



NOTICE OF THE 26TH ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the Twenty-Sixth Annual General Meeting ("26th AGM") of Tenaga Nasional Berhad ("TNB" or "the Company") will be held on Thursday, 15 December 2016 at 10.00 a.m. at Dewan Serbaguna, Kompleks Sukan TNB, Jalan Pantai Baru, 59200 Kuala Lumpur, Malaysia to transact the following businesses:

AGENDA

AS ORDINARY BUSINESS:

- To receive the Audited Financial Statements for the Financial Year ended 31 August 2016 together with the Reports of the Directors and Auditors thereon. (Please refer to Note (i) of the Explanatory Notes on Ordinary Businesses)
Ordinary Resolution 1
- To approve the declaration of a final single-tier dividend of 22.0 sen per ordinary share for the Financial Year ended 31 August 2016.
Ordinary Resolution 2
- To approve the payment of Directors' fees of RM2,544,516.11 for the Financial Year ended 31 August 2016.
Ordinary Resolution 3
- To re-elect the following Directors who were appointed to the Board during the year and retire in accordance with Article 133 of the Company's Articles of Association:
(i) Datuk Seri Hashmuddin bin Mohammad
Ordinary Resolution 4
(ii) Gee Siew Yoong
Ordinary Resolution 5
(iii) Noraini binti Che Dan
Ordinary Resolution 5
- To re-elect the following Directors who retire by rotation in accordance with Article 135 of the Company's Articles of Association:
(i) Dato' Abd Manaf bin Hashim
Ordinary Resolution 6
(ii) Datuk Sakthivel a/l Alagappan
Ordinary Resolution 7
- To consider and if thought fit, to pass the following Resolutions:
(i) "THAT Tan Sri Leo Moggie who retires in accordance with Section 129(6) of the Companies Act, 1965 ("Act") be and is hereby re-appointed as Company Director to hold office until the conclusion of the next Annual General Meeting ("AGM")."
Ordinary Resolution 8
(ii) "THAT Tan Sri Dato' Seri Siti Norma binti Yaakob who retires in accordance with Section 129(6) of the Act be and is hereby re-appointed as Company Director to hold office until the conclusion of the next AGM."
Ordinary Resolution 9
(iii) "THAT Dato' Zainal Abidin bin Puthi who retires in accordance with Section 129(6) of the Act be and is hereby re-appointed as Company Director to hold office until the conclusion of the next AGM."
Ordinary Resolution 10

AS SPECIAL BUSINESS:

To consider and if thought fit, to pass the following Resolutions:

- Proposed Grant and Allotment of Shares to Nur Aishah binti Azman.
"THAT 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 Nur Aishah binti Azman, System Analyst of the Company, of up to 4,000 new ordinary shares of RM1.00 each in TNB ("TNB Shares") under the Long Term Incentive Plan for the Eligible Employees of TNB and Its Subsidiaries and Executive Directors of TNB ("LTIP") as they shall deem fit, which will be vested to her at a future date, subject to such terms and conditions of the By-Laws of the LTIP."
"AND THAT the Board be and is hereby authorised to allot and issue new TNB Shares pursuant to the LTIP to her from time to time pursuant to the vesting of her Grant."
Ordinary Resolution 12
- Proposed Grant and Allotment of Shares to Ahmad Firdaus bin Azman.
"THAT 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 Ahmad Firdaus bin Azman, Civil Engineer of the Company, of up to 3,800 TNB Shares under the LTIP as they shall deem fit, which will be vested to him at a future date, subject to such terms and conditions of the By-Laws of the LTIP."
"AND THAT the Board be and is hereby authorised to allot and issue new TNB Shares pursuant to the LTIP to him from time to time pursuant to the vesting of his Grant."
Ordinary Resolution 13
- Proposed Grant and Allotment of Shares to Aswad bin Ameir.
"THAT the Board (save for Dato' Zainal Abidin bin Puthi) be and is hereby authorised at any time and from time to time, to cause or procure the offering and the allocation to Aswad bin Ameir, Manager of the Company, of up to 24,800 TNB Shares under the LTIP as they shall deem fit, which will be vested to him at a future date, subject to such terms and conditions of the By-Laws of the LTIP."
"AND THAT the Board be and is hereby authorised to allot and issue new TNB Shares pursuant to the LTIP to him from time to time pursuant to the vesting of his Grant."
Ordinary Resolution 14
- Proposed renewal of authority for the Company to purchase its own shares:
"THAT subject to compliance with the Act, the Company's Memorandum and Articles of Association, the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("MMLR") and all other applicable laws, guidelines, rules and regulations for the time being in force or as may be amended from time to time, and the approvals from all relevant authorities, the Company be and is hereby authorised to purchase such amount of ordinary shares of RM1.00 each in the Company's issued and paid-up share capital through Bursa Malaysia Securities Berhad ("BMSB") upon such terms and conditions as the Board may deem fit and expedient in the interest of the Company provided that:
(i) the aggregate number of shares purchased pursuant to this resolution shall not exceed 10% of the total issued and paid-up share capital of the Company ("Proposed Share Buy-Back");
(ii) the maximum amount of funds to be utilised for the purpose of the Proposed Share Buy-Back shall not exceed the Company's aggregate retained profits and/or share premium account at the time of purchase be allocated by the Company for the Proposed Share Buy-Back;
(iii) the authority conferred by this resolution shall commence immediately upon the passing of this resolution and shall continue to be in force until:
(a) the conclusion of the next AGM of the Company at which time the authority shall lapse unless by an ordinary resolution passed by the shareholders of the Company in a general meeting, the authority is renewed either unconditionally or subject to conditions;
(b) the expiry of the period within which the next AGM of the Company is required by law to be held;
(c) the authority is revoked or varied by an ordinary resolution passed by the shareholders of the Company at a general meeting, whichever is earlier."
"AND THAT authority be and is hereby given to the Board to decide in its discretion to retain the ordinary shares in the Company so purchased by the Company as treasury shares or to cancel them or a combination of both and/or to resell them on BMSB and/or to distribute them as share dividends."
"AND THAT the Board be and is hereby authorised to take such steps to give full effect to the Proposed Share Buy-Back with full power to assent to any conditions, modifications, variations and/or amendments as may be imposed by the relevant authorities and/or to do all such acts and things as the Board may deem fit and expedient in the best interest of the Company."
Ordinary Resolution 15
- To transact any other business of which due notice shall have been given in accordance with the Act.

FURTHER NOTICE IS HEREBY GIVEN THAT for the purpose of determining a member who shall be entitled to attend this 26th AGM, the Company shall be requesting Bursa Malaysia Depository Sdn. Bhd. ("Bursa Depository") in accordance with Article 87(B)(1) of the Company's Articles of Association and Section 34(1) of the Securities Industry (Central Depositories) Act 1991 ("SICDA") to issue a General Meeting Record of Depositors ("ROD") as at 7 December 2016. Only a depositor whose name appears on the ROD as at 7 December 2016 shall be entitled to attend the said Meeting or appoint proxy/proxies to attend and/or vote on his/her behalf.

NOTICE ON ENTITLEMENT AND PAYMENT OF FINAL DIVIDEND

NOTICE IS ALSO HEREBY GIVEN THAT subject to the approval of Members at the 26th AGM to be held on 15 December 2016, a final single-tier dividend of 22.0 sen per ordinary share for the Financial Year ended 31 August 2016 will be paid on 30 December 2016 to Depositors whose names appear in the ROD on 20 December 2016.

FURTHER NOTICE IS HEREBY GIVEN THAT a Depositor shall qualify for entitlement to the dividend only in respect of:

- shares transferred into the Depositor's securities account before 4.00 p.m. on 20 December 2016 in respect of ordinary transfers; and
- shares bought on BMSB on a cum entitlement basis according to the Rules of the BMSB.

BY ORDER OF THE BOARD

NORAZNI BINTI MOHD ISA

(LS 0009635)
Company Secretary

Kuala Lumpur
18 November 2016

EXPLANATORY NOTES ON ORDINARY BUSINESSES:

- Agenda No. 1** is meant for discussion only as the provision of Section 169(1) of the Act does not require shareholders' approval for the Audited Financial Statements. As such, it is not put forward for voting.
- Ordinary Resolutions 4, 5, 6 & 7 - Proposed Re-election of Directors**
The Board and Board Nomination and Remuneration Committee ("BNRC") have conducted an assessment on the independence of all Independent Directors including Gee Siew Yoong, Noraini binti Che Dan, Dato' Abd Manaf bin Hashim and Datuk Sakthivel a/l Alagappan and are satisfied that they have complied with the independence criteria as required by the MMLR and continue to bring independent and objective judgment to the Board deliberations.
- Ordinary Resolutions 9 & 10 - Proposed Re-appointment of Directors in accordance with Section 129(6) of the Act**
The Board and BNRC have conducted an assessment on the independence of all Independent Directors including Tan Sri Dato' Seri Siti Norma binti Yaakob and Dato' Zainal Abidin bin Puthi and are satisfied that they have complied with the independence criteria as required by the MMLR and with the skills, competency, contribution and independent judgment that they bring to the Board. They demonstrated that they are independent of management and free from any business or other relationship of which could interfere with the exercise or the ability to act in the best interest of the Company.
The Board and BNRC have also considered the evaluation of Gee Siew Yoong, Noraini binti Che Dan, Dato' Abd Manaf bin Hashim, Datuk Sakthivel a/l Alagappan, Tan Sri Dato' Seri Siti Norma binti Yaakob and Dato' Zainal Abidin bin Puthi and agree that they have met the Board's expectation in terms of experience, integrity, competency and time commitment by continuously performing their duties diligently as Directors of the Company.

EXPLANATORY NOTES ON SPECIAL BUSINESSES:

- Ordinary Resolutions 12, 13 & 14 - Proposed Grant and Allotment of Shares**
The proposed Ordinary Resolutions, if passed, are to empower the Board (save for Datuk Seri Ir. Azman bin Mohd and Dato' Zainal Abidin bin Puthi) at any time and from time to time to cause or procure the offering and the allocation to Nur Aishah binti Azman, Ahmad Firdaus bin Azman and Aswad bin Ameir of up to 4,000, 3,800 and 24,800 TNB Shares respectively as they shall deem fit, which will be vested to them at future dates, subject to such terms and conditions of the By-Laws of the LTIP, which was approved at the Extraordinary General Meeting of the Company held on 18 December 2014.
- Ordinary Resolution 15 - Proposed Renewal of Share Buy-Back Authority**
The proposed Ordinary Resolution, if passed, is to empower the Directors to purchase the Company's shares of up to 10% of the issued and paid-up share capital by utilising the funds allocated out of the retained profits and the share premium account of the Company. This authority, unless revoked or varied at a general meeting, will expire at the next AGM of the Company.
Information on the Proposed Renewal of Share Buy-Back Authority is set out in the Statement to Shareholders dated 18 November 2016 dispatched together with the 2016 Integrated Annual Report.
Any Interested Director shall abstain from voting for the relevant resolution.

Additional Information on Ordinary Resolutions 3 to 10

Additional Information on the particulars of the retiring Directors, as required under Appendix 8A of the MMLR is detailed out in the Statement Accompanying Notice of 26th AGM in the Integrated Annual Report.

NOTES:

- Only members whose names appear in the ROD as at 7 December 2016 shall be eligible to attend the AGM or appoint proxy(ies) to attend and/or vote on their behalf.
- A proxy may but need not be a member of the Company and the provisions of Section 149(1)(b) of the Act shall not apply to the Company.
- 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 SICDA, 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.
- Where a member appoints two (2) proxies, the appointments shall be invalid unless the proportion of the shareholdings to be represented by each proxy is specified.
- The instrument appointing a proxy/Proxy Form shall be in writing under the hand of the appointer or of his attorney duly appointed under a power of attorney. Where the instrument appointing a proxy/Proxy Form 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.
- 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(b) of the Company's Articles of Association.
- 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, Malaysia not less than forty-eight (48) hours before the time set for the Meeting or no later than 13 December 2016 at 10.00 a.m.
- Pursuant to Paragraph 8.23A of the MMLR, voting at the 26th AGM of the Company will be conducted by poll. Poll Administrator and Independent Scrutineers will be appointed respectively to conduct the polling/e-voting process and to verify the results of the poll.

Registration of Members/Proxies

Registration of members/proxies attending the Meeting will start from 7.00 a.m. on the day of the Meeting and shall remain open until such time as may be determined by the Chairman of the Meeting. At the closure thereof, no person will be allowed to register for the Meeting nor enter the Meeting venue. Members/proxies are required to produce identification documents for registration.