



PRESS RELEASE

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TNB DIVESTS 100% STAKE IN TNB POWER DAHARKI LTD TO ACCELERATE RENEWABLE ENERGY GROWTH IN FOCUS MARKETS

Tenaga Nasional Berhad (TNB) has successfully completed the divestment of 100% stake in its wholly owned subsidiary, TNB Power Daharki Ltd (TPD) (which in turn owns 100% stake in TNB Liberty Power Limited (LPL)) to AsiaPak Investments Limited (AsiaPak), a private investment company based in Pakistan and Hong Kong, for a total consideration of USD54.5 million.

TPD is the holding company of LPL which owns and operates a 235MW combined-cycle gas turbine power plant that was commissioned 20 years ago in 2001, with a power purchase agreement expiring in September 2026. The asset, located in Sindh province, Pakistan, was one of TNB's first international ventures.

TPD's divestment, right after the divestment of TNB's compulsorily convertible debentures in India last August, marks another significant step in TNB's strategy to streamline its international portfolio by prioritising growth of renewable energy (RE) in TNB's focus markets such as the United Kingdom (UK), Europe and Southeast Asia (SEA). It also stems from TNB's initiatives to seek monetisation options for its assets in non-focus markets and redeploy the proceeds into growing TNB's overall RE portfolio. This strengthens TNB's shift to widen and deepen its sustainability initiatives by accelerating international RE business growth which in turn serves as the pathfinder for green technologies that TNB can adopt in Malaysia.

"The divestment of TPD and LPL manifests one of the planned strategic initiatives for TNB to focus on its growth markets while 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."

Baharin stated that the divestment, amid a challenging economic environment aggravated by Covid-19, is a clear demonstration of TNB's resilience and drive to preserve the value of the company's investments. In addition, it will move TNB a step closer to transitioning towards a new energy future of low-carbon generation consistent with its Sustainability Pathway and overall ESG vision.

Acknowledging the learnings accumulated from the investment and subsequent divestment of TPD and LPL, he said, "Throughout the process, we have gained extensive and valuable experience in developing and operating a greenfield asset in an emerging country. The on-the-ground experience has indeed provided us with substantial in-house expertise, backed by a clear understanding on what it takes to pursue greenfield development and operate assets in foreign markets and challenging environments. We intend to draw upon these learnings for our future greenfield developments in other focus markets."

Shaheryar Chishty, AsiaPak's Chief Executive Officer meanwhile said, "It was a privilege to have partnered with TNB on this transaction. Our shared goal in completing this divestment played a significant role in ensuring the success of this transaction. Furthermore, we are confident that TNB's stewardship of LPL over the years has preserved the quality of LPL's operational performance and benefited all of LPL's stakeholders."

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*Kindly forward all press enquiries to Norfadzilah Shaary at 019-3369681/
Grace Tan at 016-6626229/ Fazreen Eksan at 019-3160401
or email us at media@tnb.com.my*

About Tenaga Nasional Berhad

Tenaga Nasional Berhad (TNB) (www.tnb.com.my) 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 October 2021, TNB has a total portfolio of 2,766.9MW in Malaysia (including 2,536.1MW of large hydro) and 708.1MW across the UK, Turkey and India comprising mainly solar, wind and hydro energy generation assets.

About AsiaPak Investments Limited

AsiaPak Investments Limited (AsiaPak) is a private investment company based in Lahore, Pakistan and Hong Kong. AsiaPak has extensive experience in identifying, acquiring and operating businesses in Pakistan, with a focus on the energy and infrastructure sectors. AsiaPak, through itself and its portfolio companies, has over 9,000 employees in Pakistan and a proven track record of successfully managing relations with the government, regulators, international financing partners, employees and unions, as well as other key stakeholders. As at 2020, it has raised over USD3.1 billion of capital for its projects and assets in Pakistan.



TNB's President and Chief Executive Officer (CEO), Datuk Ir. Baharin Din