

PRESS RELEASE

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TNB DRIVING STRATEGIC GROWTH AND NET ZERO COMMITMENTS IN 2023 AND BEYOND

- Commitment to Malaysia's aspiration to lead the region in energy transition and to achieve net zero emissions by 2050.
- Improved financial stability and operational excellence, demonstrating resilience and efficiency.
- Elevated customer experience, reinforcing commitment to quality service.

Tenaga Nasional Berhad (TNB) reaffirms its commitment to supporting Malaysia's net zero emissions goal by 2050, through a responsible transition to a high-value green economy. This transition promises significant growth opportunities and ensures sustainable value creation for all its stakeholders.

In 2023, TNB achieved a significant financial milestone, with a 4.3% year-on-year revenue growth, reaching RM53.07 billion. This was driven by a 3.8% increase in electricity demand in Peninsular Malaysia and Sabah. "Our ability to meet rising energy needs effectively, along with an RM2.66 billion dividend payout, with 66.6% of the dividend distributed to Government-Linked Investment Companies (GLICs), underscores our commitment to shareholder value," stated TNB Chairman, Dato' Abdul Razak Abdul Majid at TNB's 34th Annual General Meeting today.

He noted that Malaysia's electricity demand growth, an indicator of the country's economic performance, showed a 3.8% year-on-year (YoY) increase in Peninsular Malaysia and Sabah, compared to the previous year's 6.1%. This growth, supported by strong demand in both domestic and commercial segments, 5.5% and 9.9% growth respectively - illustrates Malaysia's robust domestic demand.

"Our strategic initiatives demonstrate our unwavering commitment to becoming a premier provider of sustainable energy solutions, thereby supporting Malaysia's economic growth in alignment with the MADANI Economy Framework, aiming to restructure the economy and enhance the quality of life for all Malaysians," he said.

Abdul Razak added, "We are at the forefront of advancing these objectives through pivotal flagship projects outlined in the National Energy Transition Roadmap (NETR). These initiatives will increase renewable energy (RE) gradually, reinforcing our leadership in sustainable energy solutions."

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TNB President/Chief Executive Officer, Datuk Ir. Megat Jalaluddin Megat Hassan said that TNB is preparing for Regulatory Period 4 (RP4) 2025-2027 with significant CAPEX to support Malaysia's energy transition and projected electricity demand growth. "We are ready to execute exciting programmes within NETR, ensuring Malaysia achieves its energy transition goals. With TNB leading the charge, we are confident in fostering a sustainable, resilient, and prosperous future for all."

TNB is leading three key large-scale RE and clean technology initiatives in NETR: Centralised Large-Scale Solar (LSS) parks, Hybrid Hydro Floating Solar (HHFS), and hydrogen and ammonia co-firing projects. These initiatives aim to deliver over 3,000MW of renewable energy capacity by 2040, with around 2,500MW from HHFS technology and an additional 500MW from five different LSS parks. TNB plans to install HHFS up to 230MW capacity at the Temenggor and Chenderoh hydro plants by 2025, and the company is exploring a 100MW ground-mounted solar project in Perak.

"We are committed to driving growth and achieving Net Zero targets, guided by the Energy Transition Plan. By focusing on the pillars of our strategic focus - Energy Sources, Energy Vector and Energy Usage, we aim to deliver clean energy generation, develop energy transition networks, and promote dynamic energy solutions."

"In 2023, our transmission system minutes were maintained at 0.48 and power plants recorded a solid 83.3% availability factor throughout 2023 showcasing our resiliency and efficiency. The Customer Satisfaction Index (CSI) reached a record high of 88%, complemented by a Customer Experience Index (CEI) score of over 90% across all touchpoints. These scores reflect our dedication to providing exceptional service and customer experience," said Megat Jalaluddin.

In line with Environmental, Social, and Governance (ESG) principles, TNB enhanced its governance structures to underscore its commitment to sustainability and responsible corporate conduct. "Strengthening governance in the ESG context is a testament to our dedication to sustainable practices," remarked Megat Jalaluddin. "In the coming months, we will continue maximising operational efficiency and effectiveness, as well as our commitment to sustainability. Therefore, we are confident that we can reach our objectives for 2024."

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TNB Chairman, Dato' Abdul Razak Abdul Majid (centre) with TNB President/Chief Executive Officer, Datuk Ir. Megat Jalaluddin Megat Hassan (right) and TNB Chief Financial Officer, Nazmi Othman viewing the TNB's Integrated Annual Report at TNB's 34th Annual General Meeting at Leo Moggie Convention Centre, TNB Platinum, Bangsar today (21st May 2024).



TNB Chairman, Dato' Abdul Razak Abdul Majid (centre) with TNB President and Chief Executive Officer, Datuk Ir. Megat Jalaluddin Megat Hassan (left, front row) and TNB Company Secretary, Ali Munawar Salim (right, front row) at TNB's 34th Annual General Meeting at Leo Moggie Convention Centre, TNB Platinum, Bangsar today (21st May 2024).