TENAGA NASIONAL BERHAD

INVESTOR PRESENTATION

Delivering Tomorrow's Energy Transition

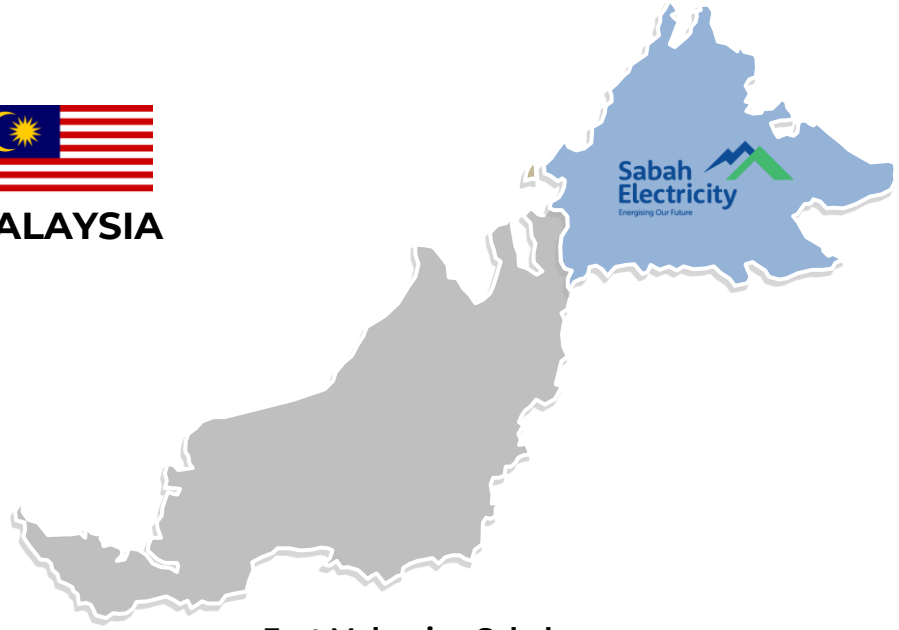
October 2026

Investor Relations
Group Finance Division

TNB is Malaysia's largest integrated electricity utility, powering the nation's energy transition

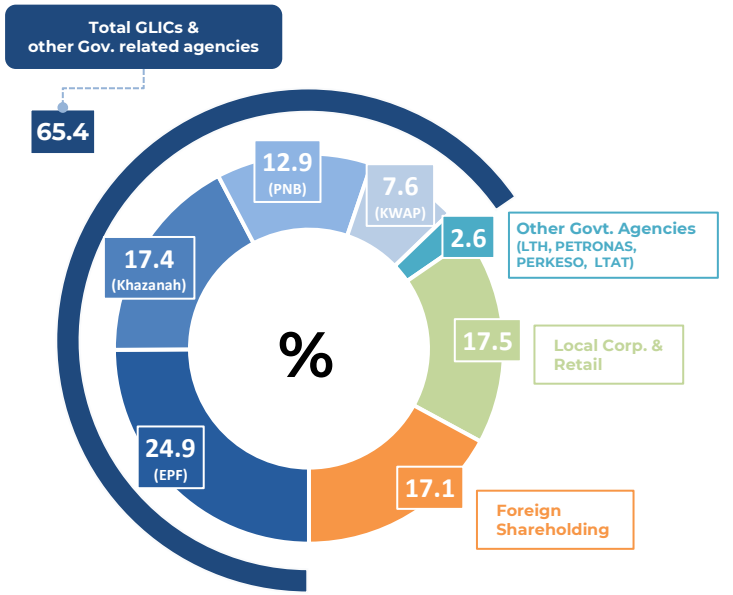
Peninsular Malaysia
Operations under
Tenaga Nasional Berhad (TNB)
52% **Installed Capacity Market Share**

MALAYSIA



East Malaysia - Sabah
Operations through Sabah Electricity Sdn Bhd (SESB), an 83%-owned subsidiary of TNB

TNB Shareholding Structure (June 2026)



Listed on Bursa Malaysia

FBM KLCI

Market Capitalisation as at June 2026

RM83.2 bil
(3rd largest in FBM KLCI index)

Peninsular Operations

Generation Capacity (June 2026)
15,301MW[1]

Grid & Distribution Network (2025)
Lines: 735,357 km
Substations: 90,639

Customers (2025)
10.66 mil

Employees (2025)
31,989

[1] Total gross capacity excluding small RE and minority stake

A strong and diverse Board providing effective governance and strategic oversight

NON-INDEPENDENT NON-EXECUTIVE CHAIRMAN

TAN SRI ABDUL RAZAK BIN ABDUL MAJID

EXECUTIVE DIRECTOR / PRESIDENT / CEO

DATO' SRI 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

ALAN HAMZAH BIN SENDUT
Expertise: Accounting

DATO' ZULKIFLI BIN IBRAHIM
Expertise: Engineering

NON-INDEPENDENT NON-EXECUTIVE DIRECTORS

DATO' SRI AB RAHIM BIN AB RAHMAN
Ministry of Finance (MOF)

ROHAYA BINTI MOHAMMAD YUSOF
Employees Provident Fund (EPF)

MUAZZAM BIN MOHAMAD
Permodalan Nasional Berhad (PNB)

TNB operates across Malaysia's electricity value chain and strategically aligned adjacent businesses

Core Business

Generation

Generation of electricity via conventional thermal and renewable sources

TNB GENCO · TNB RENEWABLES · NEW ENERGY DIVISION

Grid

Transfer electricity across both medium and low voltage networks

Distribution Network (DN)

Transfer of low voltage to residential and commercial

Retail

Provides dynamic energy solutions to our customers

GSPARX · allo! · TNBX · ELECTRON

Domestic · Commercial · Industrial

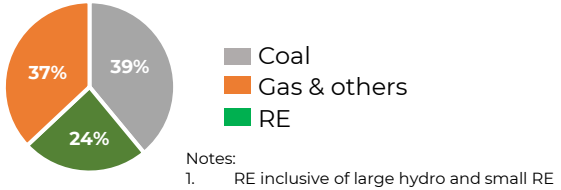
Deliver Clean Generation

Drive operational excellence while **securing a future-ready domestic generation pipeline** to sustain **long-term earnings resilience**

Group Portfolio Installed Capacity

Total Gross Capacity: **19,863MW**

- Domestic: 16,492MW
- 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

Develop Energy Transition Network

Scaling regulated network investments to enable energy transition while preserving grid reliability and earnings stability

Transmission lines: 26,594 km

Substations: 497

System Minutes: 0.15 minutes

Distribution lines: 708,763 km

Substations: 90,142

SAIDI: 46.93 minutes

Note: T&D Peninsular Data as of December 2025

Dynamic Energy Solution

Expanding customer-centric energy solutions to capture demand growth, strengthen regulated retail earnings, and diversify income streams through beyond-kWh solutions

Retail customers: 10.66 mil

Customer Satisfaction Index (CSI): 90%

Note: Data as of December 2025

EV Charge Points: 284

Rooftop Solar: 563MWp secured

Note: Data as of June 2026

Adjacent Business

Manufacturing

MTM MALAYSIA TRANSFORMER · tci TENAGA CABLE INDUSTRIES SDN. BHD.

Utility & Services

REMACO · Sabah Electricity · TNBES · TSG · INTEGRAX · GSPARX

Infrastructure

TNB ENGINEERING CORPORATION

Research & Education

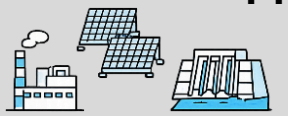
Universiti Tenaga Nasional – The Energy University · ILSAS TNB Integrated Learning Solution · TNB RESEARCH

Regulated businesses governed by the Incentive Based Regulation (IBR) framework

Malaysia's electricity industry operates under the Incentive-Based Regulation (IBR) framework, which promotes transparency, operational efficiency and predictable returns

Electricity Industry Structure

Contracted Generation under PPA/SLA/REPPA



TNB Genco / IPP / RE Developer

Regulated Business under IBR

Base Tariff: 45.40 sen/kWh

Ring-fenced entities

Single Buyer Generation

(Pass -Through)

Generation
32.42 sen/kWh
~ 70%

1 GSO & 2 SBO

3 Grid, 4 DN & 5 Retail

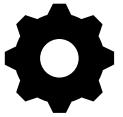
Networks & Retail
12.98 sen/kWh
~ 30%

Why IBR Matters?

Transparent regulatory framework

Shield against uncontrollable cost volatility

Predictable regulated earnings



Incentives for operational efficiencies

REVENUE CAP

Mitigates Demand Risk

- Allowed annual revenue based on approved demand growth. Any excess/shortfall is adjusted through revenue adjustment mechanism.
- RBEs: **Grid, DN, GSO & SBO**

PRICE CAP

Mitigates Pricing Risk

- Any excess/shortfall of revenue made due to higher/lower average selling price (ASP) compared to base tariff is adjusted through revenue adjustment mechanism.
- RBE: **Retail**

>80% of Group revenue is generated from regulated business

SBO - Single Buyer Operations, GSO - Grid System Operator *x Regulated Business Entities (RBEs)*

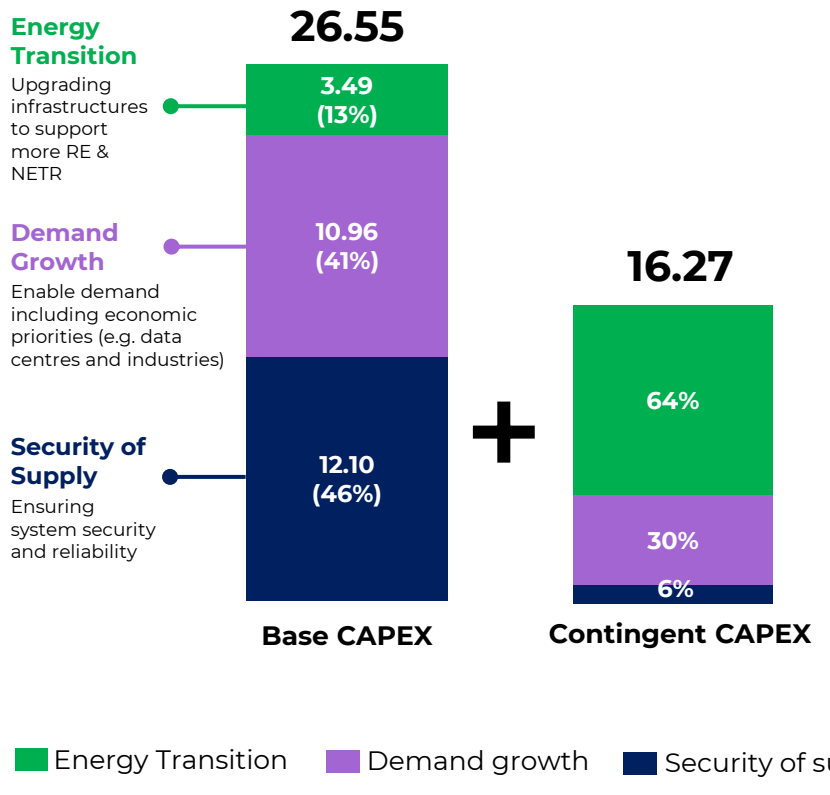
RP4 (2025 – 2027) provides stable regulatory return with sufficient expenditure allowances to support future growth

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
OPEX (RM bil)	17.9	20.8
CAPEX (RM bil)	20.6	26.6 + 16.3 *(Contingent CAPEX)*
WACC	7.3%	7.3%
Coal price (USD/MT)	79	97
FOREX (RM/USD)	4.123	4.307
Gas price (RM/mmBTU)	T1: RM26 - RM30 (≤800mmscfd) T2: RM33 (>800mmscfd)	T1: RM24 - RM35 (≤800mmscfd) T2: RM46 (>800mmscfd)

RP4 Allowed CAPEX

CAPEX amount, RM bil



CONTINGENT CAPEX

Pre-approved projects by the Energy Commission (EC)

- Examples:
  i. Accelerating smart projects - distribution automation (DA), advanced metering infrastructure (AMI) and investments in EV infrastructure.
  ii. Demand growth – Meet new demand from data centres with signed ESAs and support EV charging infrastructure.

Activated upon trigger events

Projects implemented once specific triggers are met.

Same-year revenue recognition

Revenue recognised in the year expenditure is incurred (effective FY2025), aligned with Base CAPEX.

Same regulated return

Eligible for the same regulated return (7.3%) as Base CAPEX.

AFA Mechanism enhances RP4 certainty through timely fuel cost recovery

Fuel Cost Recovery (2015 – 2027)

Historical

RP1 – RP4
(Jan 2015 – June 2025)

6-monthly adjustment

JAN — JUN

Imbalance Cost Pass-Through (ICPT)

Current

RP4
(effective July 2025 – Dec 2027)

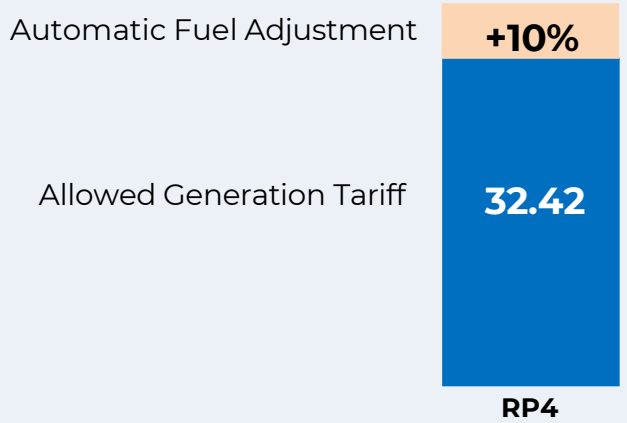
Monthly adjustment

JUL — DEC

Automatic Fuel Adjustment (AFA)

Automatic Fuel Adjustment (AFA)

Base tariff + AFA, sen/kWh



- ✓ **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**

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

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

TNB is the market leader in Peninsular Malaysia's power generation, with a 52% share of installed capacity

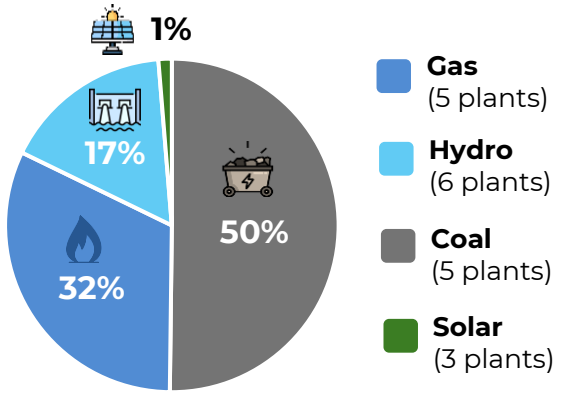
Domestic Generation Portfolio

52%

Installed Capacity Market Share

15.3GW of Peninsular Malaysia installed capacity 29.2GW

INSTALLED CAPACITY BY FUEL TYPE



Security of supply

Balanced portfolio with strong baseload assets

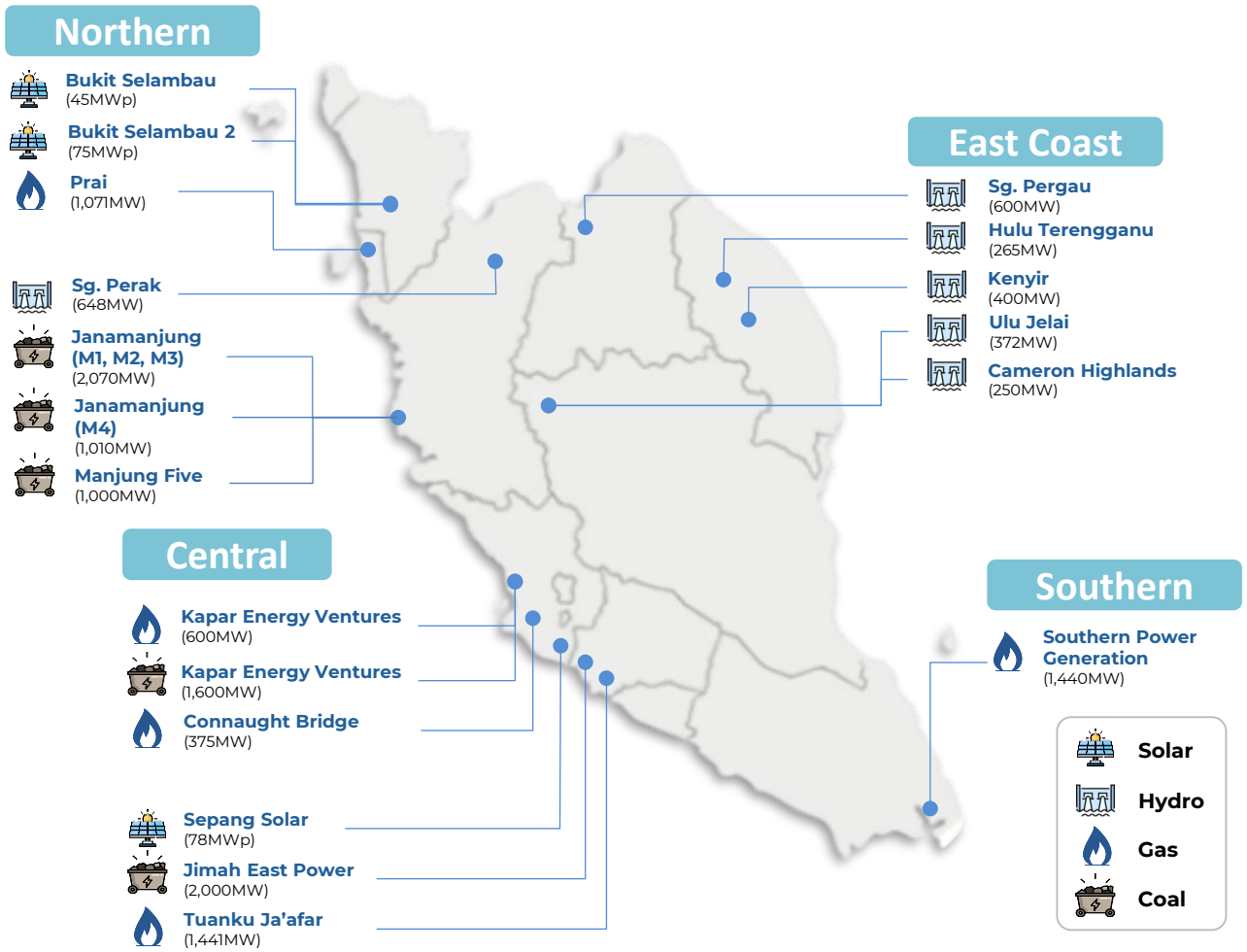
Nationwide footprint

Strategically located across Peninsular Malaysia

Transition ready

Expanding renewables to support Energy Transition

GENERATION FOOTPRINT ACROSS PENINSULAR MALAYSIA



Note:
1. Data as of June 2026 excluding small RE and minority stake
2. 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**

1 VANTAGE RE — United Kingdom, Ireland

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

Whiteside Hill

2 SPARK RENEWABLES — Australia

Equity stake: 100%

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

Bomen Solar Farm

3 GAMA ENERJİ A.Ş. — Turkiye

Equity stake: 30%

- **137.8MW** in hydro
- **118.9MW** in onshore wind

Services

REMACO — A subsidiary of TNB Power Generation

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)
2. **Technical Advisory**
   - **Cambodia**
     - Electricité du Cambodge (EDC) Heavy Fuel Oil Plant of 408MW

Note: Data as of June 2026

Growing electricity demand and expanding customer energy solutions drive long-term retail growth

CORE RETAIL BUSINESS (REGULATED)

Electricity Demand

2025 Actual	2026 Forecast*
133,895 GWh	141,873 GWh
	1HFY2026 (actual): 70,328GWh
	* IBR approved 2026 demand growth

Average Annual Growth

4.9%

*2025 – 2027 Outlook***

** IBR approved forecast under RP4

DEMAND GROWTH DRIVERS

Commercial Sector

The largest contributor

39%

of total electricity sales

13.74% YoY growth supported by growing data centre demand

Data Centre Demand

42 projects in operation

5.65GW maximum demand

KEY CUSTOMER SOLUTIONS & DIGITAL SERVICES

ROOFTOP SOLAR (GSPARX)

GSPARX is a wholly owned subsidiary of TNB that specialises in rooftop solar solutions

Strategic Focus

- Empowering customer participation
- Scale distributed solar adoption
- Customer-centric rooftop solution

ACHIEVEMENTS

563MWp
Secured capacity

3,339
Secured projects

EV ECOSYSTEM

Expanding EV ecosystem by facilitating 3rd party Charge Point Operators (CPOs) and expanding TNB Electron

Strategic Focus

- Advancing electrification
- Accessible EV charging infrastructure
- Supports Malaysia's Net Zero aspirations

ACHIEVEMENTS

ELECTRON	EV industry
284 charge points	6,418 charge points

Green lane supply connections

448 @ 74MW

ENERGY EFFICIENCY

Driving measurable energy efficiency through customer-centric solutions

Strategic Focus

- Empowering digital customers
- Promote energy optimisation
- Enhance customer engagement

ACHIEVEMENTS

>8.4 mil
myTNB subscribers

>148,000
Time of Use (ToU) scheme subscribers

TNB continues to benefit from resilient electricity demand while expanding customer-centric energy solutions and digital services to support long-term growth

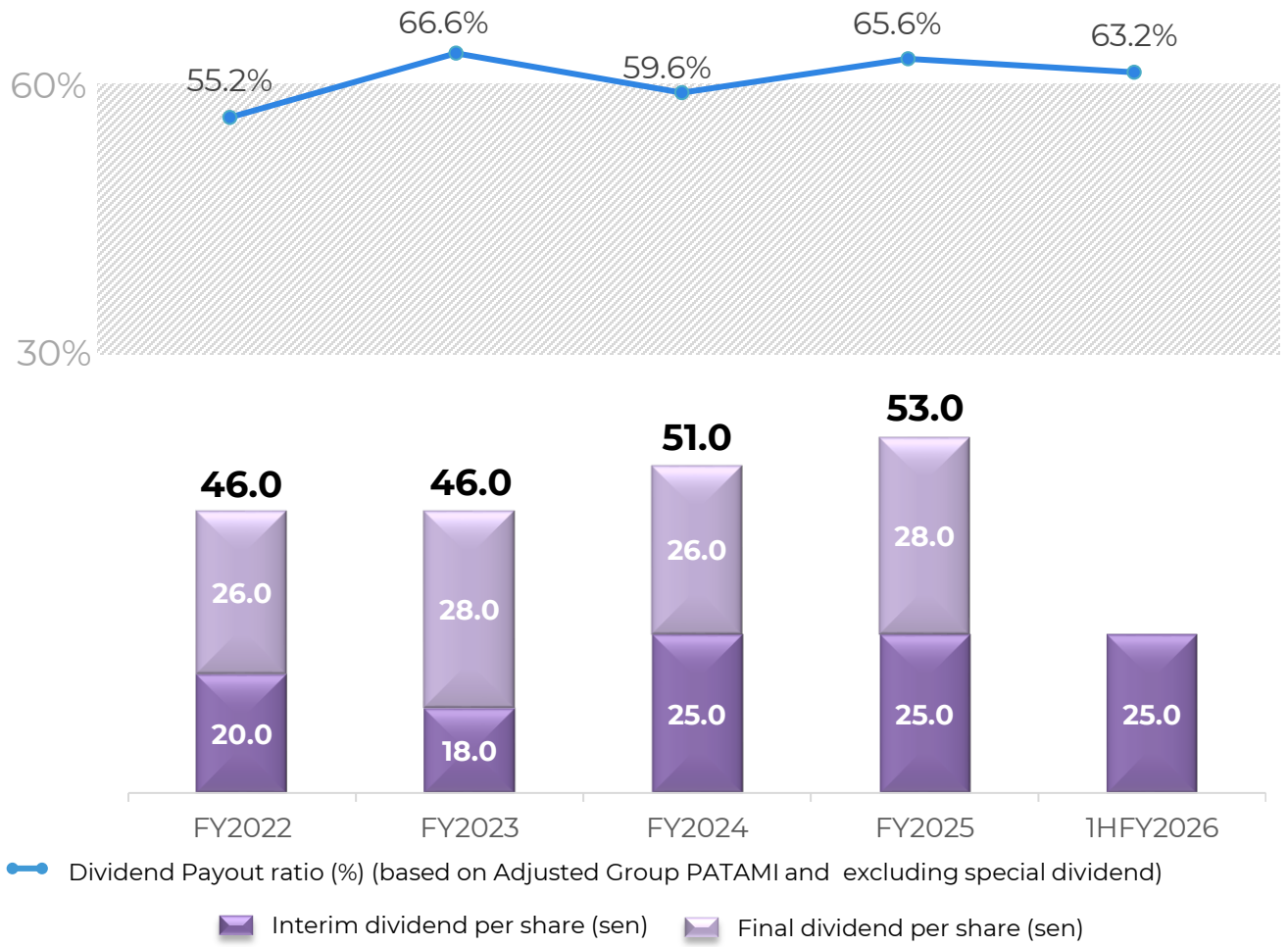
Note: Data as of 1HFY2026 unless stated differently

1HFY2026 interim dividend payout of 63.2% underpinned by earnings stability and prudent capital management

1HFY2026 Dividend Payout » **RM1.5 bil**

Dividend Policy

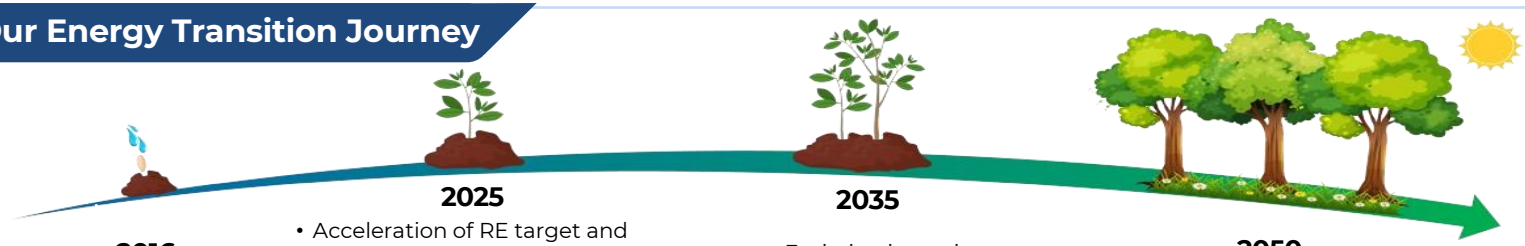
We will continue to honour our dividend policy of 30% to 60% dividend payout ratio, based on the TNB Group Consolidated Net Profit Attributable to Shareholders After Minority Interest (PATAMI), excluding Extraordinary and Non-Recurring items (adjusted PATAMI)



STRATEGIC OUTLOOK

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

Our Energy Transition Journey



2016
Our ET journey started **here**

2025
- Acceleration of RE target and investments towards 2050
- **Reduction of 5% carbon emission intensity** starting 2025 (Scope 1)

2035
- Emission intensity **reduction of 35%**
- Coal capacity **reduction of 50%**

2050
Aspire to achieve **Net Zero & Coal-Free by 2050**

Aligned with the National Energy Transition Roadmap (NETR) ambition to achieve:

70%

RE capacity target by 2050

TNB targets 5% annual reduction in carbon emission intensity (Scope 1) starting 2024, through **two strategic levers:**

1 CARBON MANAGEMENT STRATEGY

Reduce carbon emission
Lowering carbon emissions across the company (Scope 1, 2 & 3).

Capture carbon emission
Capture and storing of carbon dioxide (CO_2) before it is released into the atmosphere through Project Bloom.

Offset carbon emission
Purchase carbon credits to offset carbon emissions with the goal to reduce overall emissions over time.

MEASURES:
- Carbon Emission (tCO_2e)
- Carbon Emission Intensity (tCO_2e/MWh)

2 INCREASE RENEWABLE ENERGY CAPACITY

A) Capture RE growth potential in domestic and international markets:

Domestic

Capture Malaysia market through TRe & Genco:
- Large Scale Solar (LSS)
- Corporate Green Power Purchase (CGPP)
- NETR Flagship Projects: Centralised Solar Park & Hybrid Hydro Floating Solar (HHFS)
- Third Party Access (TPA)

International

Capture the United Kingdom market through Vantage RE

Capture Australia market through Spark Renewables

B) Embark on strategic partnership for new technology such as:

Grid-scale BESS:
Support higher solar penetration through enhanced grid flexibility and resilience

MEASURES:
- RE Capacity (MW)
- Net Generation from RE (MWh)

Advancing TNB's Energy Transition aspiration through three strategic priorities to build a future-ready electricity value chain

DELIVER CLEAN GENERATION

- **Decarbonise thermal fleet** while ensuring 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

Focus Areas

GENCO

- Operational improvement and committed projects
- Non-coal M&A and new cleaner capacity expansion
- Brown to green transition

NED

- Maximising value from existing assets and progressing development pipelines to operation
- Strengthen capability building through technology-focused agenda

Focus markets:

Malaysia	UK / Ireland	Australia
Driven by: **TNB Renewables**	Driven by: **Vantage RE Ltd**	Driven by: **Spark Renewables**

DEVELOP ENERGY TRANSITION NETWORK

- **Modernise transmission and distribution networks** for greater automation and resilience
- **Deploy flexible solutions** (e.g. grid scale storage, community storage) to manage intermittency and peak demand
- Enable **Renewable Energy Zones** to unlock large scale, coordinated renewable development
- Catalyse **regional interconnection** through the ASEAN Power Grid (APG)

Opportunities

DER[1] Increase: Investment in CESS[2] and VRDT[3] in line with the growth for CRESS and CREAM

Grid flexibility

- Network readiness enabling 70% RE penetration by 2050

Technology solutions

- Compressed Air Energy Storage
- Battery Energy Storage System
- AI-based Predictive Maintenance for Underground Cable
- Smart Green Island

Regional Interconnection

- Strengthen security of supply and open investment opportunities

5 upcoming projects » **~8GW** potential grid energy

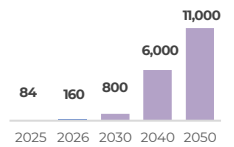
DYNAMIC ENERGY SOLUTIONS

- Power the growth of **strategic digital infrastructure**, including data centres
- Enable **large-scale transport electrification** through grid reinforcement and nationwide charging infrastructure
- Support **industrial electrification and decarbonisation**, particularly for hard-to-abate sectors
- **Unlock energy management solutions** for prosumers (e.g. rooftop PV, energy efficiency)

Opportunities

BEV adoption

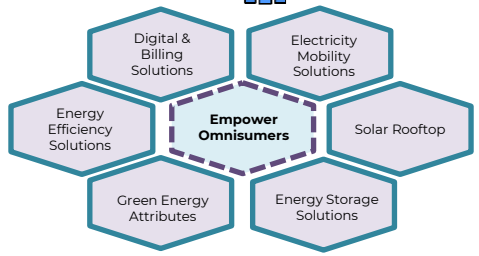
- Electrified transport boosting energy demand



2030 EV market potential

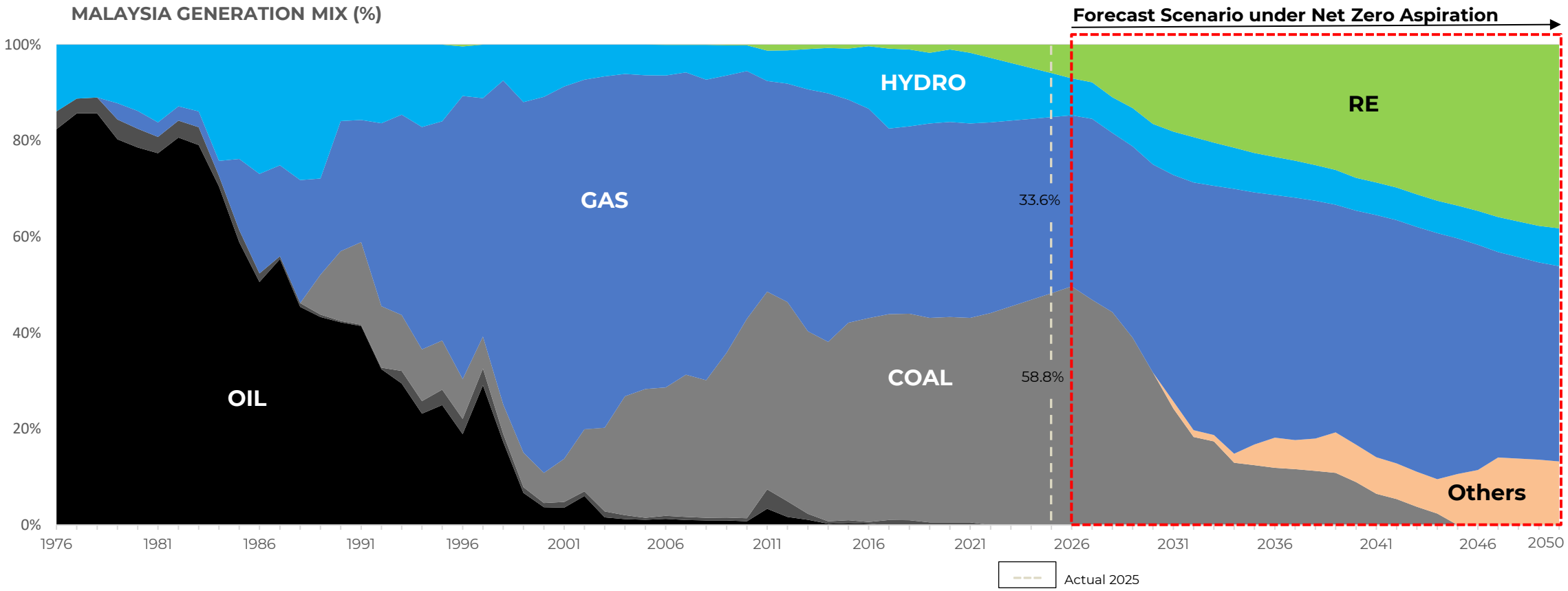
800k BEV on the road	**30k** charge points
RM1.44 bil annual regulated revenue	**3.3TWh** annual regulated electricity

Shaping customer behaviour



[1] DER: Distributed Energy Resources, [2] CESS: Community Energy Storage Systems,, [3] VRDT: Voltage Regulating Distribution Transformers

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



Note:
1. Electricity Generation Mix is for Malaysia (Peninsular Malaysia, Sabah and Sarawak)
2. The forecast scenario under the Net Zero Aspiration for Peninsular Malaysia is based on TNB's internal analysis, while Sabah and Sarawak's future generation is estimated based on projected demand and capacity growth and scaled using Peninsular Malaysia's total generation
3. RE (non-hydro) consists of solar, biomass, biogas, waste-to-energy and hydrogen
4. Others consist of nuclear and interconnection

Our diversified clean portfolio has grown to 17.4GW of secured capacity, strengthening TNB's long-term growth platform across domestic and international markets

17.4GW
SECURED GROUP CLEAN CAPACITY
(DOMESTIC AND INTERNATIONAL)

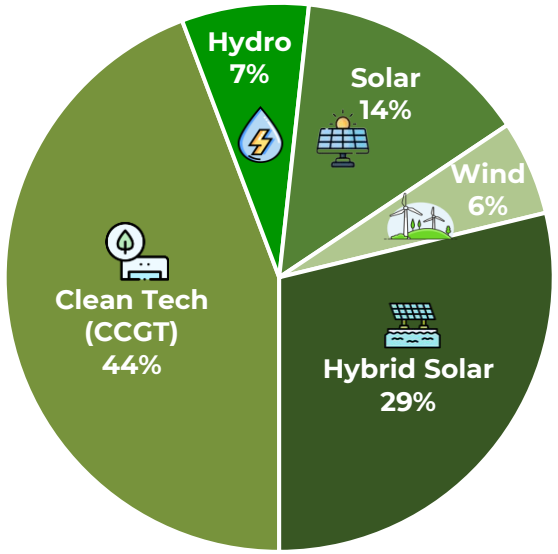
4.77GW	1.66GW	11.0GW
In operation	Under construction	In pipeline
27%	10%	63%

IN OPERATION (4.77GW)

Technology	Capacity
Hydro	**2,689MW** (56.4%)
Solar	**1,779MWp** (37.3%)
Wind	**284MW** (6.0%)
Biomass	**12.5MW** (0.3%)
Biogas	**4.8MW** (0.1%)

FUTURE CAPACITY
(under construction & in the pipeline)

12.7GW



CLIMATE IMPACT

CO_2 Emission Avoidance

>23 million*
tCO_2e p.a.

Supporting
Malaysia's
Net Zero aspiration

* Based on total secured Group clean capacity

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 June 2026

Strong generation pipeline strengthens energy security, advances the energy transition and supports sustainable long-term growth

EXECUTING A STRONG AND DIVERSIFIED GENERATION PORTFOLIO

~12.7GW Projects under construction and in pipeline

2026	2027	2028	2029	2030	2031	2032	2033
30.5MW	**997MW**	**1,707MW**	**2,138MW**	**4,820MW**	**2,177MW**	**700MW**	**87MW**
Sg. Perak Hydro Life Extension Programme (HLEP) **[8MW]**	Sg. Perak HLEP **[11MW]**	Sg. Perak HLEP **[172MW]**	Sg. Perak HLEP **[38MW]**	Sg. Perak HLEP **[205MW]**	Sg. Perak HLEP **[127MW]**		Sg. Perak HLEP **[87MW]**
	Nenggiri Hydro **[300MW]**	Hybrid Hydro Floating Solar **[785MWp]**		Hybrid Hydro Floating Solar **[2,858MWp]**			
Large Scale Solar Sabah **[22.5MWp]**	Large Scale Solar 5 **[686MWp]**	Centralised Solar Park **[750MWp]**		Dinawan Wind Farm 1 **[357MW]**	Dinawan Wind Farm 2 & Dinawan Solar **[650MW]**		
			New Paka **[1,400MW]** SPG 2 **[700MW]**	Paka Repowering **[1,400MW]**	Kapar CCGT **[1,400MW]**	Kapar CCGT **[700MW]**	
	638MW		**2,200MW**	**4,440MW**	**~7.3GW**	Plant retirement by 2030	

Legend: Ground Mounted Solar, Floating Solar, Hydropower, Wind, CCGT, CRESS/potential CRESS

Notes:
i. Domestic solar capacity is quoted in MWp
ii. The completion timeline and capacity of new clean generation plants are subject to change as project development progresses
iii. Data as of June 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