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Bill protection will not affect TNB's dividend payout



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KUALA LUMPUR: The initiative to expand electricity bill protection threshold for domestic customers until December 2026 will not affect Tenaga Nasional Bhd's (TNB) ability to fulfil its dividend payment commitment to shareholders.

Deputy Prime Minister Datuk Seri Fadillah Yusof said this commitment was demonstrated through the payment of an interim dividend in October, alongside TNB's prudent financial and cash flow management to ensure the sustainability of its operations.

Fadillah, who is also Energy Transition and Water Transformation Minister, said the policy announcement triggered a RM1.3 billion decline in TNB's market cap-

italisation on Sept 18, 2026.

"The drop in share price from RM13.32 to RM13.04 was driven by investors' concerns over the additional costs associated with the bill protection, the assumption of a two to three per cent reduction in revenue for 2026, as well as uncertainty surrounding the Automatic Fuel Adjustment mechanism and the recoverability of costs," he added.

Fadillah made these remarks while winding up the policy-level debate on the Supply Bill 2027 (Budget 2027) for the Energy Transition and Water Transformation Ministry in the Dewan Rakyat on Tuesday.

However, he pointed out that TNB's

share price subsequently recovered, reflecting renewed investor confidence in the company's financial position, cost management capabilities and long-term business prospects.

Meanwhile, he said an investment of RM12 billion would be undertaken by TNB in 2027 in line with economic development needs and rising energy demand.

Fadillah noted that the company has also approved a capital expenditure allocation of RM43 billion under the Incentive-Based Regulation mechanism for the fourth regulatory period, covering 2025 to 2027, to enhance long-term electricity supply security and strengthen the national grid. -Bernama