

OTHERS ACQUISITION OF ADDITIONAL 5% EQUITY INTEREST IN JIMAH ENERGY VENTURES HOLDINGS SDN. BHD. AND 5% CLASS B NOTES ISSUED BY SPECIAL POWER VEHICLE BERHAD FROM MENTERI BESAR NEGERI SEMBILAN (INCORPORATION)

TENAGA NASIONAL BHD

Type	Announcement
Subject	OTHERS
Description	ACQUISITION OF ADDITIONAL 5% EQUITY INTEREST IN JIMAH ENERGY VENTURES HOLDINGS SDN. BHD. AND 5% CLASS B NOTES ISSUED BY SPECIAL POWER VEHICLE BERHAD FROM MENTERI BESAR NEGERI SEMBILAN (INCORPORATION)

Tenaga Nasional Berhad ("TNB") wishes to announce that it has today entered into Sale and Purchase Agreements with Menteri Besar Negeri Sembilan (Incorporation) for the acquisition of 5% Ordinary Shares in Jimah Energy Ventures Holdings Sdn. Bhd. and 5% Class B Notes issued by Special Power Vehicle Berhad ("the Acquisition") for a total consideration of RM80 million.

Please refer to the attachment for details of the Acquisition.

This announcement is dated 29 July 2020.

Please refer attachment below.

Attachments



[Acquisition Of Additional Equity Interest In JEVH And Class B Notes Issued By Special Power Vehicle Berhad From MBINS.pdf](#)

406.5 kB

Announcement Info

Company Name	TENAGA NASIONAL BHD
Stock Name	TENAGA
Date Announced	29 Jul 2020
Category	General Announcement for PLC
Reference Number	GA1-29072020-00021

TENAGA NASIONAL BERHAD

ACQUISITION OF ADDITIONAL 5% EQUITY INTEREST IN JIMAH ENERGY VENTURES HOLDINGS SDN. BHD. AND 5% CLASS B NOTES ISSUED BY SPECIAL POWER VEHICLE BERHAD FROM MENTERI BESAR NEGERI SEMBILAN (INCORPORATION)

1. INTRODUCTION

Tenaga Nasional Berhad (“**TNB**”) wishes to announce that it has today entered into Sale and Purchase Agreements (“**SPAs**”) with Menteri Besar Negeri Sembilan (Incorporation) (“**MBINS**”) for the acquisition of (i) 5% Ordinary Shares in Jimah Energy Ventures Holdings Sdn. Bhd. (“**JEVH**”) and (ii) 5% Class B Notes issued by Special Power Vehicle Berhad (“**the Acquisition**”) for a total consideration of RM80 million (“**Purchase Consideration**”).

As a background, JEVH was incorporated in 2003 and engaged principally in investment holding which currently hold 100% equity stake in Jimah Energy Ventures Sdn. Bhd. (“**JEV**”), a special purpose vehicle company which was incorporated for the development and operation of a conventional thermal coal fired power plant located at Jimah, Port Dickson, Negeri Sembilan. Edra Power Holdings Sdn. Bhd. (“**Edra**”) owns 75% interest in JEVH, while TNB and MBINS hold the remaining interest of 20% and 5% respectively.

Special Power Vehicle Berhad was incorporated in 2004 to raise financing facilities to fund the junior facility to partly finance the project of JEV via the issuance of Islamic Medium Term Notes (“**MTN**”) facility. The MTN facility comprises of Class A and Class B Notes whereby Class A Notes were subscribed by the banks involved in this financing while Class B Notes were subscribed by the shareholders of JEVH with the same shareholding structure, i.e. 75% by Edra via its subsidiaries, 20% by TNB and 5% by MBINS.

This is a voluntary announcement under Paragraph 10.05(2) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad.

2. PARTICULAR OF THE TRANSACTION

2.1 Salient Terms and Conditions of the SPAs for 5% Ordinary Shares and 5% Class B Notes

- (i) TNB acquires 5% of the entire Ordinary Shares in JEVH and 5% Class B Notes issued by Special Power Vehicle Berhad from MBINS for the Purchase Consideration.
- (ii) The Purchase Consideration shall be paid by TNB to MBINS on completion of the Acquisition.

- (iii) MBINS has provided customary representations and warranties in relation to its corporate authorisation in entering into the SPAs and performance of its obligation under the SPAs.

2.2 Sources of Fund

TNB will utilise its internal funds to pay the Purchase Consideration.

2.3 Liabilities to be assumed by TNB arising from the Acquisition

There is no liability, including contingent liabilities and guarantees to be assumed by TNB arising from the Acquisition.

3. DETAILS OF THE CONSIDERATION

Basis and Justification of arriving at the Purchase Consideration

The Purchase Consideration was derived upon:

- (i) a valuation on 5% Ordinary Shares by the external advisor pursuant to pre-emption rights under JEVH Shareholders Agreement;
- (ii) an internal valuation on 5% Class B Notes based on discounted cash flow method after taking into account the restriction on distribution to shareholders imposed in the existing financing documents.

4. FINANCIAL EFFECTS OF THE ACQUISITION

The Acquisition will not have any effect on the issued share capital, the substantial shareholdings and based on the latest consolidated statements of TNB for the financial year ended 31 December 2019, the Acquisition is not expected to have a material effect on the net assets and gearing of TNB.

5. INTEREST OF DIRECTORS, MAJOR SHAREHOLDERS AND PERSON CONNECTED

None of the Directors and/or major shareholders of the Company and/or any persons connected to them have any interest, direct or indirect, in the transaction.