



NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT an **Extraordinary General Meeting (“EGM”)** of Tenaga Nasional Berhad (“TNB” or “Company”) will be held at Dewan Serbaguna, Kompleks Sukan TNB, Jalan Pantai Baru, 59200 Kuala Lumpur, Malaysia on **Thursday, 18 December 2014 at 12.00 p.m.**, or immediately following the conclusion or adjournment of the 24th Annual General Meeting which will be held at the same venue and on the same day at 10.00 a.m. for the purpose of considering and, if thought fit, passing, with or without modifications, the following resolutions:

ORDINARY RESOLUTION 1

PROPOSED ESTABLISHMENT OF A LONG TERM INCENTIVE PLAN FOR THE ELIGIBLE EMPLOYEES OF TNB AND ITS SUBSIDIARIES AND EXECUTIVE DIRECTORS OF TNB (“PROPOSED LTIP”)

“THAT subject to the approvals of all relevant regulatory authorities for the Proposed LTIP being obtained and to the extent permitted by law and the Memorandum and Articles of Association of TNB, the Board of Directors of TNB (“Board”) be and is hereby authorised:

- (i) to establish, implement and administer the Proposed LTIP which comprises the share grant for the benefit of the employees of TNB and its subsidiaries (excluding subsidiaries which are dormant) (“TNB Group”) and Executive Directors of TNB who fulfill the criteria of eligibility for participation in the Proposed LTIP (“Eligible Employees”) and who are selected by a committee established to administer the Proposed LTIP to be offered a grant (“Selected Employees”) in accordance with the By-Laws of the Proposed LTIP (“By-Laws”) set out in Appendix I of the Circular to Shareholders dated 21 November 2014;
- (ii) to allot and issue from time to time such number of new ordinary shares of RM1.00 each in TNB (“TNB Shares”) as may be required to be issued to the Selected Employees who have accepted the grant (“Grants”) pursuant to the vesting of the Grants under the Proposed LTIP, provided always that the total number of new TNB Shares to be allotted and issued shall not in aggregate exceed 10% of the issued and paid-up ordinary share capital of TNB (excluding treasury shares) at any point in time during the duration of the Proposed LTIP and that such new TNB Shares shall, upon allotment and issuance, rank equally in all respects with the then existing issued TNB Shares, save and except that they shall not be entitled to any dividends, rights, allotments and/or any other distributions, for which the entitlement date is prior to the date on which the new TNB Shares are credited into the central depository system accounts of the respective Selected Employees who have accepted the Grants, upon vesting of their Grants under the Proposed LTIP;
- (iii) to add, modify and/or amend the Proposed LTIP, By-Laws and all rules, regulations and administration relating to the Proposed LTIP and/or the administration thereof, from time to time as may be permitted by the authorities or deem necessary by the relevant regulatory authorities or the Board or any committee established to administer the Proposed LTIP, provided that such additions, modifications, and/or amendments are effected and permitted in accordance with the provisions of the By-Laws; and
- (iv) to do all such acts and things and to execute all such documents and enter into all such transactions, arrangements and agreements, deeds or undertakings, to make such rules or regulations, or impose such terms and conditions or delegate part of its power and to generally exercise such powers and perform such acts as may be necessary or expedient in order to give full effect to the Proposed LTIP and the terms of the By-Laws;

THAT the Board be and is hereby authorised to give effect to the Proposed LTIP with full power to consent to and to adopt such conditions, modifications, variations and/or amendments (including adopting such modifications, variations and/or amendments to the By-Laws as set out in Appendix I of the Circular to Shareholders dated 21 November 2014) as it may deem fit and/or as may be required by the relevant regulatory authorities;

AND THAT the proposed By-Laws of the Proposed LTIP, as set out in Appendix I of the Circular to Shareholders dated 21 November 2014, which is in compliance with the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, be and is hereby approved.”

ORDINARY RESOLUTION 2

PROPOSED GRANT TO DATUK SERI IR. AZMAN BIN MOHD (“PROPOSED GRANT”)

“THAT subject to the passing of Ordinary Resolution 1 and the approvals of all relevant regulatory authorities for the Proposed LTIP, the Board (save for Datuk Seri Ir. Azman bin Mohd) be and is hereby authorised at any time and from time to time, to cause or procure the offering and the allocation to Datuk Seri Ir. Azman bin Mohd, the President/Chief Executive Officer of the Company, of up to 3,900,000 TNB Shares under the Proposed LTIP as they shall deem fit, which will be vested to him at a future date, subject always to such terms and conditions of the By-Laws;

AND THAT the Board be and is hereby authorised to allot and issue new TNB Shares pursuant to the Proposed LTIP to him from time to time pursuant to the vesting of his Grant.”

BY ORDER OF THE BOARD

Norazni binti Mohd Isa

(LS 0009635)

Company Secretary

Kuala Lumpur

21 November 2014

Notes:

1. Only members registered in the Record of Depositors as at 11 December 2014 shall be eligible to attend the EGM or appoint proxy to attend and vote on their behalf.
2. A proxy may but need not be a member of the Company and the provisions of Section 149(1)(b) of the Companies Act, 1965 shall not apply to the Company.
3. A member shall not be entitled to appoint more than two (2) proxies to attend and vote at the Meeting provided that, where a member is an authorised nominee as defined in accordance with the provisions of the Securities Industry (Central Depositories) Act, 1991, it may appoint up to two (2) proxies in respect of each Securities Account it holds with ordinary shares in the Company standing to the credit of the said Securities Account.
4. Where a member appoints two (2) proxies, the appointment shall be invalid unless the proportion of the shareholdings to be represented by each proxy is specified.
5. The instrument appointing a proxy/Proxy Form shall be in writing under the hand of the appointor or of his attorney duly appointed under a power of attorney. Where the instrument appointing a proxy is executed by a corporation, it shall be executed either under its common seal or under the hand of any officer or attorney duly appointed under a power of attorney.
6. A corporation which is a member may by resolution of its Directors or other governing body authorise such person as it thinks fit to act as its representative at the Meeting in accordance with Article 107(f) of the Company's Articles of Association.
7. Duly completed Proxy Form must be deposited at Symphony Share Registrars Sdn. Bhd., Level 6, Symphony House, Pusat Dagangan Dana 1, Jalan PJU 1A/46, 47301 Petaling Jaya, Selangor Darul Ehsan not less than forty-eight (48) hours before the time set for the Meeting or **no later than 16 December 2014 at 12.00 p.m.**
8. Every question submitted to any general meeting shall be decided in the first instance by a show of hands by members present and being entitled to vote at the General Meeting and in the case of an equality of votes the Chairman (unless he is not the Chairman of the Board of Directors) shall, both on a show of hands by members present and being entitled to vote at the General Meeting and at a poll, have a casting vote in addition to the vote or votes to which he may be entitled as a member.
9. At any general meeting unless a poll is demanded by the Chairman or by at least five (5) members present in person or proxy and being entitled to vote at the General Meeting or attorney or by any member or members holding or representing by proxy or power of attorney not less than one-tenth of the issued share capital of the Company and entitled to vote in respect thereof, a declaration by the Chairman that a resolution has been carried or carried unanimously or carried by a particular majority or lost, or not carried by a particular majority or lost and an entry to that effect in the minutes of the proceedings of the meeting shall be conclusive evidence of the fact without proof of the number or proportion of the votes given for or against such resolution.
10. The demand for a poll may be withdrawn. Unless a poll be so demanded, it shall be taken in such manner and at such time and place as the Chairman of the meeting directs and either at once or after an interval or adjournment or otherwise and the result of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded.
11. A poll demanded on the election of a Chairman of a meeting and a poll demanded on a question of adjournment shall be taken at the meeting without adjournment. In the case of any dispute as to the admission or rejection of a vote the Chairman shall determine the same and such determination made in good faith shall be final and conclusive.
12. The demand of a poll shall not prevent the continuance of a meeting for the transaction of any business other than the business on which a poll has been demanded.