



PRESS RELEASE

S.A. 2020/03/22 (HQ)

TNB ACQUIRES REMAINING 20% INTEREST IN UK RE SUBSIDIARIES

- acquired for GBP18.6 million cash
- impetus for growth strategy in the European RE market

Tenaga Nasional Berhad (TNB), via its wholly-owned subsidiary, Tenaga Wind Ventures UK Ltd (Tenaga Wind), had on 2nd March 2020 acquired the balance 20% interest in two United Kingdom renewable energy companies for GBP18.6 million cash.

The acquisition of GVO Wind Limited and Bluemerang Capital Limited is as initially agreed in the Share Purchase Agreements signed with the sellers, Georg von Opel and Tanzanite B.V. & Catalin Breaban, on 28th February, 2018.

With this acquisition, TNB now owns 100% asset and control over the two companies and their respective assets via Tenaga Wind.

These companies are the largest Feed-in Tariff (FiT) wind portfolio in the UK, comprising 53 operational onshore medium wind turbines with a total combined capacity of 26.1MW.

TNB CEO and president, Datuk Seri Amir Hamzah said the latest acquisition will form the base of TNB's international renewable energy (RE) business and will provide impetus for TNB's growth strategy in the European RE market going forward.

"The acquisition is in line with our strategy to grow the RE business leveraging on existing assets, capabilities and experience.

"This strategy involves TNB expanding its roles within the RE landscape and value chain, which includes developing, owning, operating and managing a portfolio of RE assets."

He disclosed that the initial acquisition (80 percent stake) has contributed positively to TNB's financials and strategic objectives.

TNB has actively managed the wind farm assets since its acquisition in 2018. The assets have performed positively, contributing RM76 million (GBP14.4 million) EBITDA in 2019.

The assets have shown tremendous growth from 62% EBITDA margin at acquisition to 74% EBITDA margin in 2019.

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CAPTION:

TNB's wind turbine in Lancashire, England. Both RE subsidiaries are the largest Feed-in Tariff wind portfolio in the UK – comprising 53 operational onshore medium wind turbines with a total combined capacity of 26.1MW.

