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KUALA LUMPUR: Hong Leong Investment Bank Bhd (HLIB) is holding its positive view of Tenaga Nasional Bhd's (TNB) strategic investment, Spark Renewable Energy (RE) in Australia, which bolsters its commitment towards achieving Net Zero 2050.

In a note, HLIB said similar to Vantage RE (UK), Spark RE has been an important leverage for TNB to diversify its RE assets outside of Malaysia, while providing a strong learning platform for it to champion Malaysia's vision of achieving Net Zero 2050.

It said the RE assets are also expected to benefit from the recent surge in global

energy prices.

"We maintain our "buy" recommendation on TNB with an unchanged discounted cash flow to equity-based target price of RM17.25.

"The utility company is well-positioned to benefit from resilient economic growth in 2026, supported by the implementation of the new return mechanism for contingent capital expenditure and a lower effective tax rate projected for the financial year 2026-2027," it added.

At 11.50 am, TNB's shares increased four sen to RM14.08, with 435,300 shares transacted. -Bernama

the company.

"Notwithstanding the ongoing international geopolitical uncertainties, we have continuously taken proactive measures to manage cost pressures and strive to protect our margins.

"By leveraging our relatively young and fuel-efficient machinery fleet, we are able to optimise operational efficiency while maintaining cost discipline," he said.

He added that Geohan remains committed to fully utilising our resources, including our experienced team and modern machinery fleet, to deliver high-quality work and ensure timely project completion.

Geohan said that for the first subcontract, valued at RM27.4 million, it will undertake the hand-dug caisson piling works, along with comprehensive pile testing.

It said the second subcontract, valued at RM75.6 million, involves bored piling and reverse circulation drilling works, adding that both packages are expected to be completed within 19 months from the date of commencement. - Bernama