



13 DEC, 2025

Stake sales for natonal goals

The Star, Malaysia



# Stake sales for national goals

KHAZANAH Nasional Bhd has continued to sell stakes in its core holdings, leading to substantial changes in the government's holdings in strategic companies.

The sovereign fund recently sold a 2.33% stake in Tenaga Nasional Bhd (TNB), whereby proceeds amounted to nearly RM1.7bil.

With that sale, together with divestments in other companies it deems strategic assets, Khazanah is no longer the largest shareholder in some of the largest companies on Bursa Malaysia.

It has ceased to be the largest shareholder of Telekom Malaysia Bhd (TM) and even IHH Healthcare Bhd, and in some cases, the Employees Provident Fund (EPF) has emerged as the largest shareholder.

The government still retains a golden share in TNB and TM, giving it considerable influence over those national assets.

For Khazanah, its role goes beyond that of an asset or fund

- Currently, there is a greater emphasis for Khazanah to fund social initiatives rather than retaining strategic stakes
- Shift in ownership to EPF still keeps these strategic stakes in Malaysian hands

manager focused solely on absolute returns, and it changes with every new administration that comes into power.

Now, there is more of a need to fund social causes instead of retaining the role of a strategic asset owner.

Programmes such as the Government-linked Enterprises Activation and Reform Programme (GEAR-up) and Dana Impak are driving Khazanah's funding needs.

GEAR-up will see government-linked investment companies funnel RM120bil over five years into high-growth and high-value development sectors.

Such investments will require far more capital than the dividends from large companies can provide over that period.

Then there is also the need to fund small and medium enterprises, as well as initiatives involving heritage buildings and youth programmes, each requiring dedicated financing.

Therefore, the sale of strategic stakes in major listed companies on Bursa Malaysia should not be seen in isolation, but in the context of how the proceeds will be channelled.

Regardless, the change of ownership from Khazanah to the EPF should see strategic shareholdings still remain in Malaysian hands, given the EPF's growing investments in Bursa Malaysia companies.

