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PRESS RELEASE

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TNB DELIVER RESILIENT 1H 2026 PERFORMANCE, PROTECTING THE RAKYAT AMID WEST ASIA VOLATILITY

Tenaga Nasional Berhad (TNB) continued to demonstrate resilient performance for the first half of the financial year ended 30 June 2026 (1H 2026), reaffirming its ability to deliver reliable and secure electricity, strengthening national energy security and advancing Malaysia's energy transition amid a dynamic global energy landscape.

Against the backdrop of global energy market volatility, increasing electricity demand and evolving energy transition requirements, TNB remained focused on maintaining operational excellence, supported by disciplined financial management and strategic execution of its integrated business model.

TNB President/Chief Executive Officer, Datuk Ir. Ts. Shamsul Ahmad, said this resilience enabled TNB to continue investing in Malaysia's energy ecosystem while delivering values to its stakeholders.

"Our 1H 2026 performance enables us to continue investing in critical infrastructure that not only powers households and businesses, but also strengthens national energy security, accelerates energy transition, and ensure we continue delivering reliable and secure electricity while creating value for our customers, shareholders and the nation," he said.

Reliable and Secure Electricity for the Rakyat

Global fuel prices continued to influence electricity generation costs during the period under review, resulting in adjustments under the Government's Automatic Fuel Adjustment (AFA) mechanism.

The AFA reflects changes in actual fuel costs and is implemented through a Government-approved mechanism to ensure transparency in managing fuel cost fluctuations. Electricity customers have received rebates of RM3.1 billion since AFA's introduction in July 2025 until April this year.

Amid the global energy market volatility due to West Asia conflict, the Government has channelled an additional RM435 million from the Electricity Industry Fund (KWIE) since May 2026 to cushion the impact to customers.

While fuel prices are largely influenced by global market conditions, TNB continues to focus on areas within its control by improving operational efficiency, optimising generation performance and maintaining supply reliability. In 1H 2026, the Group invested RM5.6 billion in reliability-related projects to cater for demand growth, security of supply and accelerating energy transition.

Through continued investments in smart grid technologies, network automation and predictive maintenance, TNB has also enhanced its capability to restore electricity supply more quickly and improve outage management, particularly during periods of high electricity demand and extreme weather.

These investments have translated into tangible outcomes, with the System Average Interruption Duration Index (SAIDI) improved to 23.45 minutes.

Transitioning Malaysia's Future Energy System

TNB continued to accelerate strategic investments that strengthen the nation's energy ecosystem and prepare Malaysia for future demand growth driven by industrial electrification, AI-based industries and data centre investments.

Major milestones during the period include:

- Commissioning of the 100 megawatt/400 megawatt-hour Battery Energy Storage System (BESS) Santong in Terengganu, which was recognised as Malaysia's first grid-connected, grid-forming BESS.
- Collaboration with Petronas Gas Berhad to develop Regasification Terminal 3 in Lumut, Perak, enhancing long-term LNG supply resilience and supporting reliable electricity generation.
- Accelerating energy transition with the successful convening of the Energy Transition Conference 2026, which brought together over 6,000 delegates from more than 60 countries and culminated in 15 strategic partnerships spanning renewable energy, grid development and regional connectivity.
- Launching of Energy Transition and Sustainability Academy (ETSA), which aims to develop future-ready talent and strengthen collaboration between industry, academia and policymakers in delivering practical energy transition solutions.

Creating Lasting Value for All

Beyond powering homes and businesses, TNB continues to create lasting value for the communities and environment.

The My Brighter Green Initiative 2026 underscores the Group's commitment to environmental stewardship, through the planting of 40,000 forest and mangrove saplings nationwide throughout the year. The initiative contributes to biodiversity conservation, climate resilience and community participation while supporting Malaysia's broader environmental sustainability agenda.

The Group also expanded its reach in uplifting communities through a wide-ranging corporate social responsibility initiative, with RM109 million allocated throughout the period under review, including on:

- **Education Support (RM71.1 million)**: assistance for students through Universiti Tenaga Nasional (UNITEN) and Yayasan Tenaga Nasional (YTN), benefitting 7,550 students and further reinforcing Malaysia's long-term human capital development.
- **Sports Development (RM5.4 million)**: support benefitting 42,420 athletes and enthusiasts, including national hockey programmes.
- **School Engagement (RM7.1 million)**: initiatives including Ceria Ke Sekolah and Sekolah Angkat benefitting more than 200,000 pupils and 50 schools.

- **Community Outreach and Support (RM16.3 million)**: comprehensive community support initiatives, including disaster relief and Projek Mesra Rakyat, positively impacting more than 200,000 individuals.
- **Powering Communities (RM0.4 million)**: electrification initiatives including installation of solar systems, LED lighting and electrical rewiring, benefitting 3,600 people.

In addition, a total of RM8.7 million in zakat wakalah was channelled to over 50,000 *asnaf* beneficiaries.

Sustainable 1H 2026 Performance

TNB's resilient operational performance translated into a healthy financial position, enabling the Group to continue investing in critical infrastructure while delivering returns to shareholders.

For 1H 2026, TNB recorded earnings of RM2.0 billion, supported by increase in sales of electricity, which was mainly contributed by the commercial sector and improved operational profitability. This stable performance has enabled the Board of Directors to declare an interim dividend of 25 sen per share, consistent with its dividend policy.

The dividend payout is translated to RM1.5 billion which will be paid out to TNB shareholders, with 64.1% will be distributed to government-linked investment companies, including the Employees Provident Fund, Khazanah Nasional Berhad, Permodalan Nasional Berhad, Kumpulan Wang Persaraan and Lembaga Tabung Haji.

“Subsequently, this directly goes back to millions of Malaysians, reflecting TNB’s commitment of delivering value while giving back to the nation,” Shamsul said.

The Group's financial resilience continues to provide a strong platform for sustained investments in grid modernisation, renewable energy integration, digitalisation and infrastructure expansion that support Malaysia's long-term energy security and economic development.

Standing Firm in Serving the Rakyat

Looking ahead, electricity demand is expected to remain on a steady growth trajectory, supported by industrial expansion, digitalisation, smart buildings, electric mobility and increasing investments in AI-driven industries and data centres.

Despite these evolving demands, TNB remains steadfast in its core responsibility – providing Malaysians with reliable, secure and accessible electricity.

“TNB is committed to delivering long-term value not only for our shareholders, but more importantly for the rakyat, by ensuring that the energy transition strengthens Malaysia's economy, creates new opportunities and improves lives for generations to come," said Shamsul.

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About Tenaga Nasional Berhad (TNB)

Tenaga Nasional Berhad (www.tnb.com.my) is a leading Malaysian utility company in Asia with an international presence in the United Kingdom (UK), Ireland, Australia, Turkiye, Saudi Arabia, Kuwait, Pakistan, and Cambodia. Within the renewable energy space, TNB has a total gross portfolio of 3.5 Gigawatts (GW) in Peninsular Malaysia (including 2.5GW of large hydro) and 1.3GW across the UK, Ireland, Australia, and Turkiye, comprising mainly solar, wind, and hydro energy generation assets. In addition to being the nation's primary electricity generation enterprise, TNB also transmits and distributes electricity across Peninsular Malaysia, Sabah, and the Federal Territory of Labuan. As of 30 June 2026, TNB supplies electricity to over 11 million customers.

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PHOTO CAPTION

Photo 1

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Photo 2

TNB continues to focus on areas within its control by improving operational efficiency, optimising generation performance and maintaining supply reliability.

Photo 3

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Photo 4

Electricity customers have received rebates of RM3.1 billion since AFA's introduction in July 2025 until April this year.

Photo 5

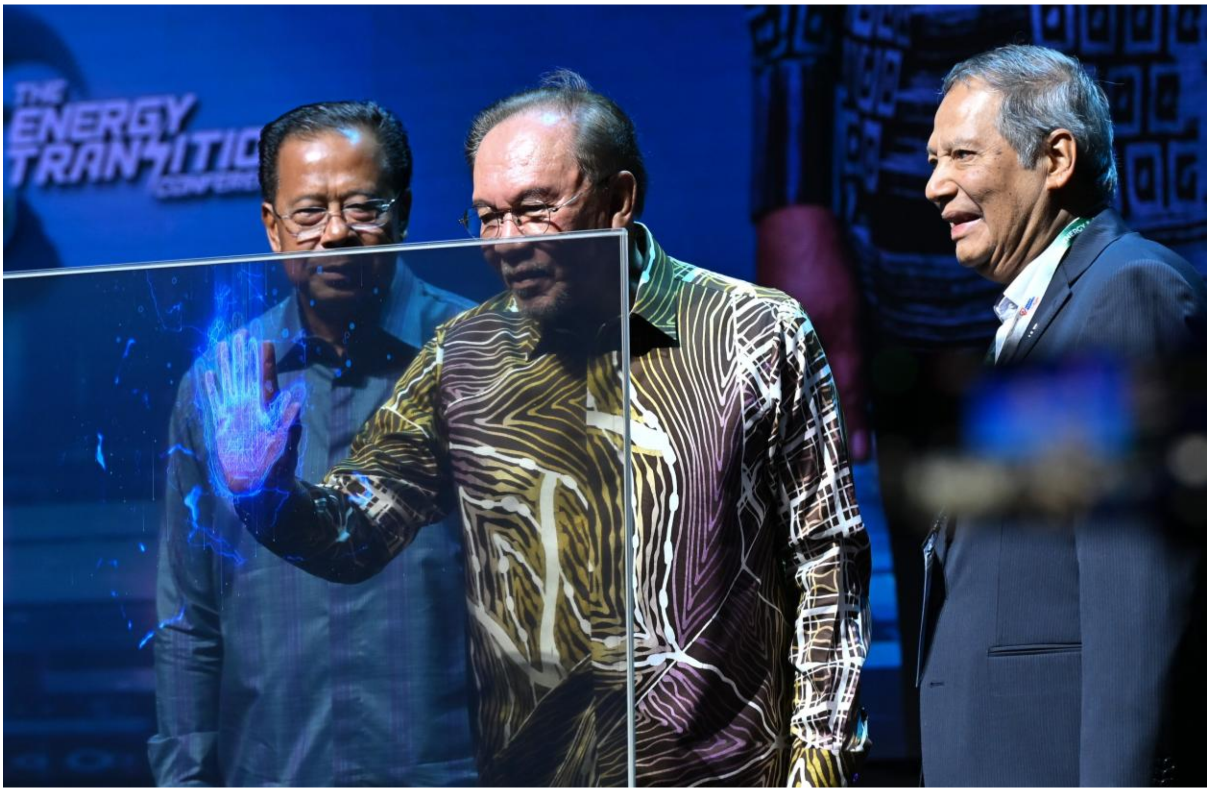

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Photo 6

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