technological evolution and competitiveness. We are very pleased to seal this partnership with Tenaga Nasional Berhad on Blyth, a UK demonstrator site dedicated to offshore wind energy solutions. TNB and EDF share the same ambition to contribute to a low carbon society. Therefore, beyond this first partnership, we envisage further cooperation on low carbon electricity generation in the European continent, as Blyth, and in Asia.”

TNB has been investing in the UK’s solar and wind sectors since 2017 and with the latest addition, TNB will be operating close to 450MW of RE investments (wind and solar farms) in the country.

Released in Kuala Lumpur on 20 October 2021

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About TNB

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About EDF Renewables

EDF Renewables UK and Ireland (www.edf-re.uk) is part of one of the world's largest electricity companies and our investment and innovation is reducing costs for consumers and bringing significant benefits for communities. With our operating portfolio of 37 renewable energy sites including onshore and offshore wind (together totalling 1 GW) we are providing much needed affordable, low carbon electricity. We have an expanding portfolio with almost 5 GW of projects in planning and development, including wind, battery and solar PV.



CAPTION: Blyth Offshore Wind Farm



