

TENAGA NASIONAL BERHAD

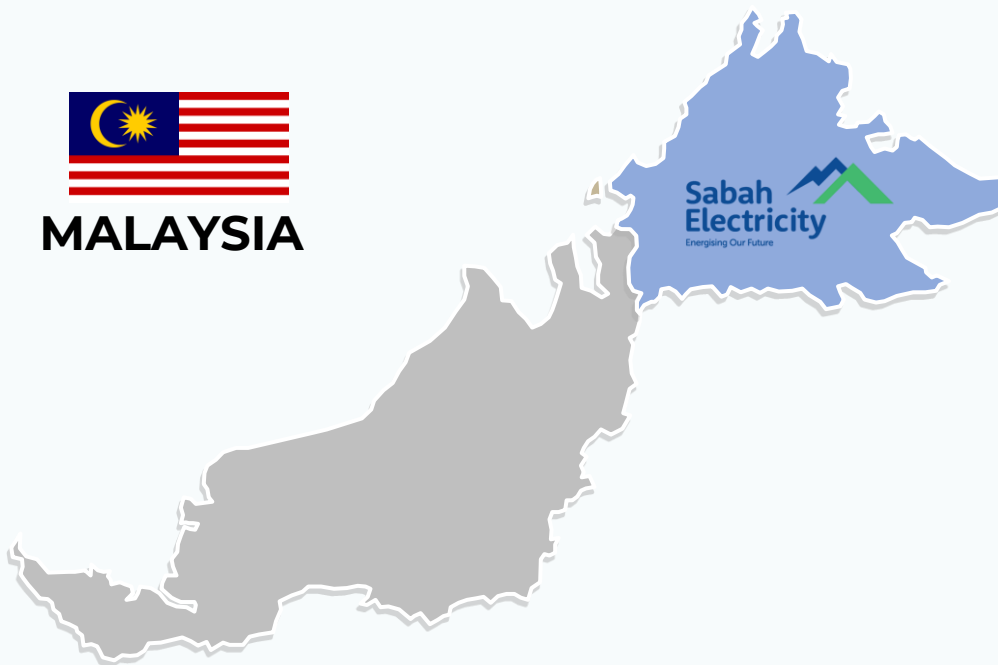
PRESENTATION TO INVESTOR
June 2026

TNB is the largest electricity utility company in Malaysia and at the forefront of the country's energy transition


Tenaga Nasional Berhad (TNB)




Sabah Electricity Sdn Bhd (SESB)
(83% owned by TNB)

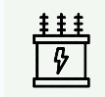


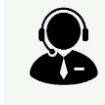
Our Presence in Peninsular Malaysia

 Holds 53% of Domestic Generation Capacity

Our grid network and retail business* are governed by the Incentive Based Regulation (IBR) framework

 Transmission lines: 29,744 km
Substations: 545
System Minutes: 0.15 minutes

 Distribution Network lines: 736,015 km
Substations: 99,603
SAIDI: 46.93 minutes

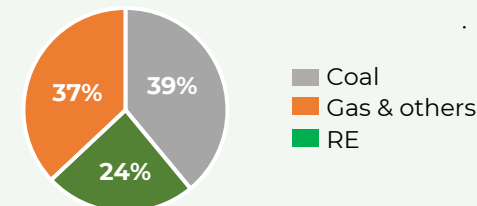
 Retail customers: 10.66 mil
Customer Satisfaction Index (CSI): 90%

*Data as of December 2025

Group Portfolio Installed Capacity

Total TNB Gross Capacity: 19,746MW (March 2026)

- Domestic: 16,375MW
- International: 3,371MW



Notes:

1. RE inclusive of large hydro and small RE
2. Data is based on gross installed capacity
3. Solar capacity based on MWp

Main Subsidiaries





NON-INDEPENDENT NON-EXECUTIVE CHAIRMAN
TAN SRI ABDUL RAZAK BIN ABDUL MAJID



EXECUTIVE DIRECTOR / PRESIDENT / CEO
DATUK Ir. Ts. SHAMSUL BIN AHMAD

Independent Non-Executive Directors



DATO' MERINA BINTI ABU TAHIR
 Expertise: Accounting



GOPALA KRISHNAN K.SUNDARAM
 Expertise: Law



DR. HASNITA BINTI DATO' HASHIM
 Expertise: Investment Banking and Financial Management



DATUK RAMZI BIN MANSOR
 Ministry of Finance (MOF)



ROHAYA BINTI MOHAMMAD YUSOF
 Employees Provident Fund (EPF)



ALAN HAMZAH BIN SENDUT
 Expertise: Accounting



DATO' ZULKIFLI BIN IBRAHIM
 Expertise: Engineering



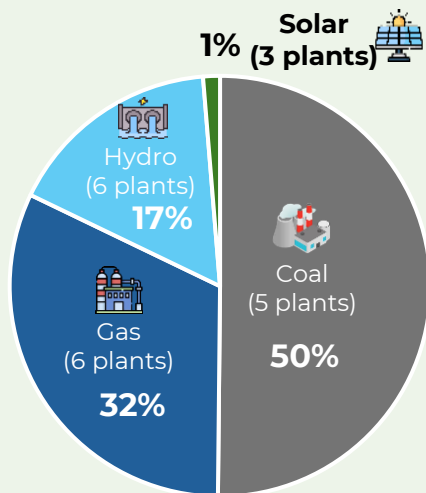
MUAZZAM BIN MOHAMAD
 Permodalan Nasional Berhad (PNB)

TNB's generation footprint in Peninsular Malaysia — anchoring 53% of market share

Generation Portfolio



TNB holds **53%** (15,312MW) of Peninsular gross installed capacity (28,890MW*)



* Solar capacity is quoted in MWp



We are also a global player as we strive to future proof our business by expanding our RE footprint and establishing strategic partnerships with leading RE players

OUR GLOBAL PRESENCE

Renewable Assets

~1.3GW
Operational RE Capacity

4
Countries

3
Technologies
Solar, Onshore & Offshore wind, and Hydro

Solar 863.0MWp
Onshore Wind 242.8MW
Offshore Wind 41.5MW
Hydro 137.8MW



Equity stake: 100%
907.9MW Capacity



- 123.9MW in onshore wind
- 377.5MWp in solar
- 365.0MWp in solar (55% equity)
- 41.5MW in offshore wind (49% equity)



Blyth Offshore Windfarm



Bunkers Hill



Equity stake: 100%



- 120.5MWp in solar
- ~1GW in wind and solar under Dinawan Energy Hub – under development



Bomen Solar Farm



Equity stake: 30%






- 256.7MW in hydro and wind

Services




Key projects

1. Operation & Management and Maintenance, Repair & Overhaul :

-  Pakistan • Balloki Combined Cycle Gas Turbine 1,223MW (O&M)
-  Kuwait • Doha West and Shuwaikh Power Stations (O&M)
• Sabiya Station-1, Sabiya Station-2& Shuaibah North Power Stations (MRO)
-  Saudi Arabia • Shuaibah Power and Desalination Plant (O&M)

2. Technical Advisory

-  Cambodia • Electricité du Cambodge (EDC) Heavy Fuel Oil Plant of 400MW

Our regulated business is governed by the Incentive-Based Regulation (IBR) framework which provides stable returns to the Group while ensuring a more efficient energy sector






Governed under PPA/SLA/REPPA



Generation
TNB GenCo / IPP / RE Developer

Regulated Entities under IBR

Ring-fenced entities

<p>1</p> <p>Single Buyer</p>  <p>Single Buyer Generation (Actual Cost)</p>  <p>Single Buyer Operations (Revenue Cap)</p>	<p>2</p>  <p>Grid System Operator (Revenue Cap)</p>	<p>3</p>  <p>Transmission (Revenue Cap)</p>	<p>4</p>  <p>Distribution Network (Revenue Cap)</p>	<p>5</p>  <p>Retail (Price Cap)</p>
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The IBR mechanism provides:

- Clear and transparent regulatory framework
- Consistent and stable returns
- Shield against uncontrollable swings
- Incentives for operational efficiencies

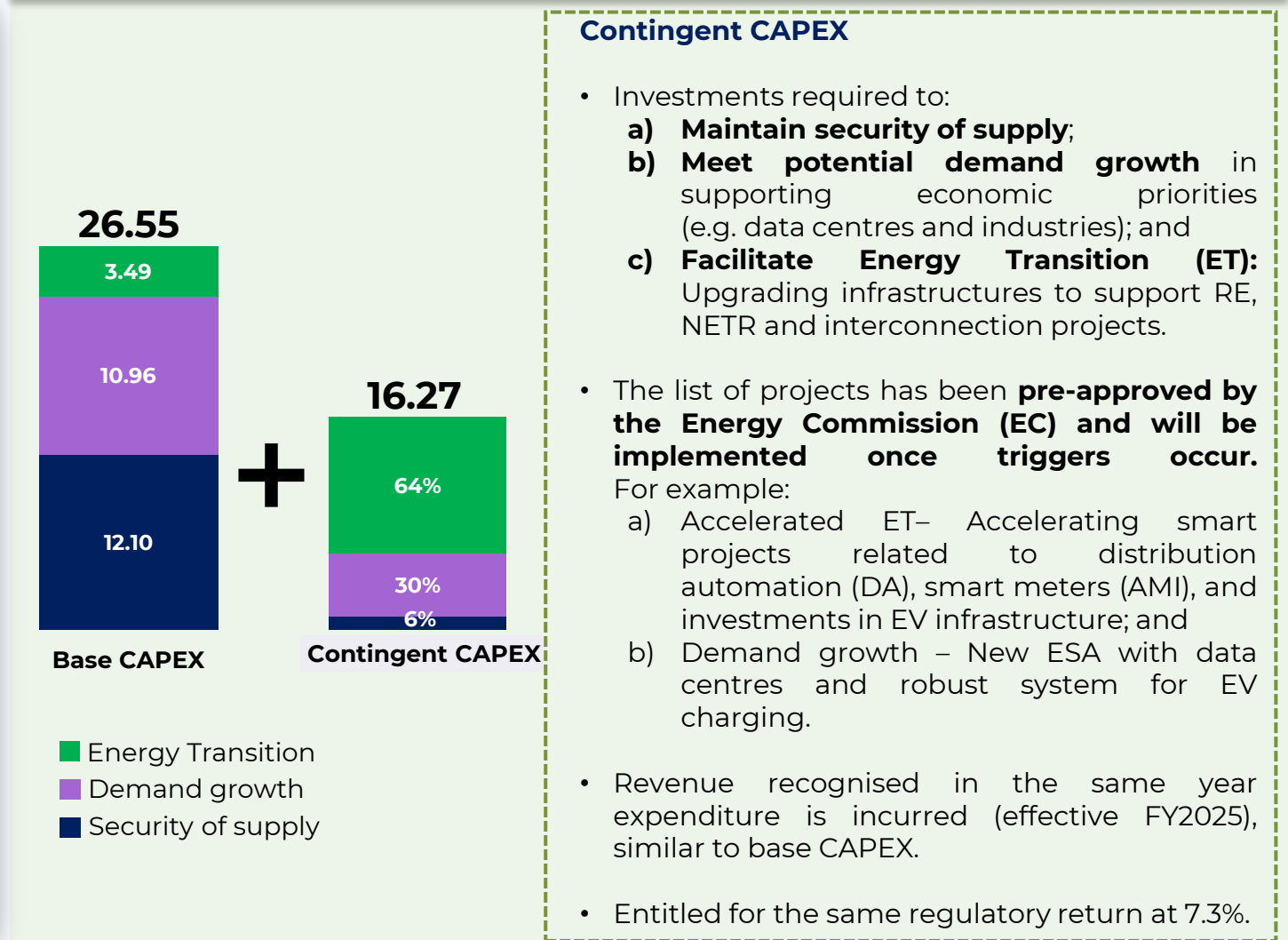
- ❑ Regulated business made up more than 80% of the overall Group revenue.
- ❑ **Revenue cap:** Allowed annual revenue based on approved demand growth. Any excess/shortfall is adjusted through revenue adjustment mechanism.
- ❑ **Price cap:** Any excess/shortfall of revenue made due to higher/lower average selling price compared to base tariff is adjusted through revenue adjustment mechanism.

We have successfully secured our returns at 7.3% and sufficient expenditure allowance for 2025 - 2027

Tariff Parameters

	Regulatory Period 3 (RP3)	Regulatory Period 4 (RP4)
Base Tariff (sen/kWh)	39.95	45.40
Average Sales (TWh)	116.8	141.7
Coal price (USD/MT)	79	97
FOREX (RM/USD)	4.123	4.307
Gas price (RM/mmBTU)	T1: RM26 - RM30 (800mmscfd) T2: RM33	T1: RM24 - RM35 (800mmscfd) T2: RM46
OPEX (RM bil)	17.9	20.8
BASE CAPEX (RM bil)	20.6	26.6 <i>(with RM16.3 bil Contingent CAPEX)</i>
WACC	7.3%	7.3%

RP4 Allowed CAPEX (RM bil)

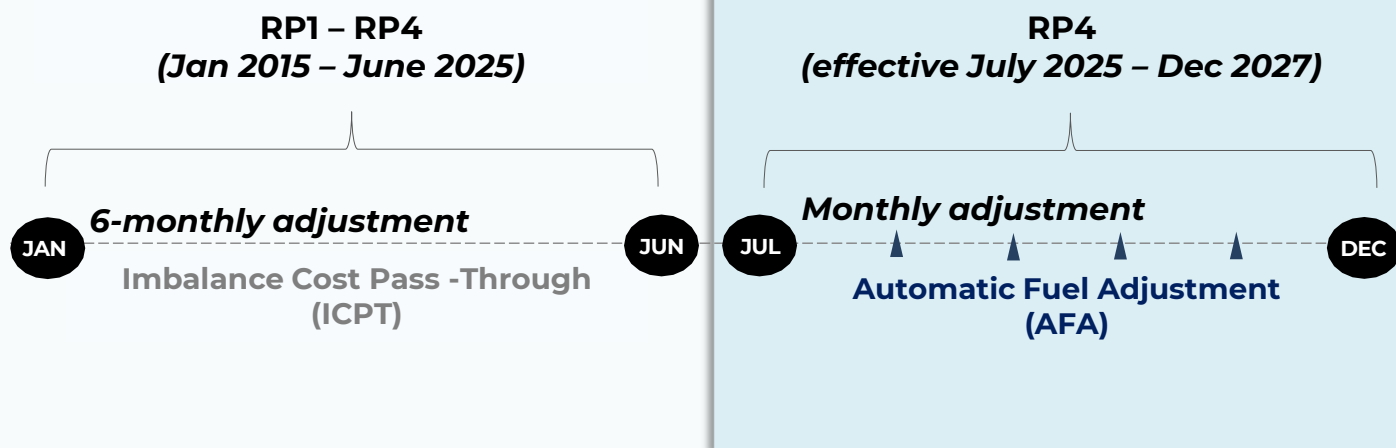


AFA Mechanism enhances RP4 certainty through timely fuel cost recovery

Fuel Cost Recovery (2015 – 2027)

Historical

Current



The AFA mechanism **strengthens transparency** by ensuring customers benefit from **timely adjustments** that **reflect current fuel and generation cost**, supporting efficient price signal.

Automatic Fuel Adjustment (AFA)

Base tariff + AFA, sen/kWh

Automatic Fuel Adjustment

+10%

Allowed Generation Tariff

32.42

RP4

- ✓ **Monthly mechanism** to recover actual generation costs, reflecting prevailing fuel prices
- ✓ **Automatic adjustment** applies if AFA **does not exceed 10%** of the Allowed Generation Tariff for the prevailing month
- ✓ Any adjustment **exceeding 10%** of the Allowed Generation Tariff for the prevailing month **requires Minister approval**

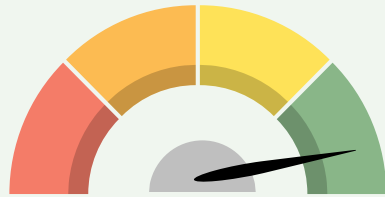
Source: Guidelines on Electricity Tariff Determination under IBR for Peninsular Malaysia 2025

Group earnings supported by operational excellence and technical performance

1 Generation performance



Equivalent Plant Availability Factor, EAF (Generation) %



1QFY2026
91.4

1QFY2025: 82.0
2026 Target: 84.3

Higher EAF recorded reflects stronger overall plants performance

2 Network performance



System Minutes (Transmission), Minutes

1QFY2026
0.000

1QFY2025: 0.0001
2026 Internal Threshold: 1.5



SAIDI (Distribution Network), Minutes

1QFY2026
11.72

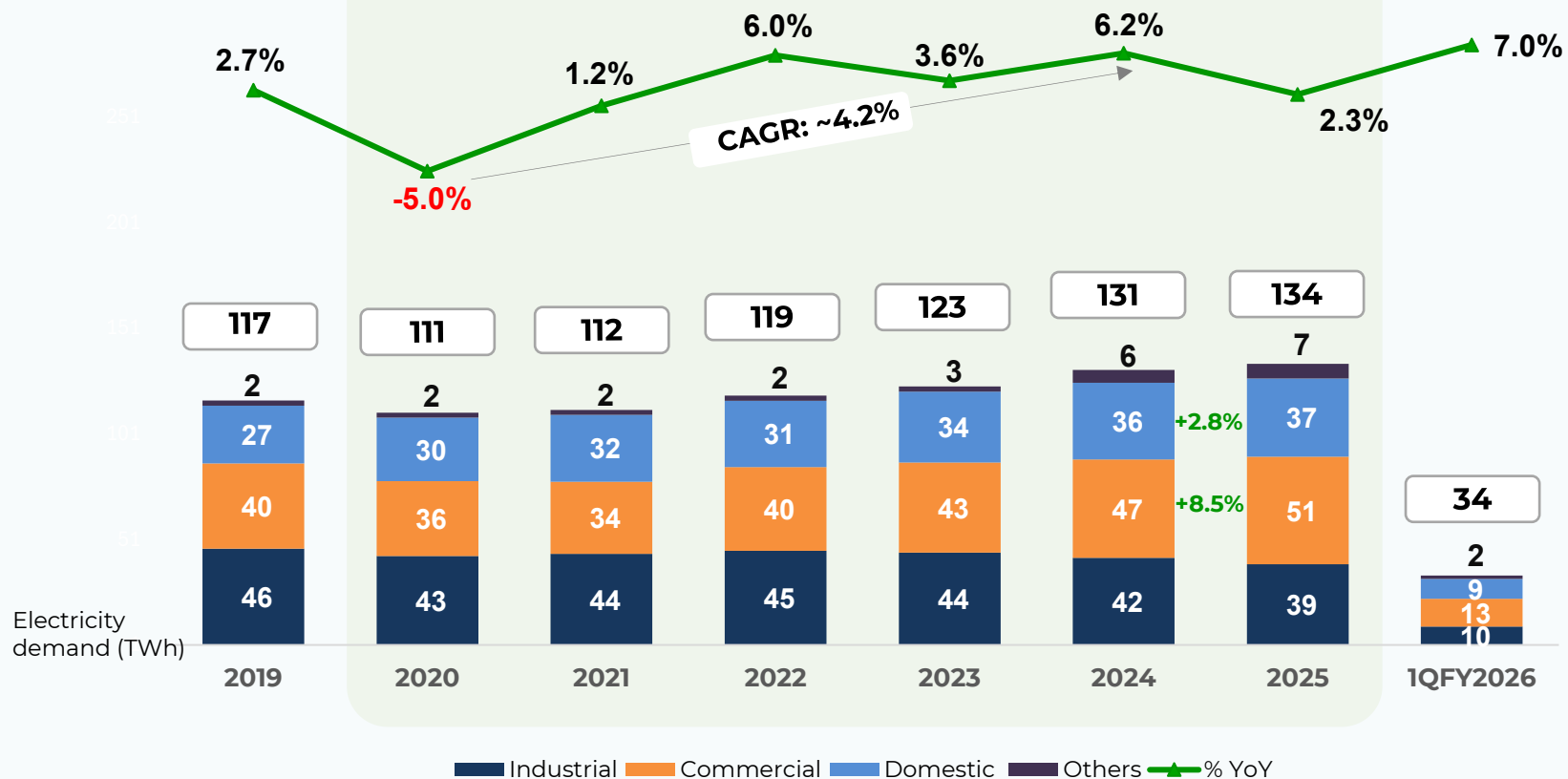
1QFY2025: 11.63
2026 Internal Threshold: 47.0



World class network performance safeguarded our regulated business earnings

Peninsular Malaysia's electricity demand continued to strengthen, driven by resilient and growing economy

Electricity demand rebounded strongly post-pandemic, recorded 134 TWh in 2025 (the highest level in TNB's history)



2025 – 2027 Outlook

Demand forecast*



4.9%

Average annual growth

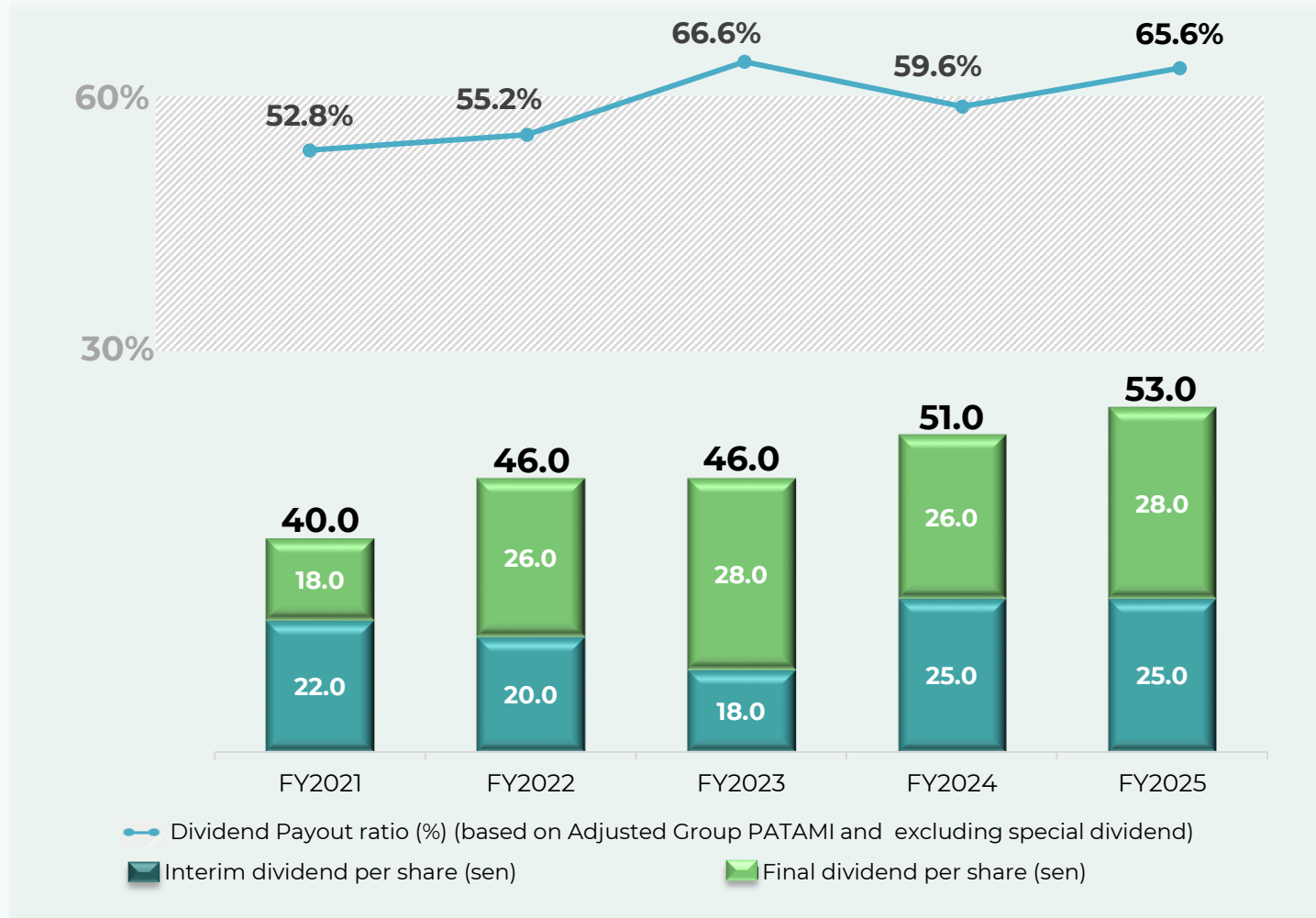
2025: 134,560 GWh @ 4.5%
 2026: 141,873 GWh @ 5.4%
 2027: 148,660 GWh @ 4.8%

*Approved forecast under RP4

We continue to deliver stable dividend payouts, reflecting our commitment to rewarding shareholders and maintaining prudent capital management

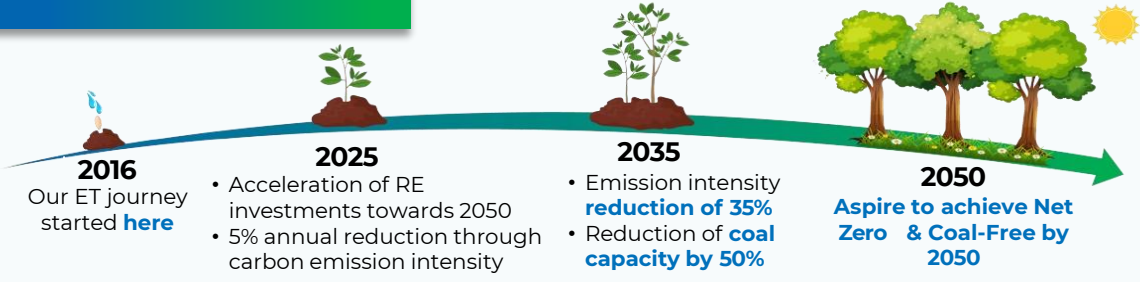
DIVIDEND POLICY

We will continue to honour our dividend policy of 30% to 60% dividend payout ratio, based on the TNB Group Consolidated Net Profit Attributable to Shareholders After Minority Interest (PATAMI), excluding Extraordinary and Non-Recurring items (adjusted PATAMI)



TNB's long-term strategic priorities are anchored on its aspiration to achieve Net Zero emissions by 2050

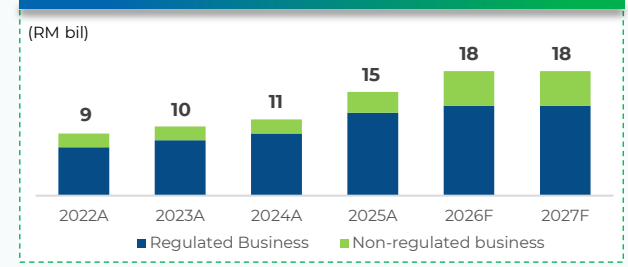
Energy Transition



National Energy Transition Roadmap (NETR) aims to achieve:

70%
RE capacity target by 2050

Investment Outlook up to 2027



Deliver Clean Generation

Accelerate Generation Decarbonisation

- Decarbonise thermal fleet** through optimisation and fuel transition while maintaining security of supply
- Scale renewable energy capacity** in line with national energy transition priorities
- Advance low-carbon technologies** to support firm and dispatchable clean power (e.g. hydrogen, ammonia co-firing, CCUS, nuclear readiness)
- Expand renewable portfolio** selectively across priority markets with disciplined capital allocation

Develop Energy Transition Network

Greater System Complexity

- Need for:**
- Flexibility**
 - Digitalisation**
 - Advanced system planning**

Evolved to Decentralised Model powered by DER¹

to **coordinate the system and safeguard reliability**

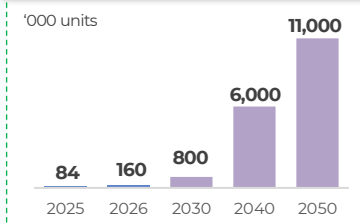
¹ DER: Distributed Energy Resources

Opportunities

- Grid flexibility solutions** • to enable **70% RE penetration by 2050**
- Higher energy storage** • to strengthen system stability
- Regional interconnection** • **5x100MW of grid connected battery**
- **Expand from 9 to 18 planned links under APAEC² 2026-2030**
- **17-25GW power grid potential**

Dynamic Energy Solutions

BEV Adoption



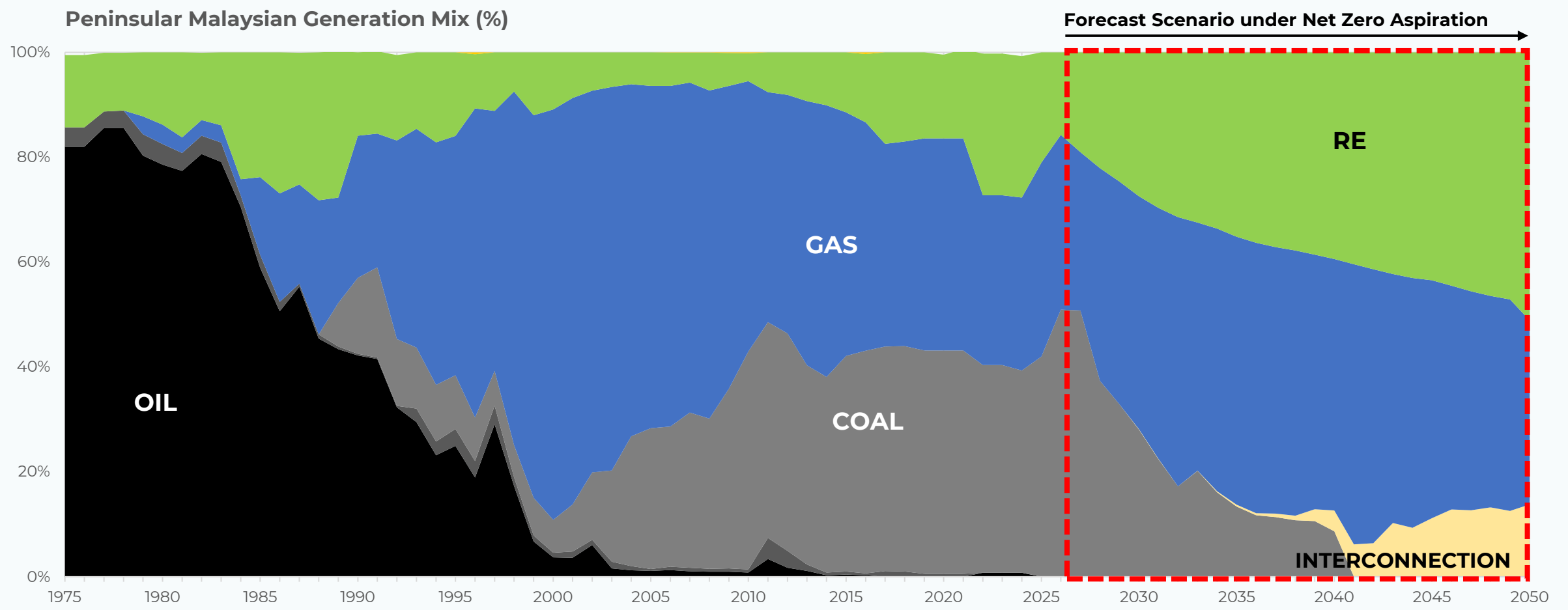
Electrified transport boosting energy demand

Empower Omnismers

- Digital Solutions**
- Billing solutions**
- Platform solutions**
- Energy efficiency solutions**
- Electric Mobility solutions**
- Solar rooftop**
- Energy storage solutions**
- Green energy attributes solutions**

² APAEC: ASEAN Plan of Action for Energy Cooperation

The nation's current generation mix reflects the diversification required for security of supply, and will continue to shift as we take a responsible approach towards energy transition



- Historically, Malaysia's generation mix was dominated by the use of oil as we transitioned into gas and then coal
- **Moving forward, RE will grow significantly as costs rapidly decline**

Note: RE includes solar, hydro, biomass, biogas and waste to energy (WTE)
 Source: TNB Sustainability Pathway 2050 in 2022

TNB's fast-track sustainability agenda will bring major shifts across the value chain, ensuring business growth while meeting our ESG commitment

Deliver Clean Generation

GenCo aims to capture ~RM40 bil revenue from domestic market by 2050

Fast track decarbonisation

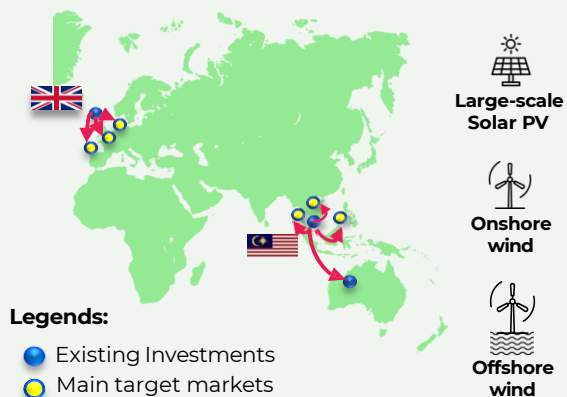
- 1 Coal plants early retirement
- 2 Repowering plants with cleaner fuel and green tech
- 3 Strategic technology partnership

Explore opportunities in ASEAN



- Increase enterprise value and sustainability position of GenCo
- Possibility of an IPO of GenCo

NED aims ~USD7 bil Equity investment by 2050



FOCUS MARKETS

EXISTING



14.3GW by 2050
 (Average portfolio return of 7% – 9%)

Develop Energy Transition Network

Regulated asset base (RAB) to grow to ~RM100 bil by 2050

- 1 Renewable Energy (VRE) and Distributed Energy Resources (DER)
- 2 Propelling growth of transportation and industrial customers electrification
- 3 Reducing carbon footprint and preserving the forestry & natural environment

Regional Interconnection

To strengthen security of supply and open investment opportunities



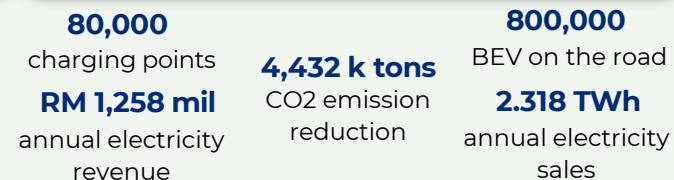
Potential Earnings by 2050: ~RM7 bil

Dynamic Energy Solutions

We will invest RM90 mil to support BEV ecosystem with the following key strategic moves:

- 1 Build charging infrastructure
- 2 Reskill & upskill workforce
- 3 Lead by example through TNB Fleet electrification
- 4 Sponsor EV-related studies
- 5 Foster coalition among EV sector players

2030 EV Market Potential

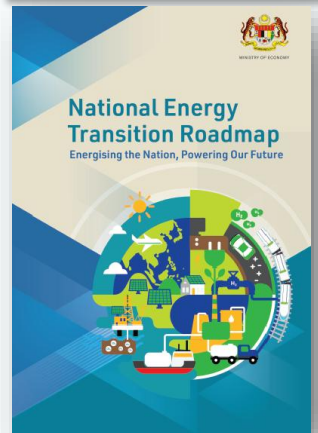


Driving changes in customer behaviour

- myTNB app
 - Targeting >8.5 million subscribers
- Time of Use (TOU) scheme
 - Targeting an additional 150k–200k new customer applications

The National Energy Transition Roadmap (NETR) aims to shift Malaysia from a traditional fossil fuel-based economy to a high-value green economy

Responsible Transition (RT) Pathway 2050 to shift Malaysia's energy systems from fossil fuel-based to greener and low-carbon systems



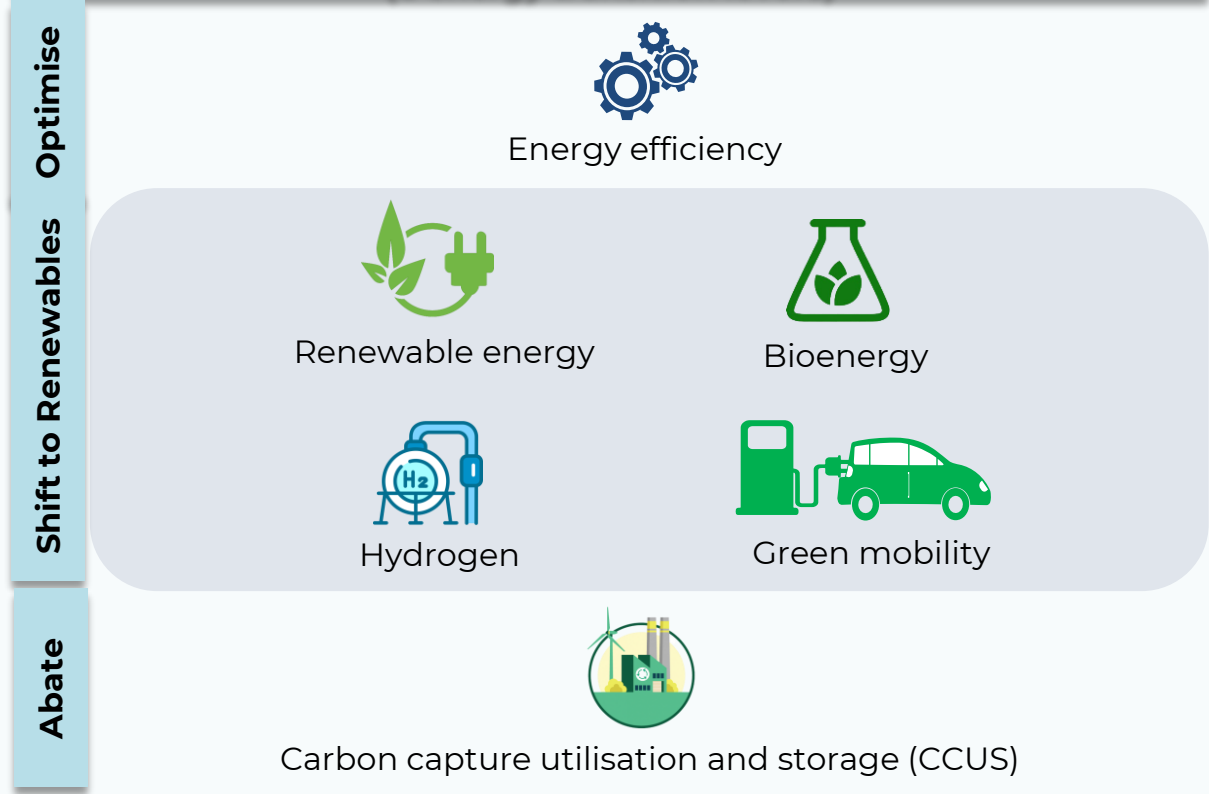
Aligned with the national aspirations and commitments to sustainable development

- The **Twelfth Malaysia Plan 2021-2025** which outlines aspirations for the nation to achieve net zero emissions by 2050.
- The **National Energy Policy (DTN)** launched in September 2022 with aspirations to become a low carbon nation in 2040.

Review of RE policies

- 1 To increase the country's installed RE capacity from **40% in 2035** to **70% by 2050**;
- 2 To introduce the concept of a **self-contained system according to the "willing buyer, willing seller" principle** to the RE development framework;
- 3 To increase **the installation of solar systems on government buildings**; and
- 4 To allow **cross-border RE trade** through the establishment of an electricity exchange system, complementing the ASEAN power grid initiative.

NETR Part 1 (6 energy transition levers)

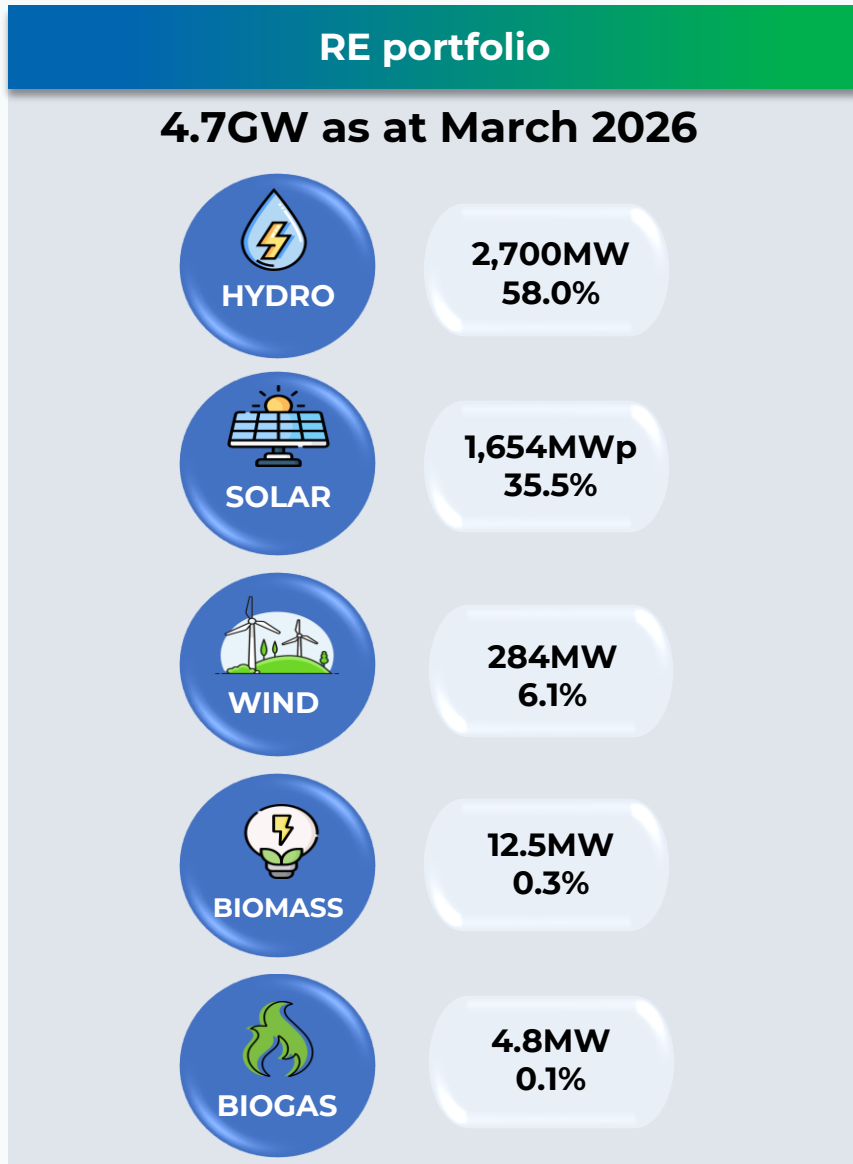


NETR Part 2 (Focus on biomass, waste-to-energy usage, CCS and hydrogen integration)

- 1 Establish the National Energy Council
- 2 Set up the National Energy Transition Facility (NETF) with a seed fund of RM2 billion
- 3 Establish and launch a RE exchange in 2024

Note: The NETR was announced in two parts: Part 1 in July 2023 and Part 2 in August 2023

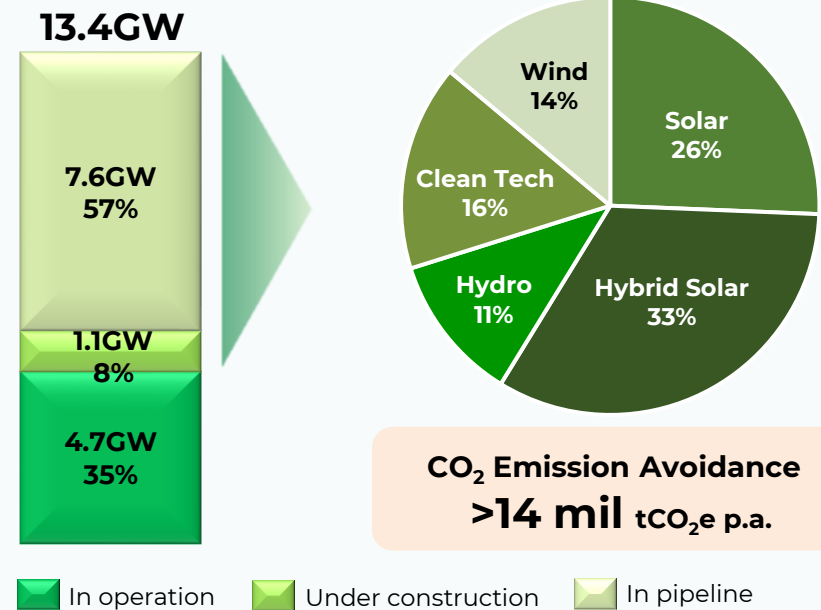
We remain resolute in delivering our RE target capacity of 14.3GW by 2050



Champion for 3 flagship catalyst projects

- Establishment of Large-Scale Solar Parks over 5 sites, each with 100MW capacity,
- Development of Hybrid Hydro-Floating Solar (HHFS) at existing dams with a capacity of 2,500MW, and
- Co-firing of Hydrogen and Ammonia at our power plants.

13.4GW Group Secured RE Capacity (as at March 2026)



Note: 1) Group RE Capacity exclude SESB, 2) Solar gross capacity is quoted in MWp, 3) Numbers manually computed may not match due to decimal variance 4) Data as of March 2026

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INVESTOR RELATIONS GROUP FINANCE DIVISION

Tenaga Nasional Berhad
Level 12, Tower A, TNB Platinum
No. 3, Jalan Bukit Pantai, Bangsar
59100 Kuala Lumpur

Tel : +603 2108 2128

Fax : +603 2108 2034

Email : tenaga_ird@tnb.com.my

Website : www.tnb.com.my

IR OFFICERS:

 **Nura Nadia Abd Hadi**
nuranadiaah@tnb.com.my

 **Hasniza Harun**
hasniza@tnb.com.my

 **Silviarahmi Sabrul**
silviarahmi.sabrul@tnb.com.my

 **Ahmad Nizham Khan Jamil Khan**
nizham.jamil@tnb.com.my

 **Lee Lai Fen**
lai.fen@tnb.com.my