TENAGA NASIONAL
Better. Brighter.

3Q 2021

Presentation to Analysts

Unaudited Consolidated Result for the

3rd Quarter FY2021 Ended 30th September 2021

26th November 2021

Key highlights of the period

Financial performance

Resilient nine months 2021 financial results, however challenges persist

Balance sheet position remain strong

Technical performance

World class operational network performance

Sustainability pathway

Acceleration in RE capacity through local & international expansion and low carbon venture through partnerships

Formation of New Energy Division

Regulated & non-reg performance

Stable regulated earnings

Efforts to improve non-regulated business continues, in particular GenCo & international business

Resilient 9MFY’21 financial performance amid improved economic activities, however challenges persist

REVENUE

Electricity revenue grew by 1.1% year-on-year

Subsidiaries performance improved as more businesses are allowed to operate during this current Movement Control Order

EBITDA

Includes higher Group electricity revenue and improved subsidiaries performance as most economic activities resumed

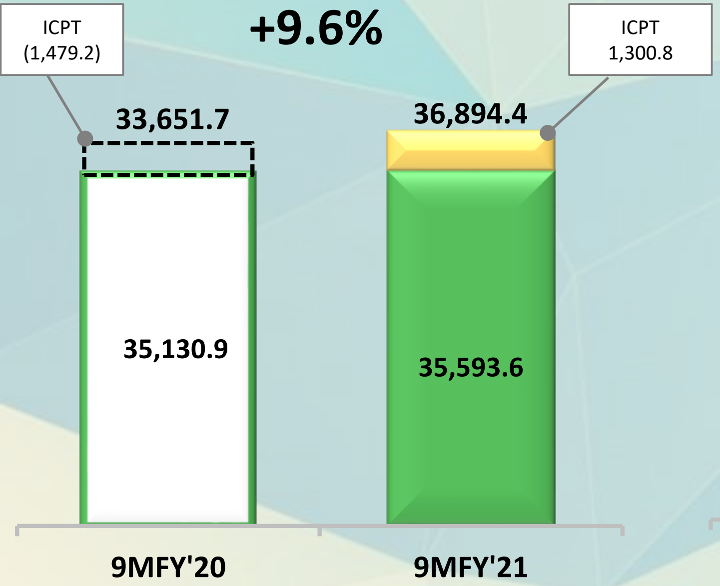
PROFIT AFTER TAX

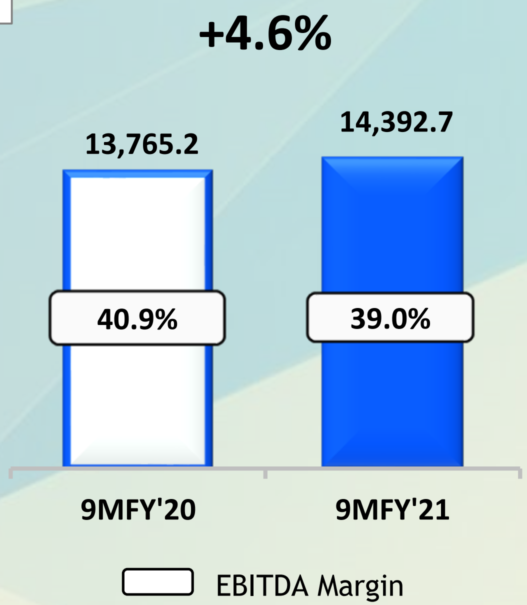
Includes improved associates performance

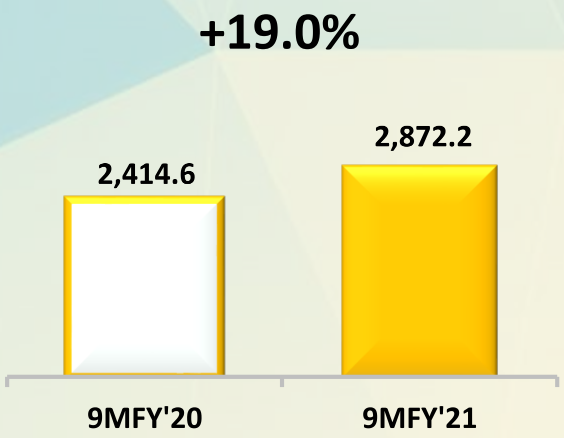
BALANCE SHEET

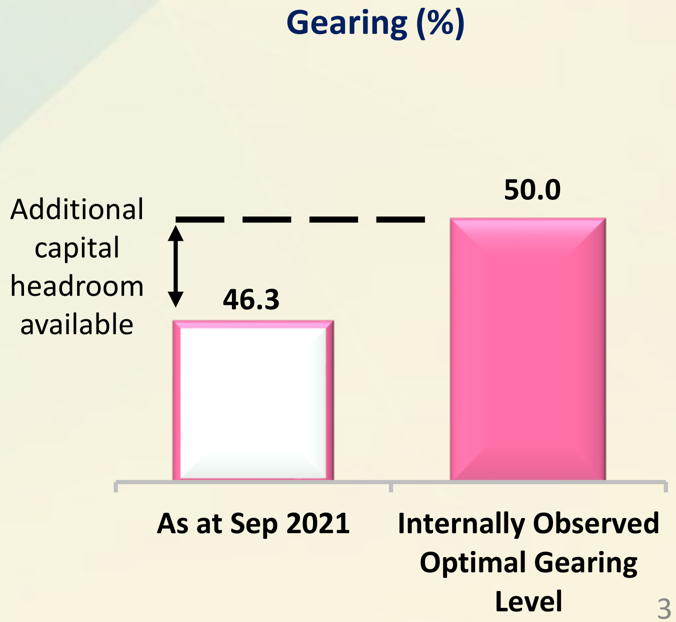
Strong and resilient Balance Sheet afforded by proactive working capital management with gearing stood at 46.3%

RM mil





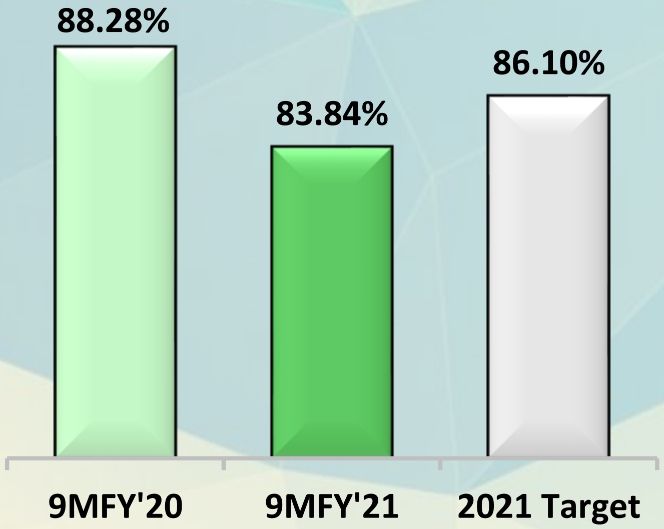




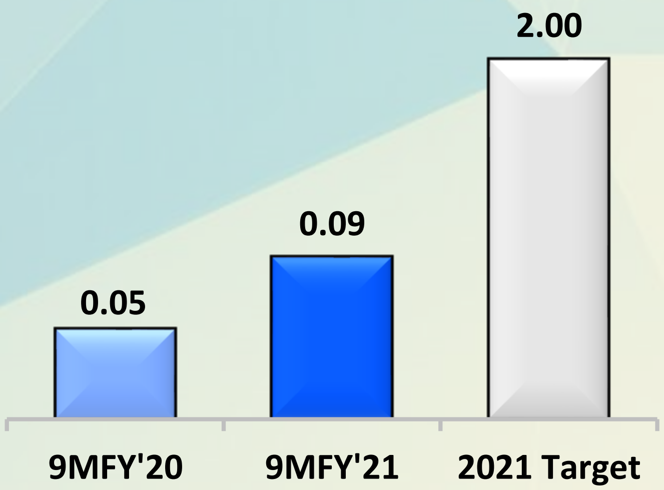
Maintaining world class operational network performance despite challenging period

Our domestic networks achievement with lower system minutes and SAIDI are among the best in Southeast Asia, putting us on par with developed electricity systems/industries such as France and the UK

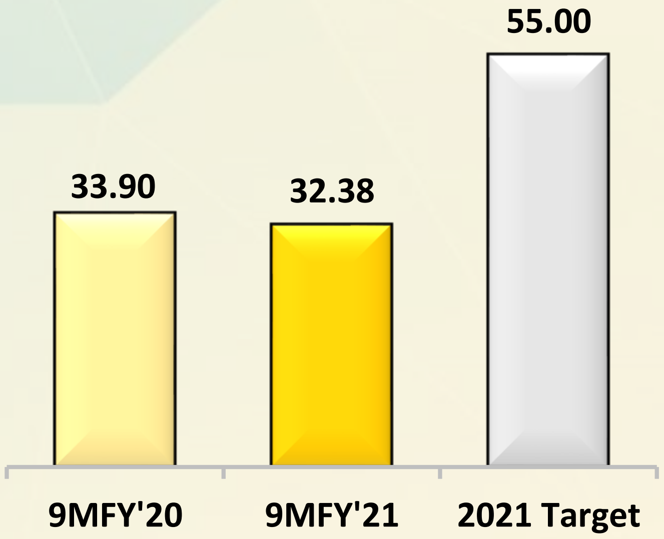
Equivalent Plant Availability Factor (EAF*) (Generation) *%*



System Minutes (Transmission) *Minutes*



SAIDI (Distribution Network) *Minutes*



**EAF includes planned and unplanned outages*

We believe our sustainability pathway will open up new growth opportunities whilst remaining true to our core role

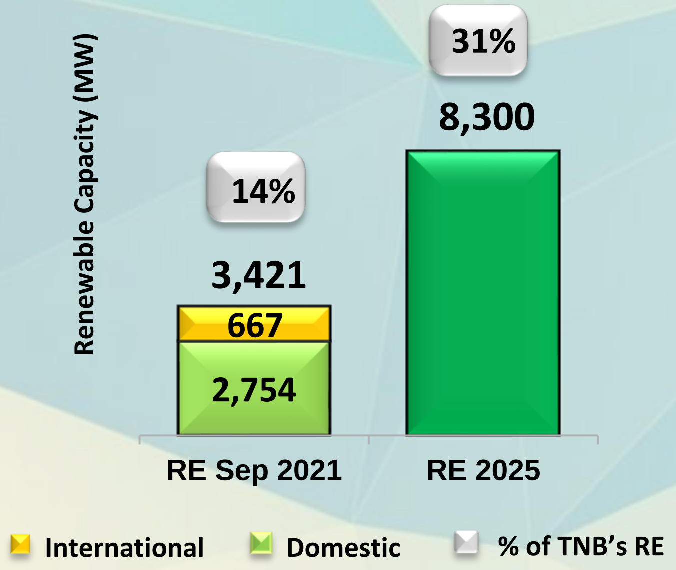
Aspire to achieve Net Zero emissions by 2050

Our 8,300 MW RE Target by 2025 – Build scale in renewable generation

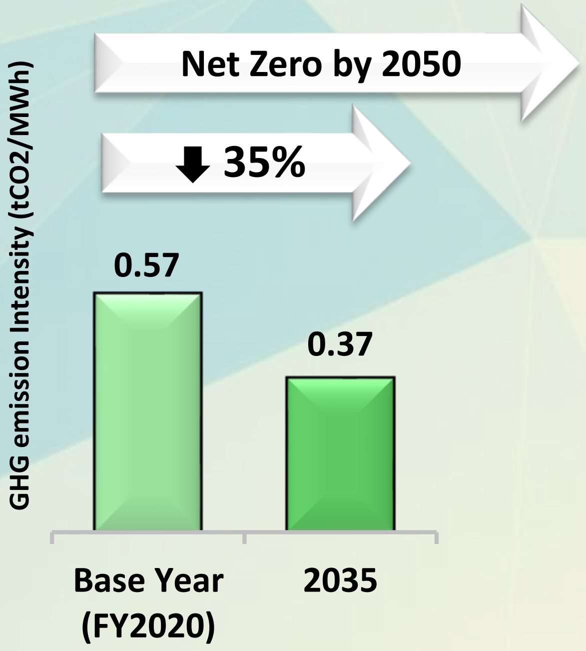
Our Commitment to 2035 - Emission intensity reduction by 35% through significant renewable generation growth and 50% reduction in coal generation capacity

Our Aspiration to 2050 - Invest and grow our emerging green technologies, achieve net zero and coal-free by 2050

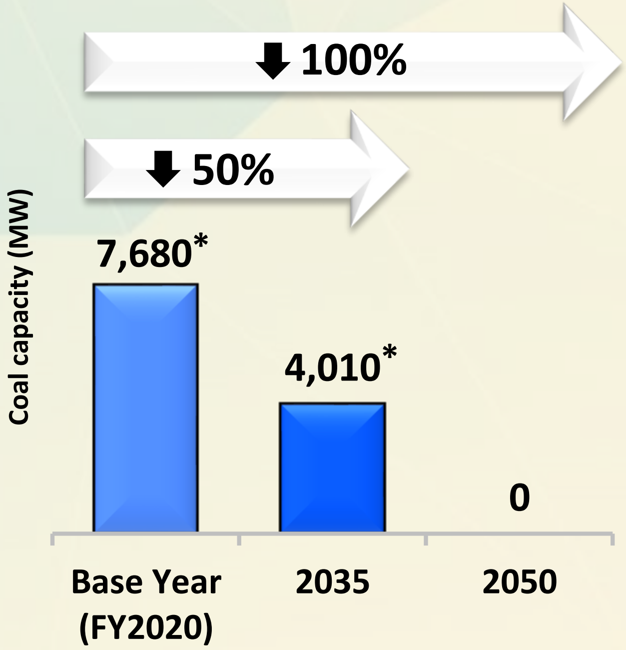
Increase RE Capacity to 8,300MW by 2025



Reduction of emission intensity of 35% by 2035, and Net Zero emissions by 2050



Reduction of coal capacity of 50% by 2035, and 100% by 2050



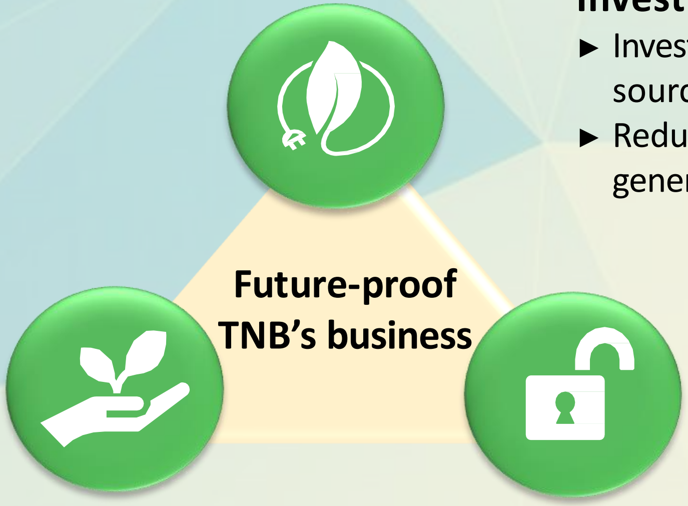
* Peninsular Malaysia's coal plants, gross capacity

Our sustainability pathway towards 2050 is supported by the three strategic pillars

TNB’s Sustainability Pathway 2050 Targets

Aspire to achieve Net Zero by 2050, 35% emission intensity reduction by 2035	**Aspire to achieve Zero Fatalities and LTIF < 1.0**	**1% of profit-after-tax (PAT) towards environmental and community-related programmes**

Three Strategic Pillars



Invest in Low Emission & Green Technologies

► Invest in R&D and greener alternative new energy sources

► Reduce or eliminate emissions from current generation fleet

Evolve the Grid and Grow Renewables

► Expand renewable assets within Malaysia, ASEAN and Europe

► Expand Grid & Distribution to enable increased demand and lower energy losses

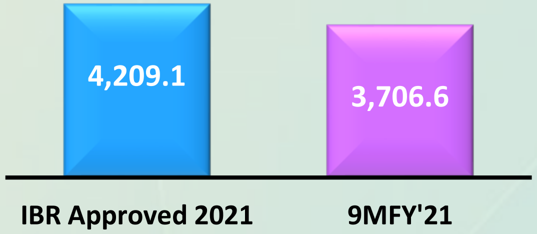
Unlock New Energy revenue streams

► Grow the KWH & Beyond KWH business

► Grow unregulated business to meet evolving customer, energy demands – including Electric Mobility

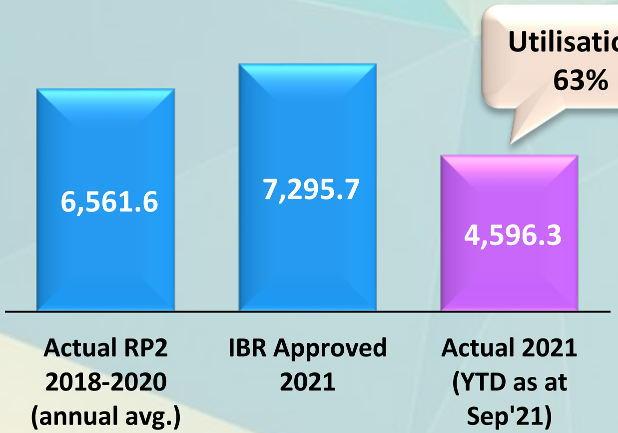
IBR framework delivers stable earnings for our regulated entities while regulated CAPEX remains on track

Regulated Earnings (RM mil)

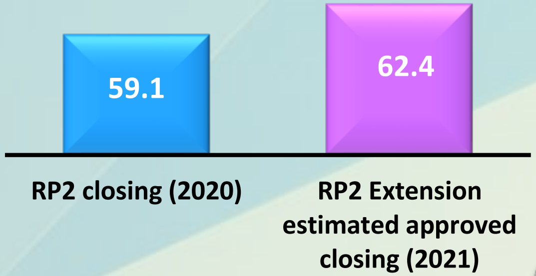


Positive performance from revenue cap entities.
However, retail was impacted by lower sales & higher ADD.

Regulated Capex (RM mil)



Regulated Asset Base (RM bil)



Note: *Please refer appendix for Group Capex utilisation*

** TNB Smart Grid index 2020: 62.5%, 55th place*

Towards becoming a Smart Utility by 2025 » **TNB Smart Grid Index (SGI) target by 2025 : 85%***

On-going Projects under RP2 extension

Advanced Metering Infra. (AMI)

- Smart meter program enables customer to have an improved access and management to their energy consumption. It also improves operational effectiveness by reducing response time, automating processes and improving data accuracy.

0% — **86% (as at Sep'21)** — **100% (1.8 mil units by end 2021)**

LED Relamping

- Replacement of traditional high pressure sodium vapor (HPSV) street lightings with light emitting Diode (LED) which are cost efficient (longer lifespan), lower electricity consumption and more environmental friendly.

0% — **84% (as at Sep'21)** — **100% (650,000 units by end 2021)**

Volt-Var Optimisation (VVO)

- VVO optimally manages system-wide voltage levels and reactive power flow to enhance network efficiency and reduce power losses at both transmission and distribution network level.

0% — **80% (as at Sep'21)** — **100% (560 MVAR** by end 2021)**

**MVAR - megavolt ampere of reactive power

For RP2 & RP2 Extension, around 12% of its Regulated CAPEX spends towards supporting Energy Transition (ET). We estimate our ET related CAPEX to increase to around 19% through our proposed RP3 initiatives

Efforts to improve non-regulated business continues, in particular International Business

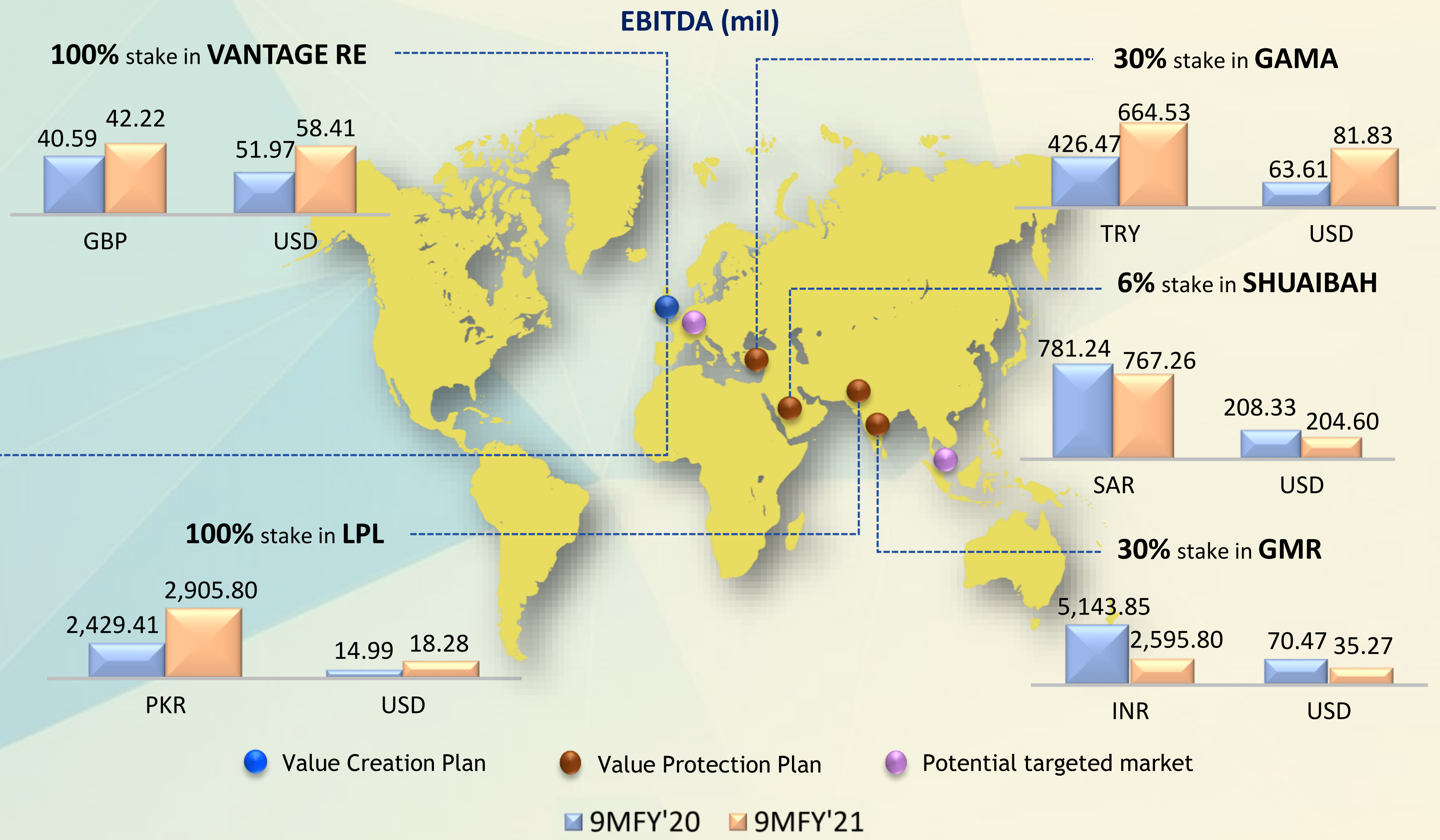
Positive EBITDA for all international portfolios despite challenging environment

New Energy Division established to advance international business commitments on:

- Defocusing on India and Pakistan through divestments.
- Expansion of RE in targeted markets, includes the UK, Europe and SEA.
- Strategic partnership with one of the leading RE players to leverage on their technological expertise.

Acquisition of 49% stake in 41.5MW Blyth offshore UK wind farm in October 2021

- Marks TNB's maiden entry into UK offshore wind market, showcasing TNB's capability and commitment to its Sustainability Pathway aspiration.
- Strategic partnership with EDF, capitalising on EDF's vast experience & capabilities in RE for future growth.



Forward guidance

Electricity Demand

Forecasted at 2.9%, in line with GDP projection of 3.0% to 4.0% for 2021

Reached maximum demand: 18,585MW (Oct'21)

RP3

Final stage discussion with Energy Commission

Non-Regulated Business

- 5 low carbon ventures MOUs signed
- EV market expected to grow to 500k EVs and 18k charging points by 2030
- GDV of RM36.6bil under development of smart city and sustainable community

Sustainability Pathway

Continuously ramping up our sustainability efforts towards achieving our net zero emission aspiration by venturing into new energy

Dividend

Continue to honour our dividend policy of 30% - 60% dividend payout ratio, based on adjusted PATAMI

THANK YOU

3Q FY 2021

- *Details on Financial Results*
- *GenCo Performance*
- *International Business Performance*
- *Coal Data*
- *Shareholdings Analysis*

Key highlights of the period

01 Resilient nine months financial performance, however challenges persist

- Reported profit for the 9MFY2021 of RM2.9bil, compared with RM2.4bil for 9MFY2020.
- Electricity revenue grew by 1.1% year-on-year amounting to RM350.7mil.
- Subsidiaries performance improved as more businesses are allowed to operate during this current Movement Control Order (MCO).
- Balance sheet remain strong, and continuous working capital management will be observed. Capital management have been positive with gearing stood at 46.3%.

02 Robust technical performance

- Maintained world class achievement on our network performance.
- Our grid and distribution network, in terms of low system minutes and SAIDI are among the best in Southeast Asia, at par with developed countries such as France and the UK.

03 Sustainability Pathway journey ; acceleration in RE capacity expansion and low carbon partnerships. Formation of new energy division.

- New Energy Division was formed to further strengthening our commitments towards realizing our international business strategy focusing on RE growth and asset management in targeted markets.
- Successfully acquired a 49% stake in Blyth Offshore Demonstrator Ltd (BODL), an offshore UK wind farm company in October 2021, with existing floating offshore wind capacity of 41.5MW and further development rights for similar type of RE of up to 58.4MW.
- Defocusing on India and Pakistan through divestment, shifting our effort to pursue growth in TNB's focused markets such as the UK, Europe and Southeast Asia.
- Recently signed a 30-year power purchase agreement for the 300MW Nenggiri hydro plant which is expected to commence in June 2027.
- Collaborated with DHL & SOCAR to explore a framework of greener supply chain, which includes EV infrastructure development.
- GSPARX has continued to show growth securing rooftop solar capacity of 103MW as at September 2021, increased from 88MW in June 2021.

04 Regulated & Non-reg performance

- Regulated entities earnings remain stable from effective IBR framework.
- Continue efforts to improve non-regulated business, in particular GenCo and international business.

Year-on-year (Y-o-Y) analysis

RM mil		9MFY'21	9MFY'20	Variance RM mil	Variance %
Revenue	1	36,894.4	33,651.7	3,242.7	9.6
Operating expenses (without depreciation)		(22,143.2)	(20,377.0)	(1,766.2)	8.7
Net loss on impairment of financial instruments	2	(906.9)	(341.7)	(565.2)	>100.0
Other operating income	3	548.4	832.2	(283.8)	(34.1)
EBITDA		**14,392.7**	**13,765.2**	**627.5**	**4.6**
EBITDA Margin (%)		39.0%	40.9%		
Depreciation		(7,882.7)	(7,861.4)	(21.3)	0.3
EBIT		**6,510.0**	**5,903.8**	**606.2**	**10.3**
Foreign exchange:					
- Transaction (loss)/gain		(27.9)	(19.5)	(8.4)	43.1
- Translation gain (loss)/gain	4	(162.4)	(174.3)	11.9	(6.8)
Share of results of joint ventures		17.4	(3.3)	20.7	>(100.0)
Share of results of associates	5	103.6	41.1	62.5	>100.0
Profit before finance cost		**6,440.7**	**5,747.8**	**692.9**	**12.1**
Fair value changes of financial instrument		147.5	60.0	87.5	>100.0
Finance income	6	159.7	269.5	(109.8)	(40.7)
Finance cost	7	(2,831.6)	(2,733.5)	(98.1)	3.6
Profit from ordinary activities before taxation		**3,916.3**	**3,343.8**	**572.5**	**17.1**
Taxation and Zakat:					
- Company and subsidiaries		(1,128.6)	(1,003.5)	(125.1)	12.5
- Deferred taxation		84.5	74.3	10.2	13.7
Profit for the period		**2,872.2**	**2,414.6**	**457.6**	**19.0**
Attributable to:					
- Owners of the Company		2,784.0	2,380.8	403.2	16.9
- Non-controlling interests		88.2	33.8	54.4	>100.0
Profit for the period		**2,872.2**	**2,414.6**	**457.6**	**19.0**

Y-o-Y PAT analysis :

1. Higher revenue due to ICPT under recovery and higher sales of electricity
2. Includes ADD of RM581.2mil and impairment of receivables for LPL of RM190.4mil
3. Higher operating income in 9MFY'20 resulted from income for deemed disposal of associate of RM234.4mil
4. Forex translation loss mainly due to weakening of MYR against USD
5. Higher share of result of associates mainly contributed by Jimah Energy Venture and full impairment of GMR in 1QFY'21
6. Lower finance income resulted from lower placement & interest rate in fixed deposit and unit trust fund
7. Higher finance cost mainly due to the commissioned of Southern Power Generation (SPG) in February 2021

Quarter vs Previous Quarter (3QFY'21 vs 2QFY'21) analysis

RM mil		3QFY'21	2QFY'21	Variance RM mil	Variance %
Revenue	1	12,975.4	12,441.0	534.4	4.3
Operating expenses (without depreciation)	2	(8,198.1)	(7,445.6)	(752.5)	10.1
Net loss on impairment of financial instruments	3	(239.3)	(487.2)	247.9	(50.9)
Other operating income		144.4	227.3	(82.9)	(36.5)
EBITDA		**4,682.4**	**4,735.5**	**(53.1)**	**(1.1)**
EBITDA Margin (%)		36.1%	38.1%		
Depreciation		(2,623.5)	(2,612.2)	(11.3)	0.4
EBIT		**2,058.9**	**2,123.3**	**(64.4)**	**(3.0)**
Foreign exchange:					
- Transaction gain/(loss)		(12.6)	26.4	(39.0)	>(100.0)
- Translation gain / (loss)		(45.7)	(59.9)	14.2	(23.7)
Share of results of joint ventures		5.4	5.7	(0.3)	(5.3)
Share of results of associates		44.6	42.7	1.9	4.4
Profit before finance cost		**2,050.6**	**2,138.2**	**(87.6)**	**(4.1)**
Fair value changes of financial instrument	4	59.7	(21.5)	81.2	>(100.0)
Finance income		47.7	64.0	(16.3)	(25.5)
Finance cost		(921.1)	(978.6)	57.5	(5.9)
Profit from ordinary activities before taxation		**1,236.9**	**1,202.1**	**34.8**	**2.9**
Taxation and Zakat:					
- Company and subsidiaries	5	(64.6)	(499.3)	434.7	(87.1)
- Deferred taxation		(123.6)	147.2	(270.8)	>(100.0)
Profit for the period		**1,048.7**	**850.0**	**198.7**	**23.4**
Attributable to:					
- Owners of the Company		1,003.8	821.5	182.3	22.2
- Non-controlling interests		44.9	28.5	16.4	57.5
Profit for the period		**1,048.7**	**850.0**	**198.7**	**23.4**

Q vs Previous Q PAT analysis :

1. Higher revenue mainly due to higher ICPT under recovery
2. Higher mainly due to increase in generation cost
3. Includes ADD of RM116.9mil
4. Higher due to gain from fair value for interest rate swap
5. Lower taxation due to higher utilisation of Reinvestment Allowance

Y-o-Y normalised EBITDA & PAT for 9MFY'21

EBITDA Components		9MFY'21 RM mil	9MFY'20 RM mil
Reported EBITDA		14,392.7	13,765.2
Impairment of investment in GMR		276.4	51.6
Additional ADD for TNB*		431.2	150.8
Impairment of receivables for LPL		190.4	85.2
MFRS16 impact	1	(3,149.2)	(3,329.9)
Normalised EBITDA	2	12,141.5	10,722.9

PAT Components		9MFY'21 RM mil	9MFY'20 RM mil
Reported PAT		2,872.2	2,414.6
Impairment of investment in GMR		276.4	51.6
Additional ADD for TNB*		431.2	150.8
Impairment of receivables for LPL		190.4	85.2
Forex Translation		162.4	174.3
MFRS16 impact	1	434.2	462.1
Normalised PAT	2	4,366.8	3,338.6

** ADD 9M'FY21 : RM581.2mil, approved ADD FY'21 : RM200 mil*

ADD 9MFY'20 : RM221.5mil, full year ADD FY'20 : RM325.9mil, approved ADD FY'20 : RM94.3mil

1

MFRS 16 impact for 9MFY'21 includes deferred tax. Please refer MFRS16 impact slide for details.

2

Higher Normalised EBITDA and PAT in 9MFY'21 mainly due to:

	RM mil
Higher TNB group sales of electricity in 9MFY'21	350.7
Lower TNB sales discount & contribution for Covid-19	219.1
Higher good and services	129.1
Higher ICPT surcharge due to higher coal price	2,780.0
Higher FPA from difference between ACP and delivered coal price	(2,530.8)
Higher share of profit from associates	62.5
Total	**1,010.6**

Higher y-o-y sales of electricity due to improved economic activities while quarter vs previous quarter impacted by MCO 3.0 imposition

	3QFY'21		2QFY'21			Variance (3QFY'21 vs 2QFY'21)		9MFY'21		9MFY'20			Variance (9MFY'21 vs 9MFY'20)	
UNITS SOLD	GWh		GWh			GWh	%	GWh		GWh			GWh	%
Sales of Electricity (GWh)														
- TNB	26,830.8		28,055.1		1	(1,224.3)	(4.4)	82,738.7		82,283.6		1	455.1	0.6
- SESB	1,309.9		1,379.7			(69.8)	(5.1)	3,976.4		3,958.9			17.5	0.4
- EGAT (Export)	0.4		0.8			(0.4)	(50.0)	1.2		2.4			(1.2)	(50.0)
- LPL	377.6		398.0			(20.4)	(5.1)	878.8		674.3		2	204.5	30.3
- TNBI (UK Wind)	11.0		14.1		3	(3.1)	(22.0)	49.5		67.1		3	(17.6)	(26.2)
- TNBI (Vortex)	115.7		140.0		4	(24.3)	(17.4)	305.1		31.5			273.6	>100.0
Total Units Sold (GWh)	**28,645.4**		**29,987.7**			**(1,342.3)**	**(4.5)**	**87,949.7**		**87,017.8**			**931.9**	**1.1**
REVENUE	RM mil	Sen/ KWh	RM mil	Sen/ KWh		(RM mil)	%	RM mil	Sen/ KWh	RM mil	Sen/ KWh		(RM mil)	%
Sales of Electricity (RM)														
- TNB	10,365.8	39.99	11,795.5	40.11		(1,429.7)	(12.1)	33,100.4	39.95	33,025.1	40.10		75.3	0.2
- Sales Discount	(394.6)		(44.5)			(350.1)	>100.0	(460.0)		(2,316.4)			1,856.4	(80.1)
- SESB	460.8	33.52	483.0	35.51		(22.2)	(4.6)	1,375.5	34.40	1,383.0	34.64		(7.5)	(0.5)
- Sales Discount	-		(0.6)			0.6	>(100.0)	(0.6)		(60.4)			59.8	(99.0)
- Accrued Revenue	342.6		(536.3)			878.9	>(100.0)	(50.0)		(44.3)			(5.7)	12.9
- EGAT (Export)	0.1	-	0.2	-		(0.1)	(50.0)	0.3	-	0.8	-		(0.5)	(62.5)
- LPL	136.9	36.26	99.4	24.97		37.5	37.7	290.0	33.00	304.6	45.17		(14.6)	(4.8)
- TNBI (UK Wind)	16.1	146.36	20.7	146.81		(4.6)	(22.2)	70.1	141.62	88.3	131.74		(18.2)	(20.6)
- TNBI (Vortex)	96.4	83.32	101.8	72.71		(5.4)	(5.3)	231.3	75.81	17.8	-		213.5	>100.0
Sales of Electricity	**11,024.1**	**38.48**	**11,919.2**	**39.75**		**(895.1)**	**(7.51)**	**34,557.0**	**39.29**	**32,398.5**	**37.23**		**2,158.5**	**6.7**
Imbalance Cost Pass-Through	1,313.5		314.6		5	998.9	>100.0	1,300.8		(1,479.2)		5	2,780.0	>(100.0)
Other Regulatory Adjustment	(14.4)		(195.8)		6	181.4	(92.6)	(265.9)		(247.1)		6	(18.8)	7.6
Relief Package from Government	344.5		40.7			303.8	>100.0	406.1		2,126.8			(1,720.7)	(80.9)
SESB Tariff Support Subsidy	92.6		94.8			(2.2)	(2.3)	274.4		284.9			(10.5)	(3.7)
Others	(17.9)		(18.8)			0.9	(4.8)	(55.3)		-			(55.3)	>(100.0)
Total Sales of Electricity	**12,742.4**		**12,154.7**			**587.7**	**4.84**	**36,217.1**		**33,083.9**			**3,133.2**	**9.5**
Goods & Services	143.1		207.2			(64.1)	(30.9)	443.8		314.7		7	129.1	41.0
Construction contracts	22.8		12.6			10.2	81.0	45.9		34.5			11.4	33.0
Customers' Contribution	67.1		66.5			0.6	0.9	187.6		218.6			(31.0)	(14.2)
Total Revenue	**12,975.4**		**12,441.0**			**534.4**	**4.3**	**36,894.4**		**33,651.7**			**3,242.7**	**9.6**

1. 3QFY'21 vs 2QFY'21 : Lower unit sold & sales of electricity are mainly due industrial & commercial sectors as a result of the imposition of MCO 3.0

   9MFY'21 vs 9MFY'20 : Higher unit sold & sales of electricity are mainly due to industrial & domestic sectors

2. 9MFY'21 vs 9MFY'20 : Higher unit sold is due to higher dispatch

3. 3QFY'21 vs 2QFY'21 : Lower generation was due to seasonality factor with low wind in the summer

   9MFY'21 vs 9MFY'20 : Lower generation mainly due to lower wind speed as compared to previous year

4. Lower generation (solar) was due to seasonality

5. 3QFY'21 vs 2QFY'21 : Higher surcharge in 3QFY'21 is mainly due to higher coal prices (USD124.1/MT vs USD 92.0/MT)

   9MFY'21 vs 9MFY'20 : Surcharge due to higher fuel prices

6. Refer Other Regulatory Adjustment slide

7. 9MFY'21 vs 9MFY'20 : Higher contribution from subsidiaries resulted from less business restriction

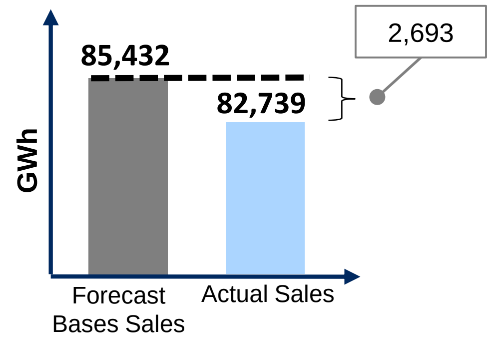
As at 9MFY'21, RM265.9mil of other regulatory adjustment to be returned mainly due to higher average selling price from price cap entity

Components of Other Regulatory Adjustment	1QFY'21 (RM mil)	2QFY'21 (RM mil)	3QFY'21 (RM mil)	9MFY'21 (RM mil)
1 Revenue Adjustment for Revenue Cap & Price Cap	(10.8)	(132.2)	55.0	(88.0)
Refund of Other Income Related to Regulated Business	(44.9)	(63.6)	(69.4)	(177.9)
TOTAL	(55.7)	(195.8)	(14.4)	(265.9)

1

Revenue Cap

9MFY'21 Variations in Sales (in GWh)

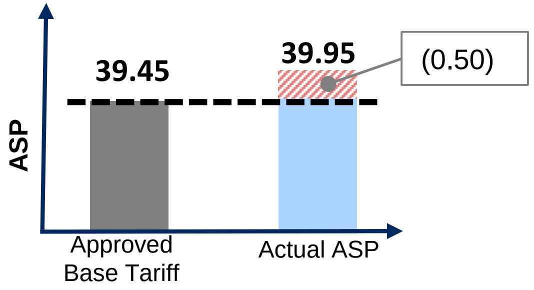


- The allowed annual revenue for revenue cap entities is based on 2.9% demand growth. Any excess/shortfall is adjusted through revenue adjustment mechanism.
- For 9MFY'21, lower actual sales leads to lower revenue earned by the revenue cap entities.

Business Entities	Allowed Tariff (sen/kWh)	Variations in Sales (GWh)	Adjustment (RM mil)
Revenue Cap Entities	**12.10**	**2,693**	**325.86***

Price Cap

9MFY'21 Variations in ASP (sen/kWh)

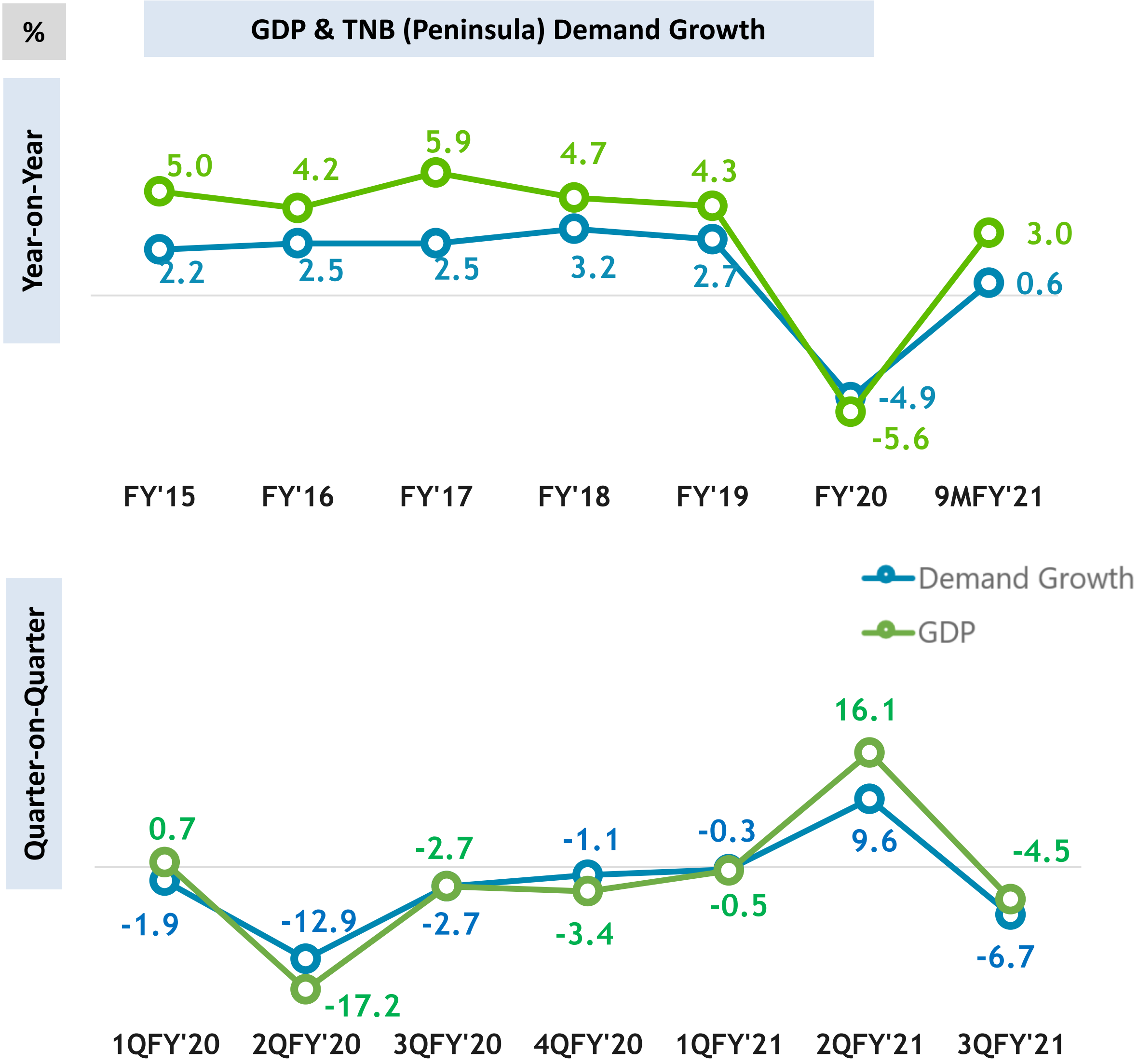


- Any excess/shortfall of revenue earned due to higher/lower Average Selling Price (ASP) compared to Base Tariff is adjusted through revenue adjustment mechanism.
- For 9MFY'21, the ASP is recorded higher than the Base Tariff.

Business Entities	Actual Sales (GWh)	Variations in ASP (sen/kWh)	Adjustment (RM mil)
Price Cap Entity	**82,739**	**(0.50)**	**(413.85)***

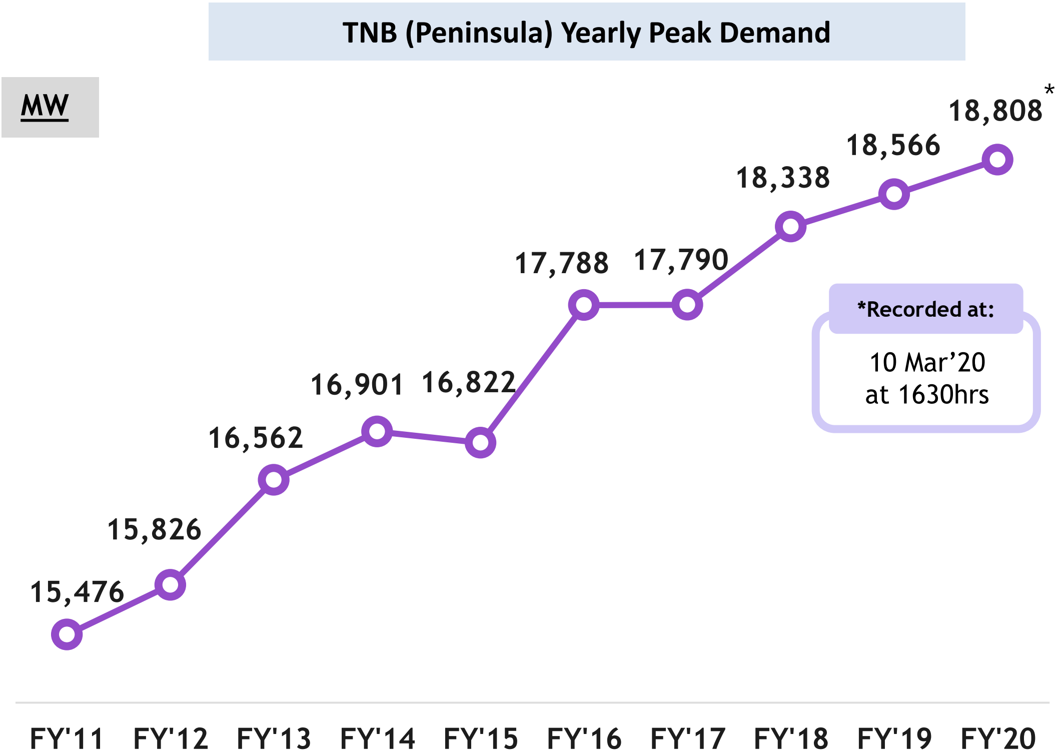
** Numbers manually computed will not match due to decimal variance*

Y-o-Y electricity demand in tandem with GDP



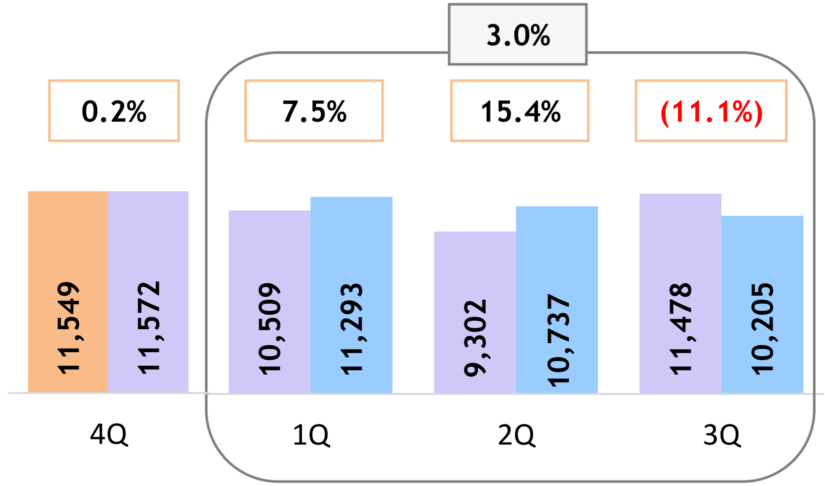
TNB (Peninsula) Maximum Demand

	9MFY'21	9MFY'20	Variance (%)
Maximum Demand (GWh)	18,366	18,808	-2.4

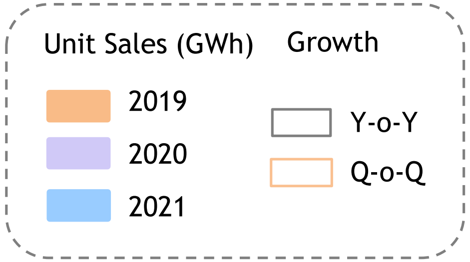


Higher Y-o-Y electricity demand from improved industrial due to resumption of business operation

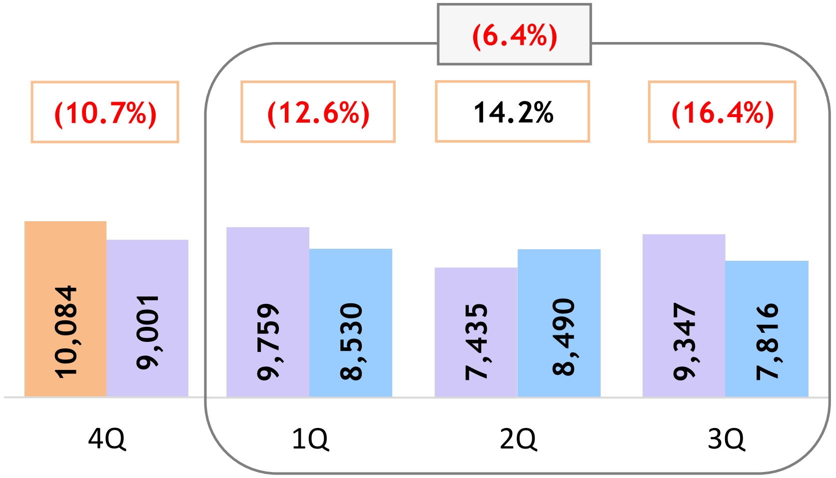
Industrial



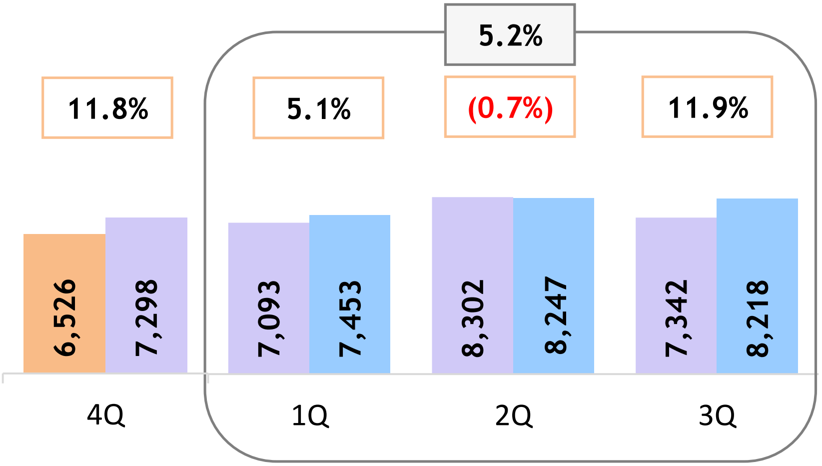
9MFY'21 main contributors for the drop in commercial sector:
- Retails
- Accommodation
- Educational



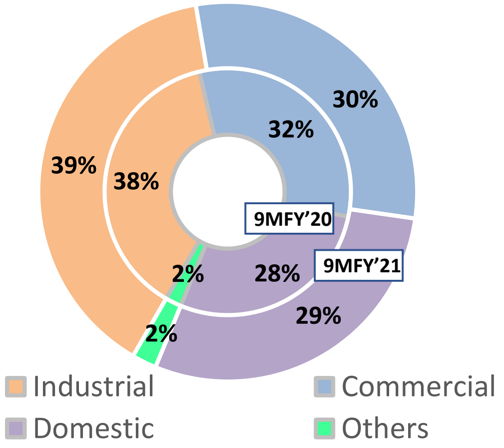
Commercial



Domestic

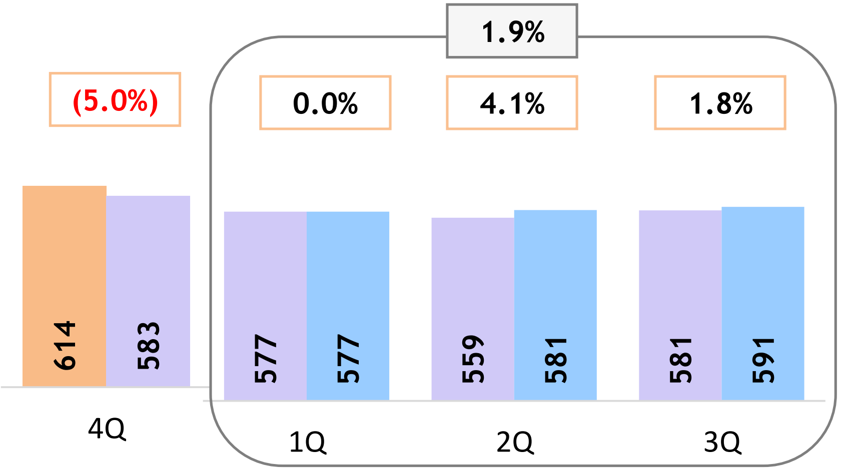


Sector Mix (%) 9MFY'21 vs 9MFY'20



Others

includes Agriculture, Mining & Public Lighting



Higher operating expenses due to increase in fuel cost

	3QFY'21 (RM mil)	2QFY'21 (RM mil)	Variance (3QFY'21 vs 2QFY'21)		9MFY'21 (RM mil)	9MFY'20 (RM mil)	Variance (9MFY'21 vs 9MFY'20)	
			RM mil	%			RM mil	%
Non-TNB IPPs Costs	2,018.9	1,945.5	73.4	3.8	5,620.4	6,393.5	(773.1)	(12.1)
Capacity Payment	76.0	40.0	36.0	90.0	147.6	58.3	89.3	>100.0
Energy Payment	1,942.9	1,905.5	37.4	2.0	5,472.8	6,335.2	(862.4)	(13.6)
TNB Fuel Costs	4,088.4	3,088.0	1,000.4	32.4	9,720.3	7,445.7	2,274.6	30.5
Fuel Costs	2,975.6	2,624.7	350.9	13.4	7,651.9	7,845.9	(194.0)	(2.5)
Fuel Price Adjustment	1,198.8	533.0	665.8	124.9	2,271.0	(259.8)	2,530.8	>(100.0)
Fuel Subsidy - SESB	(86.0)	(69.7)	(16.3)	23.4	(202.6)	(140.4)	(62.2)	44.3
Total Cost of Generation 1	6,107.3	5,033.5	1,073.8	21.3	1 15,340.7	13,839.2	1,501.5	10.8
Staff Costs	902.4	993.3	(90.9)	(9.2)	2,851.1	2,915.2	(64.1)	(2.2)
Repair & Maintenance	471.8	480.1	(8.3)	(1.7)	1,410.0	1,452.3	(42.3)	(2.9)
TNB General Expenses 2	328.2	408.2	(80.0)	(19.6)	2 1,096.1	1,315.7	(219.6)	(16.7)
Subs. General Expenses 3	388.4	530.5	(142.1)	(26.8)	3 1,445.3	854.6	590.7	69.1
Total Non-Generation Cost	2,090.8	2,412.1	(321.3)	(13.3)	6,802.5	6,537.8	264.7	4.0
Total Operating Expenses (without Depreciation)	8,198.1	7,445.6	752.5	10.1	22,143.2	20,377.0	1,766.2	8.7
Depreciation & Amortisation	2,623.5	2,612.2	11.3	0.4	7,882.7	7,861.4	21.3	0.3
Total Operating Expenses	10,821.6	10,057.8	763.8	7.6	30,025.9	28,238.4	1,787.5	6.3

1 Higher generation cost mainly due to higher fuel price adjustment (refer Coal Price Trending slide)

2 3QFY'21 vs 2QFY'21 : Lower expenses due to business restriction during MCO 3.0

9MFY'21 vs 9MFY'20 : Lower due to cost realignment, in line with the operational requirement

3 3QFY'21 vs 2QFY'21 : Lower expenses due to business restriction during MCO 3.0

9MFY'21 vs 9MFY'20 : Higher mainly due to :

- Impairment made for GMR of RM276.4mil
- Reversal of provision made for subsidiary of RM132.8mil in 1QFY'20 (LPL)
- SPG is fully commissioned in 2021 of RM98.5mil

Higher Y-o-Y fuel cost mainly due to soaring coal price

Table A – TNB & IPP Fuel Costs for Peninsula (RM mil)

Fuel Type	9MFY'21	9MFY'20	Variance	
			RM mil	%
Coal	9,485.8	7,028.0	2,457.8	35.0
Gas	3,995.0	5,112.9	(1,117.9)	(21.9)
Dist.	58.2	30.0	28.2	94.0
Oil	1.3	5.2	(3.9)	(75.0)
Total*	13,540.3	12,176.1	1,364.2	11.2

* Comprise TNB Fuel Cost & fuel payment to IPPs (part of Energy Payment)

Note: Fuel Cost exclude solar

Table C – Fuel Costs Related Data

	9MFY'21	9MFY'20
Daily Average Piped Gas Volume (mmscfd)	778	698
Gas Reference Market Price (RM/mmbtu)	1Q – 15.40 2Q – 18.92 3Q – 21.37	1Q - 26.86 2Q – 26.25 3Q – 25.10
Average Coal Price Delivered (USD/MT)(CIF)	97.8	61.6
Average Coal Price Delivered (RM/MT)(CIF)	403.5	261.6
Coal Consumption (mn MT)	24.0	26.2
Generation cost per unit (sen/kWh)	14.6	13.2

Table B – TNB & IPP Units Generated for Peninsula (GWh)

Fuel Type	9MFY'21	9MFY'20	Variance	
			Gwh	%
Coal	55,413.6	60,896.2	(5,482.6)	(9.0)
Gas & LNG	31,320.8	27,219.0	4,101.8	15.1
Dist.	47.0	-	47.0	>100.0
Oil	31.0	12.9	18.1	>100.0
Hydro	5,132.3	3,133.2	1,999.1	63.8
Solar	854.4	648.2	206.2	31.8
Total	92,799.1	91,909.5	889.6	1.0

Table D – Average Coal Price Delivered (USD/MT)

	9MFY'21	9MFY'20	Variance	
			USD	%
FOB	86.8	54.2	32.6	60.2
Freight	10.5	7.0	3.5	49.7
Others	0.5	0.4	0.1	22.5
CIF	97.8	61.6	36.2	58.8

Higher 3Qvs2Q fuel cost from higher coal price

Table A – TNB & IPP Fuel Costs for Peninsula (RM mil)

Fuel Type	3QFY'21	2QFY'21	1QFY'21	Variance 3Q vs 2Q	
				RM mil	%
Coal	3,922.4	2,938.6	2,624.8	983.8	33.5
Gas	1,513.1	1,476.6	1,005.3	36.5	2.5
Dist.	11.7	8.7	37.8	3.0	34.5
Oil	0.6	0.3	0.4	0.3	>(100.0)
Total*	5,447.8	4,424.2	3,668.3	1,023.6	23.1

* Comprise TNB Fuel Cost & fuel payment to IPPs (part of Energy Payment)

Note: Fuel Cost exclude solar

Table B – TNB & IPP Units Generated for Peninsula (GWh)

Fuel Type	3QFY'21	2QFY'21	1QFY'21	Variance 3Q vs 2Q	
				Gwh	%
Coal	18,612.7	17,701.3	19,099.6	911.4	5.1
Gas & LNG	10,099.7	11,803.5	9,417.6	(1,703.8)	(14.4)
Dist.	0.0	0.0	47.0	0.0	>(100.0)
Oil	31.0	-	-	31.0	>100.0
Hydro	1,538.6	1,564.5	2,029.2	(25.9)	(1.7)
Solar	284.7	284.0	285.7	0.7	0.2
Total	30,566.7	31,353.3	30,879.1	(786.6)	(2.5)

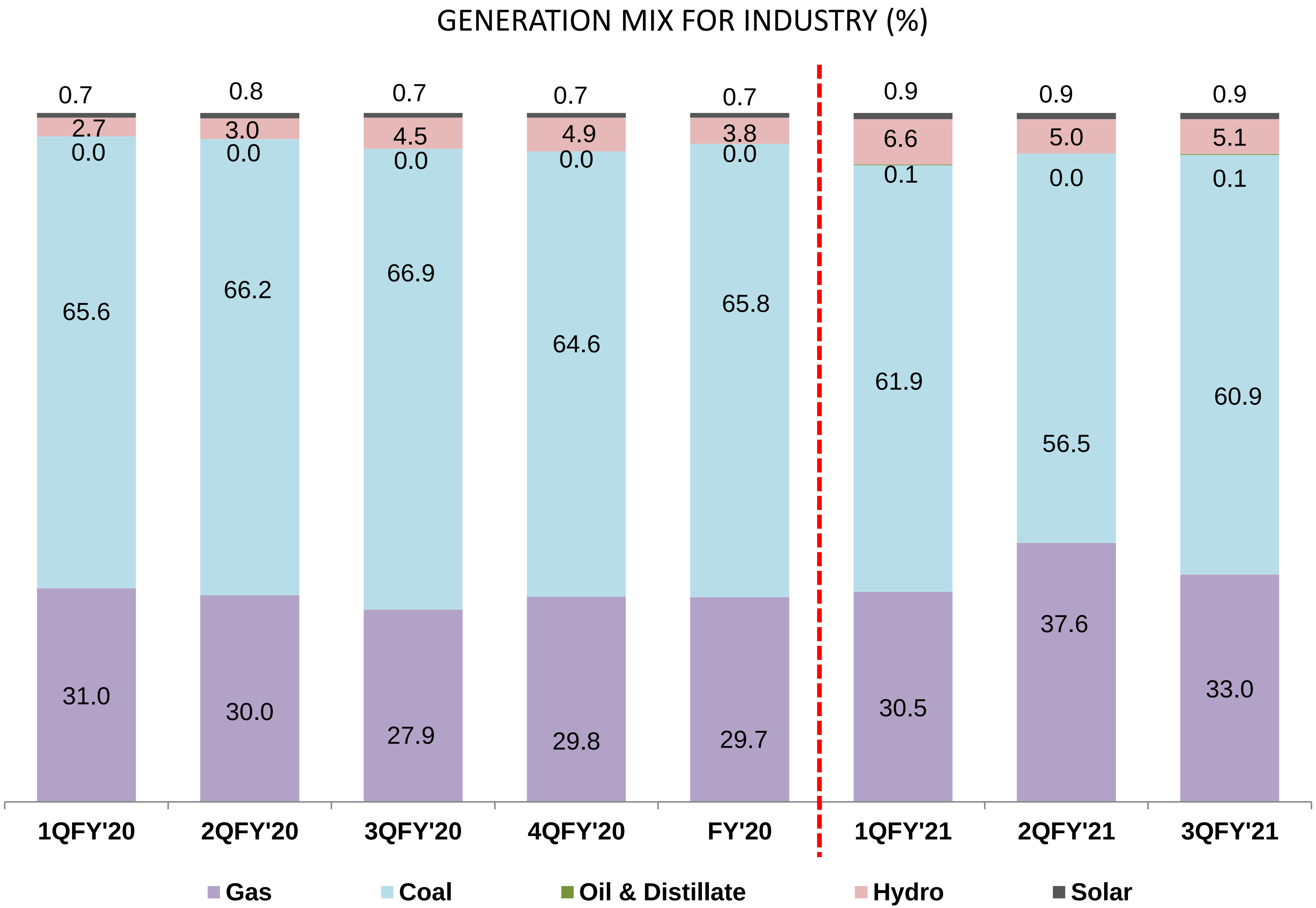
Table C – Fuel Costs Related Data

	3QFY'21	2QFY'21	1QFY'21
Daily Average Piped Gas Volume (mmscfd)	731	817	722
Gas Reference Market Price (RM/mmbtu)	21.37	18.92	15.40
Average Coal Price Delivered (USD/MT)(CIF)	124.1	92.0	79.20
Average Coal Price Delivered (RM/MT)(CIF)	520.5	379.8	321.56
Coal Consumption (mn MT)	8.0	7.8	8.2
Generation cost per unit (sen/kWh)	17.8	14.1	11.9

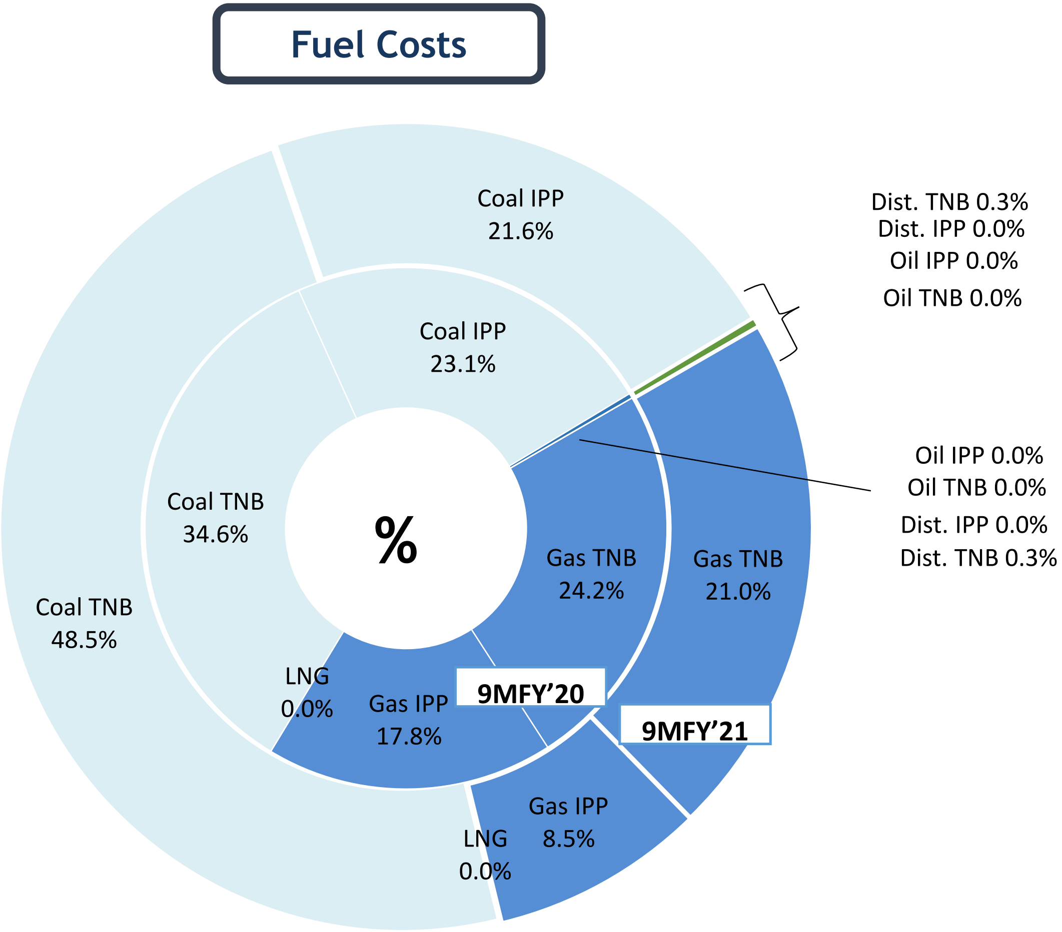
Table D – Average Coal Price Delivered (USD/MT)

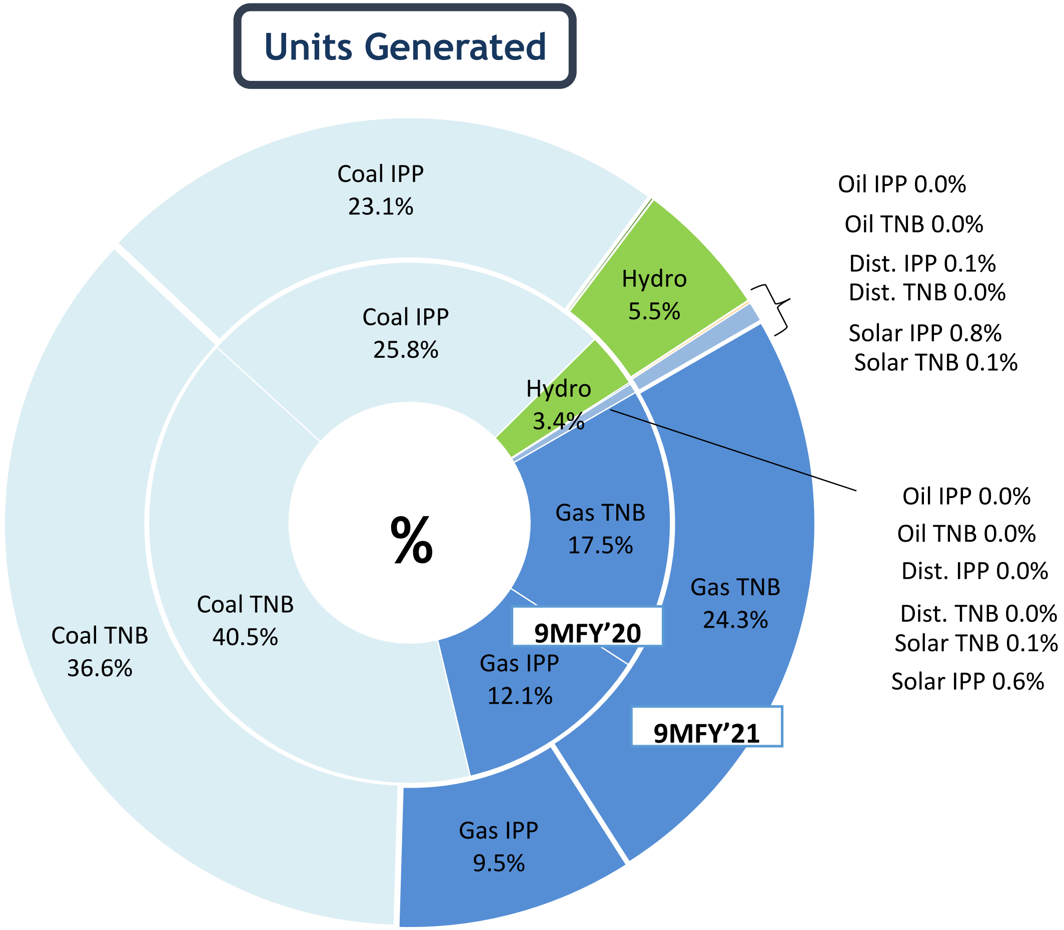
	3QFY'21	2QFY'21	1QFY'21	Variance 3Q vs 2Q	
				USD	%
FOB	111.0	80.7	70.6	30.4	37.6
Freight	12.6	10.9	8.2	1.7	15.2
Others	0.5	0.5	0.5	0.1	11.7
CIF	124.1	92.0	79.2	32.1	34.8

Higher units generated from coal in 3QFY'21



Fuel costs (TNB & IPPs - Peninsula)





% indicates generation market share

Note: Fuel Cost exclude solar

TNB is neutral to volatility in fuel costs covered under ICPT framework

	3QFY'20 (RM mil)	4QFY'20 (RM mil)	1QFY'21 (RM mn)	2QFY'21 (RM mn)	3QFY'21 (RM mn)
Reported Total Cost of Generation (with MFRS16)	4,404.5	3,745.9	4,199.9	5,033.5	6,107.3
Adjustment not related to IBR	989.5	993.4	902.1	830.9	756.6
TNB Capacity and VOR: SLA & SPV	1,424.9	1,402.1	1,757.6	1,689.3	1,372.9
Total Generation Costs (Related to IBR)	**6,818.9**	**6,141.4**	**6,859.6**	**7,553.7**	**8,236.8**

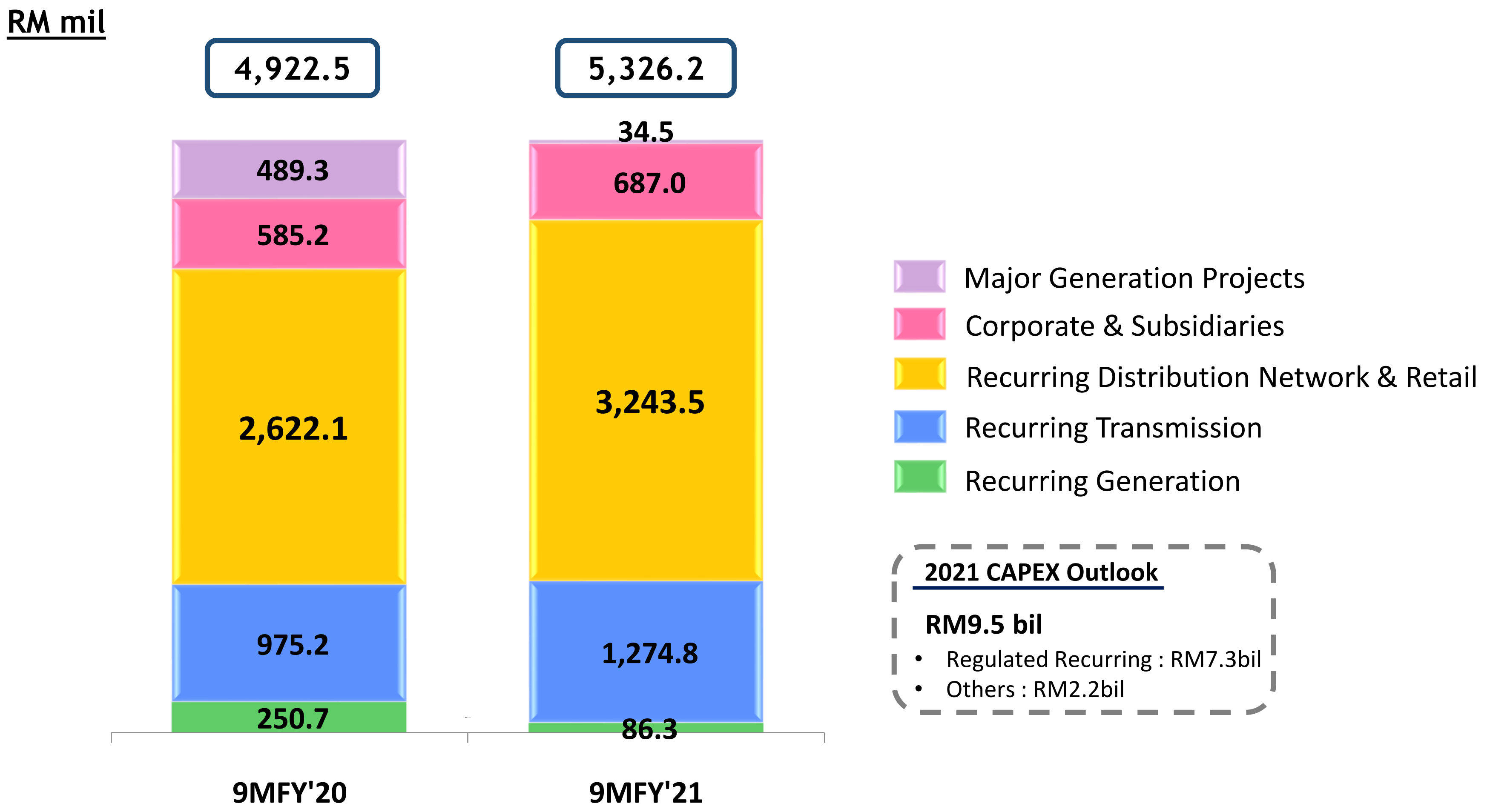
	3QFY'20 (RM mil)	4QFY'20 (RM mil)	1QFY'21 (RM mn)	2QFY'21 (RM mn)	3QFY'21 (RM mn)
Single Buyer Actual Generation Costs: (A)	6,818.9	6,141.4	6,859.6	7,553.7	8,236.8
Actual Sales (Gwh)	28,747.9	28,455.4	27,852.8	28,055.1	26,830.8
Single Buyer Tariff (RM/kwh)	0.2705	0.2705	0.2580	0.2580	0.2580
Actual Gen Cost Recovered (RM mn) (B)	7,775.8	7,696.6	7,186.9	7,239.1	6,923.2
ICPT Surcharge / (Rebate) (C) (C = A – B)	(956.8)	(1,555.3)	(327.3)	314.6	1,313.5
(+) Prior Year Accounting Adjustment	0.0	0.0	0.0	0.0	0.0
ICPT	**(956.8)**	**(1,555.3)**	**(327.3)**	**314.6**	**1,313.5**

The net impact of MFRS 16 reduced the group PAT by RM434.2mil

Net Impact of MFRS 16 (Y-o-Y) analysis

	9MFY'21 (RM mil)	9MFY'20 (RM mil)	Variance (RM mil)	Remarks
Capacity Payment	3,149.2	3,329.9	(180.7)	Decreasing EBITDA and PAT in 9MFY'21
Depreciation	(2,607.0)	(2,721.1)	114.1	Increasing PAT in 9MFY'21
Finance Cost	(1,097.7)	(1,203.9)	106.2	Increasing PAT in 9MFY'21
Deferred Tax	121.3	133.0	(11.7)	Decreasing PAT in 9MFY'21
Net Impact	**(434.2)**	**(462.1)**	**27.9**	Increasing PAT in 9MFY'21

Group Capex



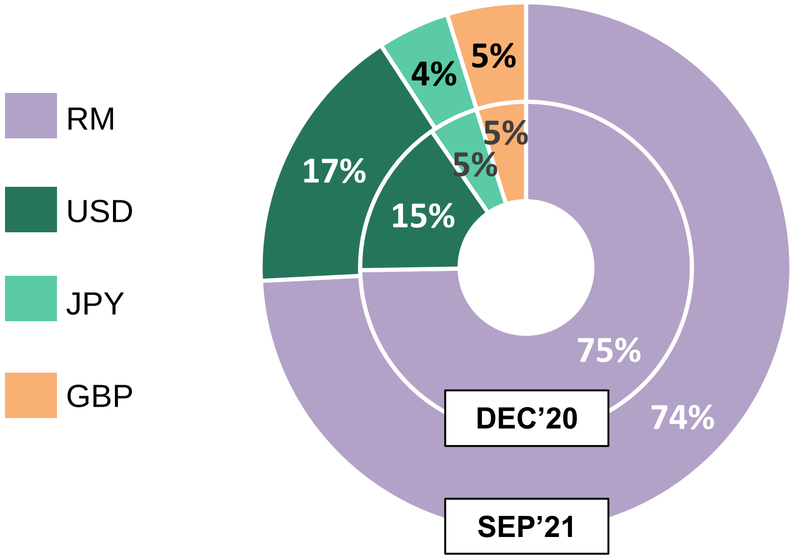
2021 CAPEX Outlook

RM9.5 bil

- Regulated Recurring : RM7.3bil
- Others : RM2.2bil

Notes : Numbers manually computed will not match due to decimal variance

Gearing stood at 46.3% in 9MFY'21; capital headroom against internally observed 50% gearing level remains healthy



Closing FOREX	30th Sep'21	30th Jun'21	31st Mar'21	31st Dec'20
USD/RM	4.19	4.16	4.16	4.02
100YEN/RM	3.74	3.76	3.75	3.90
GBP/RM	5.63	5.75	5.71	5.48
USD/YEN	112.03	110.64	110.93	103.12

Note:
Debt consists of Principal + Accrued Interest

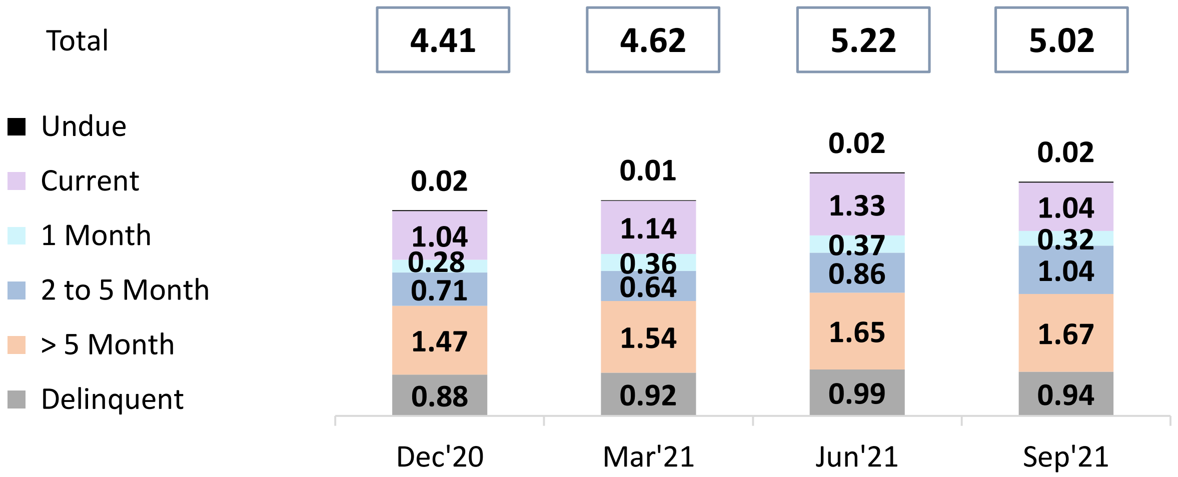
Statistics	30th Sep'21	31st Dec'20
Total Debt (RM' Bil)	49.1	49.5
Net Debt (RM' Bil)*	37.5	36.0
Gearing (%)	46.3	46.3
Net Gearing (%)	35.4	33.7
Fixed : Floating		
Underlying	95:5	95:5
Final Exposure	99:1	99:1
1 Effective Average Cost of Borrowing (based on exposure) **	4.83	4.88

* Net Debt excludes deposits, bank and cash balances & investment in UTF
** Inclusive of interest rate swap

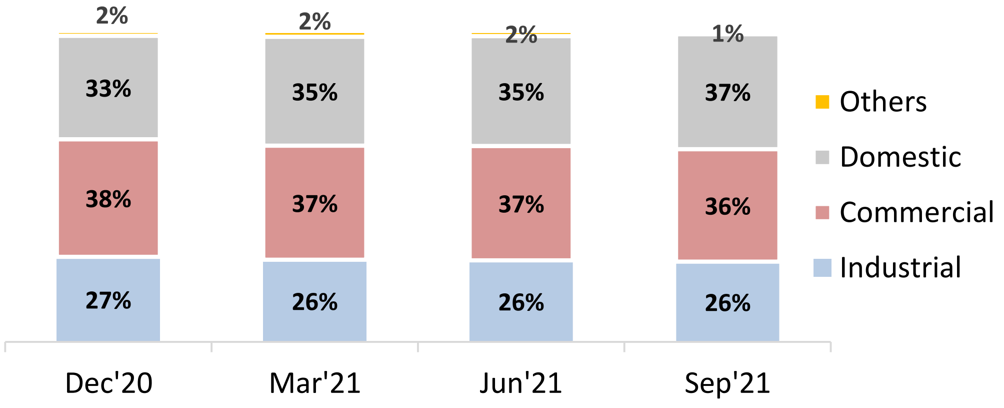
1 Reduction due to lower interest rate of the new drawdown

Some signs of recovery in tandem with improvement in overall economy

Trade Debtors Ageing (RM bil)



Trade Debtors By Sectors



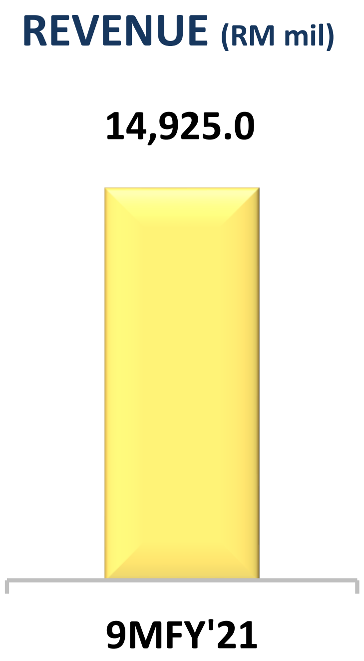
Initiatives to improve collection

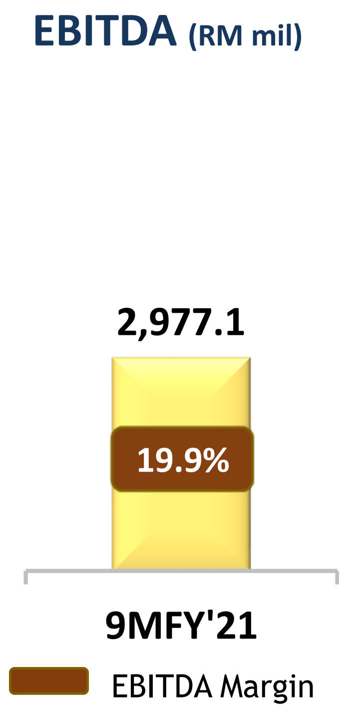
- Easy payment plans for domestic / residential customers' electricity bills.
- Repayment plan on case by case basis for non-Domestic customers.
- Promote adoption of digital payment channels such as myTNB app and myTNB portal.
- Introduce more payment channels such as e-wallet.
- Provide personalized engagement with large power consumer such as SME and Government and Large Business (GLB).
- Perform close monitoring on commercial and industrial customers with debt exposure, especially those under vulnerable sub-sectors.

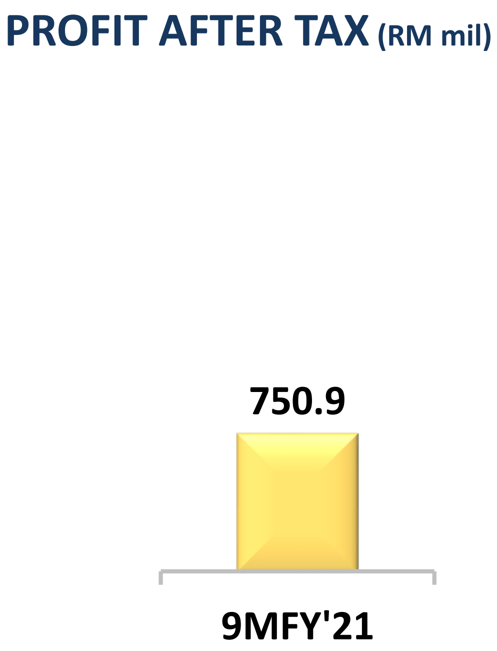
Cash flow

- Our cash flow remains resilient. We continuously monitor our cash flow position on a daily basis and remain prudent on our working capital management.
- In the event there is a shortfall in the cash flow position, we have readily available short term banking facilities and funding program to manage the funding gap.
- For 9MFY'21, the allowance for doubtful debt for TNB is RM581.2mil.

Generation Business earnings due to hydro performance





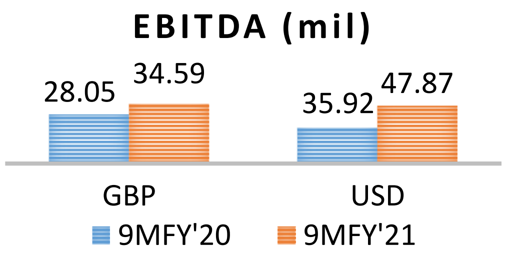


9MFY’21 PAT was mainly contributed by the increase in hydro generation during monsoon season which has resulted to a high level of water in our hydro power plants.

International business & assets performance as at Sep’21

Vantage Solar UK Limited (VSUK)

EM: 86%



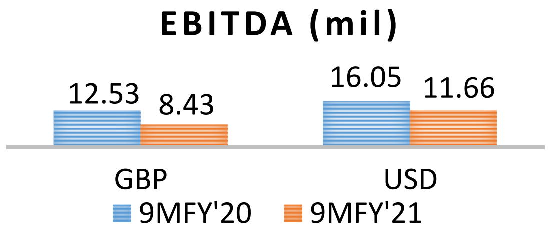
- Higher EBITDA YoY contributed by improved export electricity as PPA price has been locked at higher rate against YoY and improved ROC recycle, combined with lower operating expenses for inverter cost and rates.
- Additional cash distribution was declared in Sep’21 of GBP1.6mil, bringing the total cash distribution declared to date of GBP21.37mil.

Outlook for VSUK:

- The portfolio has successfully locked its PPA price for period 2022/2023 resulting in higher expected PPA revenue uplift of approximately GBP2.9mil compared to previous period.
- Power demand in the UK continue picking up to pre-pandemic level. However, as winter season approaching, generation share of solar is expected to be lower.

Tenaga Wind Ventures (TWV)

EM: 69%



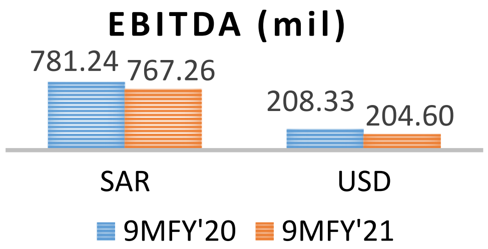
- Lower EBITDA YoY due to lower revenue by 25% resulting from lower wind speed compared to previous year.
- Nevertheless, the company has sustained consistent availability of 98% indicating a positive performance.
- The most recent cash distribution was declared in Mar’21 of GBP11.65mil, bringing the total cash distribution declared to date of GBP42.29mil.

Outlook for TWV:

- The portfolio has successfully locked its PPA price for 2022/2023 resulting in higher expected PPA revenue uplift of approximately GBP0.68mil compared to previous period.
- Wind generated energy remains competitive on the back of supportive regulatory framework. TWV’s revenue is expected to be on the rise with higher generation due to high wind speed as the UK enters the winter season.

Shuaibah

EM: 81%



- EBITDA YoY is slightly lower due to higher revenue was recognised in FY2020 based on Power and Water Purchase Agreement (PWPA) as maintenance was brought forward to FY2020 from the initially planned maintenance in FY2021.
- Shuaibah maintains solid financial performance with higher EBITDA margin against industry average by 35%.

Outlook for Shuaibah:

- Saudi Arabia’s non-oil private sector grew in September with strong boost in customer demand and lower unemployment rate as Covid-19 restrictions activity and travel were progressively lifted.
- Shuaibah’s performance is expected to remain positive with a steady dividend distribution to shareholders.

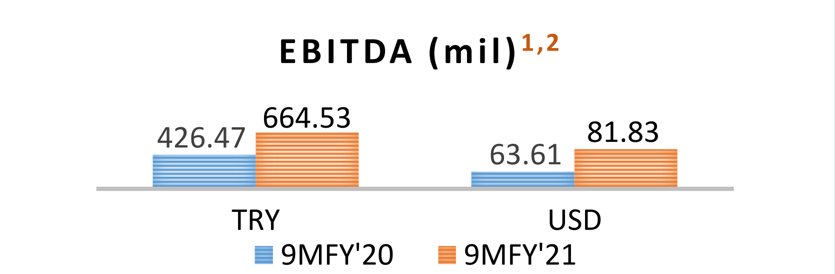
Outlook for Vantage RE Ltd:

- Mid this year, Vantage RE Ltd. (Vantage RE) has been established to own, operate and manage a portfolio of renewable energy (RE) assets in the United Kingdom (UK) and Europe. This include VSUK and TWV, making up a total of almost 400MW capacity in the country.
- New improvements on preventive maintenance scope through incorporation of new technologies such as thermographic drone scans and degradation measurements are expected to add value and contribute to better portfolio’s performance at large.
- The portfolio’s growth acquisitions are steadily progressing in line with the portfolio mix diversification plan in place.
- Vantage RE is evidently a vital component of TNB’s purpose-driven journey, which is anchored on its Sustainability Pathway, a blueprint with an aspiration to achieve net zero emissions by 2050.

Notes :
EM : YTD EBITDA Margin
VSUK formerly known as Vortex Solar UK Limited

International business & assets performance as at Sep’21

GAMA Enerji A.S. (GEAS) — EM: 30%



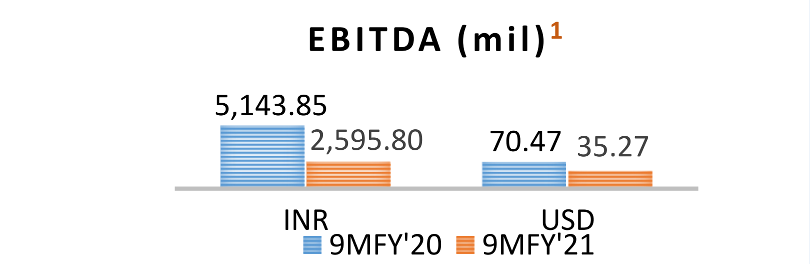
- Higher EBITDA YoY contributed by better than expected power prices resulting in a higher gross generation margin[3] for GEAS’s CCGT (ICAN).
- The positive performance is also attributable to large share of generation accounted for CCGT players in the power market as a result of dry season, hence lower dispatch from hydro plants.
- While this negatively impacted GEAS’s hydro plants, nevertheless this was backed up by higher gross generation margin[3] of ICAN.

Outlook for GEAS:

- Whilst Turkish macro is expected to remain volatile in the near term, weaker lira has strongly benefited export narrowing Turkey’s current account. If sustained, a reduced trade deficit could stabilize lira in the medium term.
- Subsequent to execution of ICAN facility agreement, GEAS management has finally reached financial close (including Condition Precedents and ancillary documents) in August 2021.
- The restructured debt aims to stabilize GEAS to meet its debt obligations as well as weathering through the volatile market conditions.

Notes :
EM : YTD EBITDA Margin
[1]Reported 3 months lagging
[2]Exclude EBITDA impairment of TRY419.4mil (USD60.2mil) made at asset level in Q1 FY’20 (driven by unfavorable economy condition i.e. low electricity market prices and high forex)
[3] Revenue minus gas cost only

GMR Energy Limited (GEL) — EM: 24%

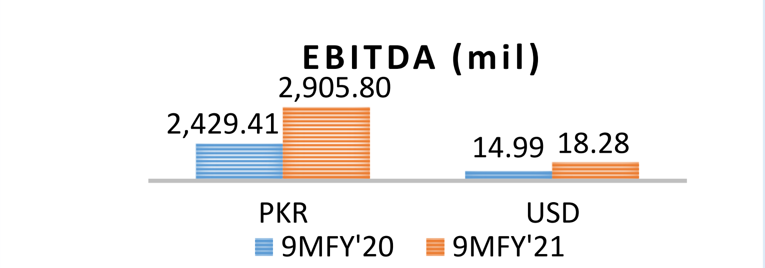


- Lower EBITDA YoY attributable to expiry of lucrative PPA in Warora causing lower revenue by 10% as it is now sold at lower merchant market price.
- As coal constraint persists from lack of fund in Warora, maintenance activities carried out in Warora and Kamalanga also contributes to lower overall portfolio plant availability factor and generation YoY.
- Nonetheless, overall plant load factor and generation YoY is higher as power demand steadily returning to pre-pandemic level.

Outlook for GEL:

- Coal shortages due to spike in power demand across India are gradually improving, therefore no further coal issue is expected to have any impact on GEL.
- Continuous operational and financial challenges at GEL have further substantiated TNB’s strategy to reduce exposure in India, evident by the divestment of Compulsorily Convertible Debentures (CCD) which was completed in August 2021.
- TNB is supportive of GEL’s current initiatives to preserve value and sustainability of the portfolio, while in parallel pursuing exit strategies to reduce current exposure in India.

TNB Liberty Power Limited — EM: 26%

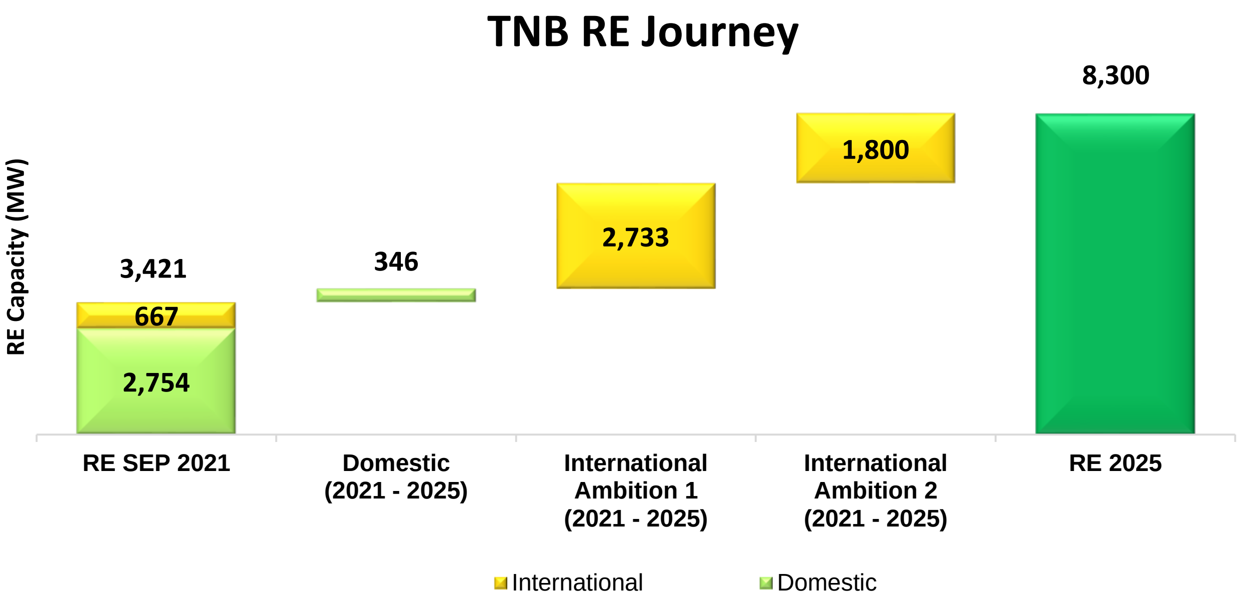


- EBITDA YoY is higher due to increase in generation by 30% and lower operating expenditure contributed by the drop in fuel cost.

Outlook for Liberty:

- The Pakistan power market continues to experience structural issues. The plant’s cashflows continue to be affected due to increasing outstanding receivables from the offtaker.
- LPL and CPPAG have executed the PPA Amendment Agreement on 15 October 2021 upon Economic Coordination Committee (ECC)’s approval.
- LPL is dependent on the government for its gas supply as there is no valid Gas Supply Agreement (“GSA”) in place. LPL is in discussions with the government on concluding the terms of the GSA.
- TNB has signed a Share Sale Agreement on 27 Jan 2021 with AsiaPak and the sale completion is subject to regulatory approval which is expected to be obtained by 2H 2021. The sale of LPL would allow TNB to monetize its investment in LPL and to redeploy the proceeds to grow its renewable energy portfolio. The sale is progressing well and it is anticipated the sale would be finalized by the end of this year.
- The sale stems from TNB’s initiatives to seek monetisation options for its assets in non-focus market, such as Pakistan. This is also in line with TNB’s strategy to streamline its international portfolio by prioritising growth in TNB’s focus markets, mainly in the United Kingdom, Europe and Southeast Asia. Furthermore, LPL's plant was commissioned 20 years ago in 2001, with a PPA expiring in September 2026.

Our RE journey is progressing well



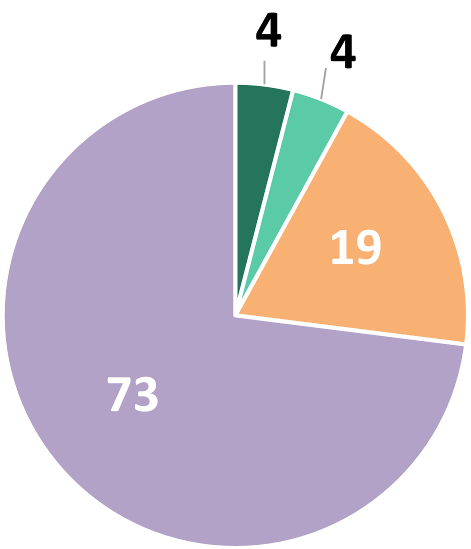
Recent RE Progress

1) **Domestic renewables**
   - We have recently signed a 30-year power purchase agreement for the 300MW Nenggiri hydro plant which is expected to commence in June 2027.
   - As of Sep 2021, GSPARX has successfully secured a total capacity of 103MW. (Dec'20 : secured 73MW , Sep'20 : secured 56MW)
2) **Ambition 1: UK / Europe renewables**
   - In May 2021, we acquired a 500kW FiT turbine in the UK.
   - Subsequently, we have successfully acquired a 49% stake in Blyth Offshore Demonstrator Ltd (BODL), an offshore UK wind farm company in October 2021, with existing floating offshore wind capacity of 41.5MW and further development rights for similar type of RE of up to 58.4MW.
   - The formation and establishment of Vantage RE Ltd or RACo has been completed on 1st July 2021.
   - Vantage RE is set to be a vital component to grow our RE capacity/portfolio with immediate growth plan to focus on the acquisition of subsidised Renewable Obligation Certificates (ROCs) and Feed-in-Tariff (FiT) assets across the UK and Ireland.
3) **Ambition 2: Growing TNB's utility business in South East Asia**
   - Vietnam: Finalising acquisition of 39% stake from Sunseap in 21.6MW rooftop solar project which expected to be completed by 4QFY'21.

Note:
- RE capacity includes large hydro
- Gross RE Capacity

Ensuring revenue from coal remains below 25%, towards longer-term aspiration

Actual Group Revenue 9MFY21 (%)



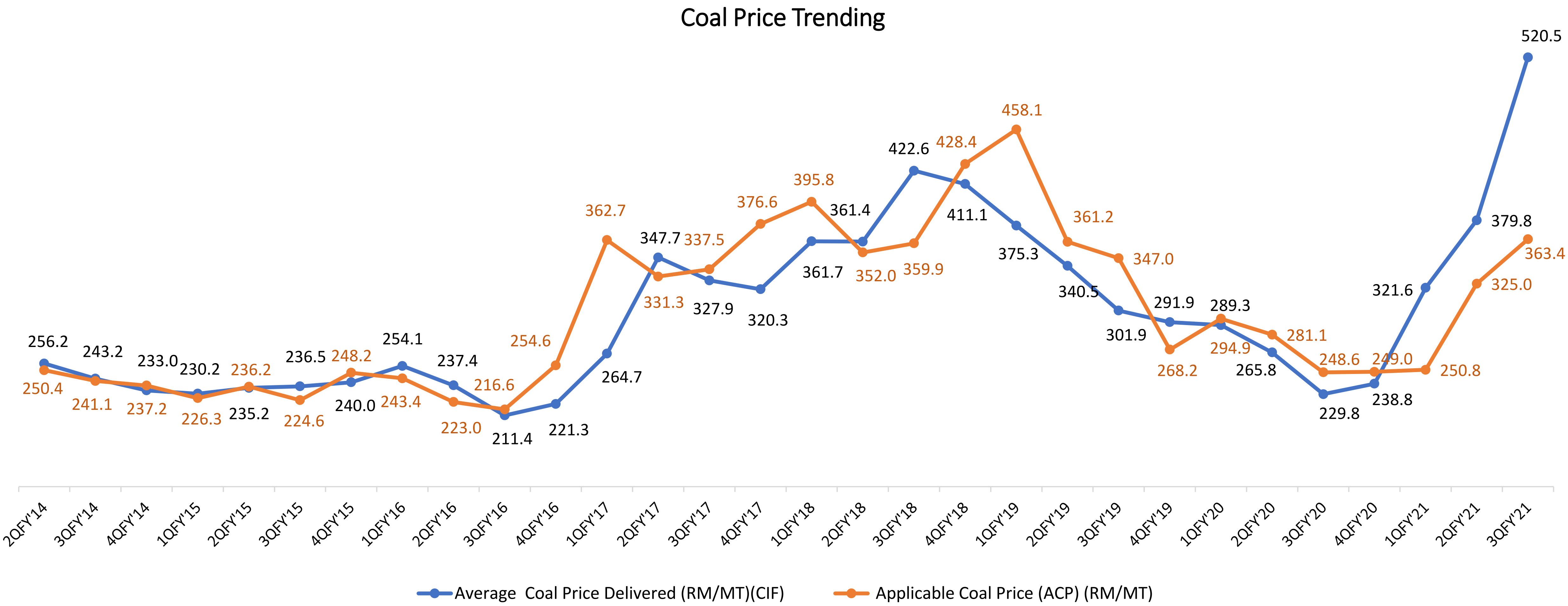
RE | Related to Energy Transition (ET) | Coal | Others*

* Others include revenue from regulated entities, subsidiaries and generation from gas

Long-term aspiration : aims to be coal-free by 2050

- No new coal plant investment in the pipeline
- Reduction of coal capacity by 50% by 2035 & coal-free by 2050

Coal price is on an increasing trend in FY2021



<u>Coal price & Applicable Coal Price (ACP) comparison</u>

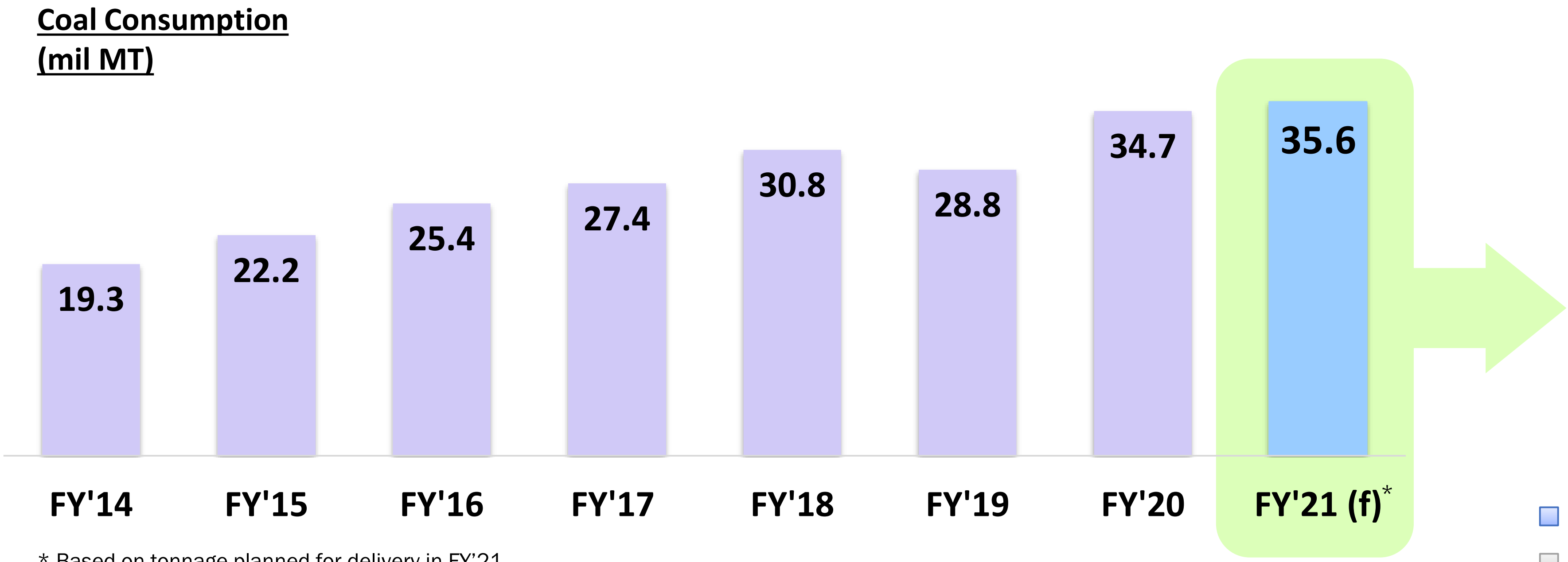
	4QFY20	1QFY21	2QFY21	3QFY21
Average Coal Price Delivered (RM/MT)	238.80	321.56	379.84	520.47
Average Coal Price Delivered (RM/mmBtu) *	10.62	15.08	17.51	23.61
ACP (RM/mmBtu)	11.41	11.49	14.89	16.65

* Based on internal conversion

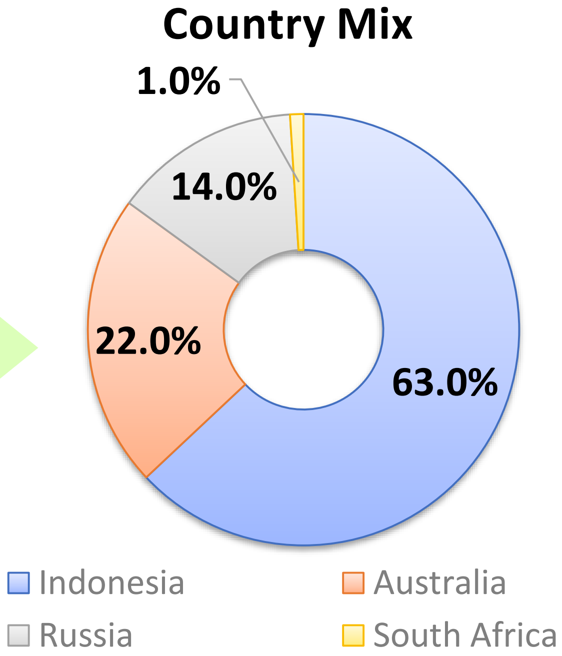
- Fuel Price Adjustments (FPA) is the difference between the Applicable Coal Price (ACP) used to bill the generators and the actual coal price paid to supplier. The difference is caused by higher or lower coal price or due to currency exchange.
- In 3QFY’21, the base ACP (RM16.65/mmBtu) used for billing the generators is lower than the coal price paid to supplier (RM23.61/mmBtu).

Higher coal requirement for FY2021

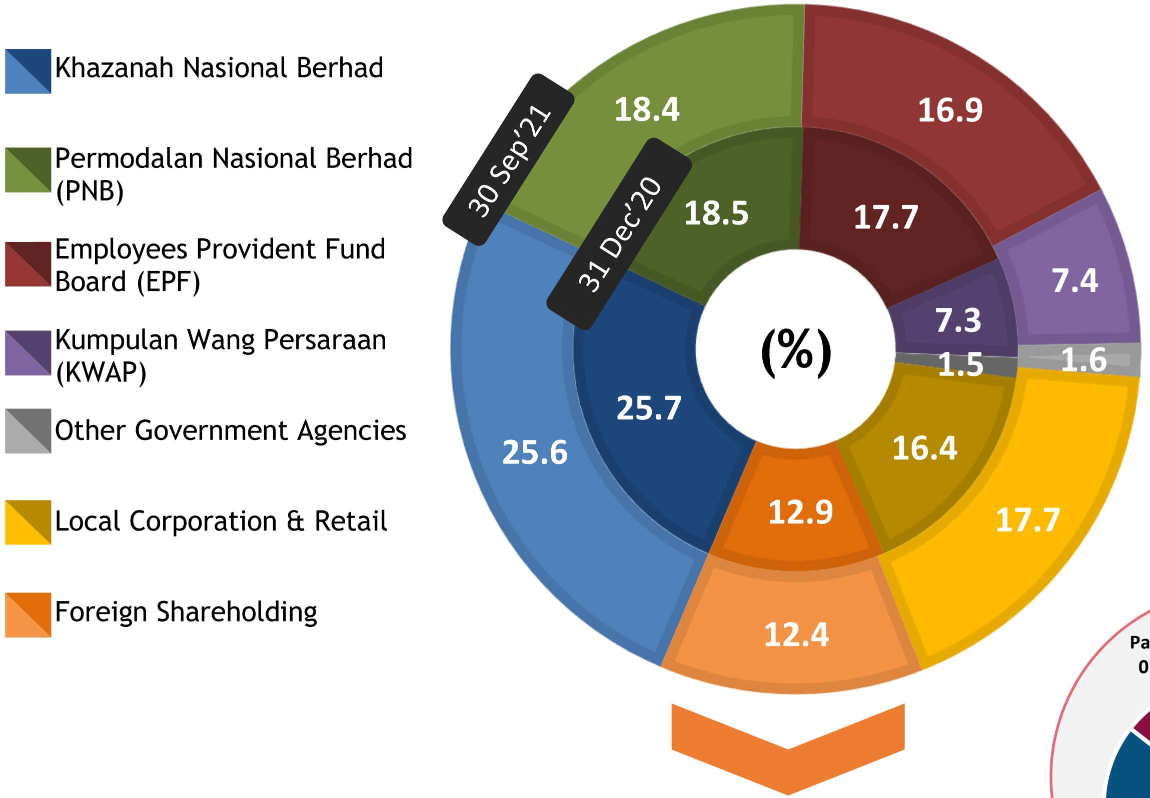
Average Coal Price (CIF)	FY'14	FY'15	FY'16	FY'17	FY'18	FY'19	FY'20	9MFY'21
USD/metric tonne (MT)	75.4	66.0	55.7	72.7	95.9	79.3	60.6	97.8
RM/metric tonne (MT)	244.6	236.0	231.1	314.7	388.1	326.3	255.6	403.5



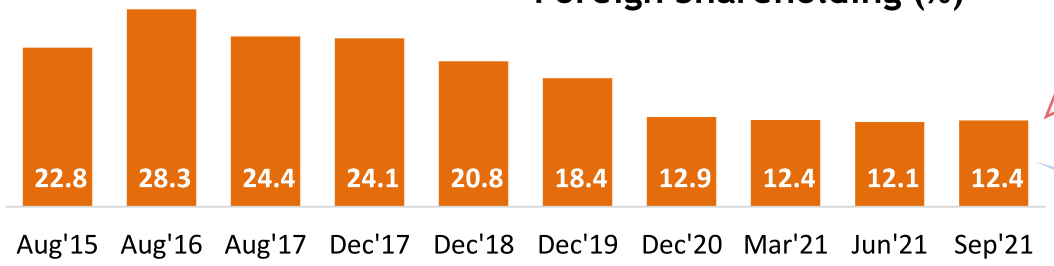
* Based on tonnage planned for delivery in FY'21

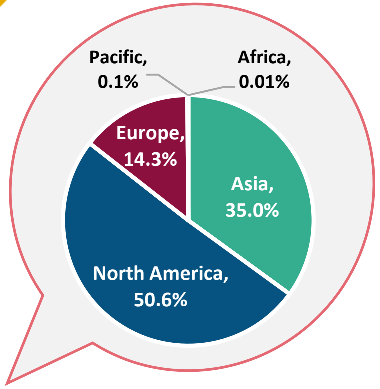


TNB market capitalisation of RM55.4bil as at 30th September 2021



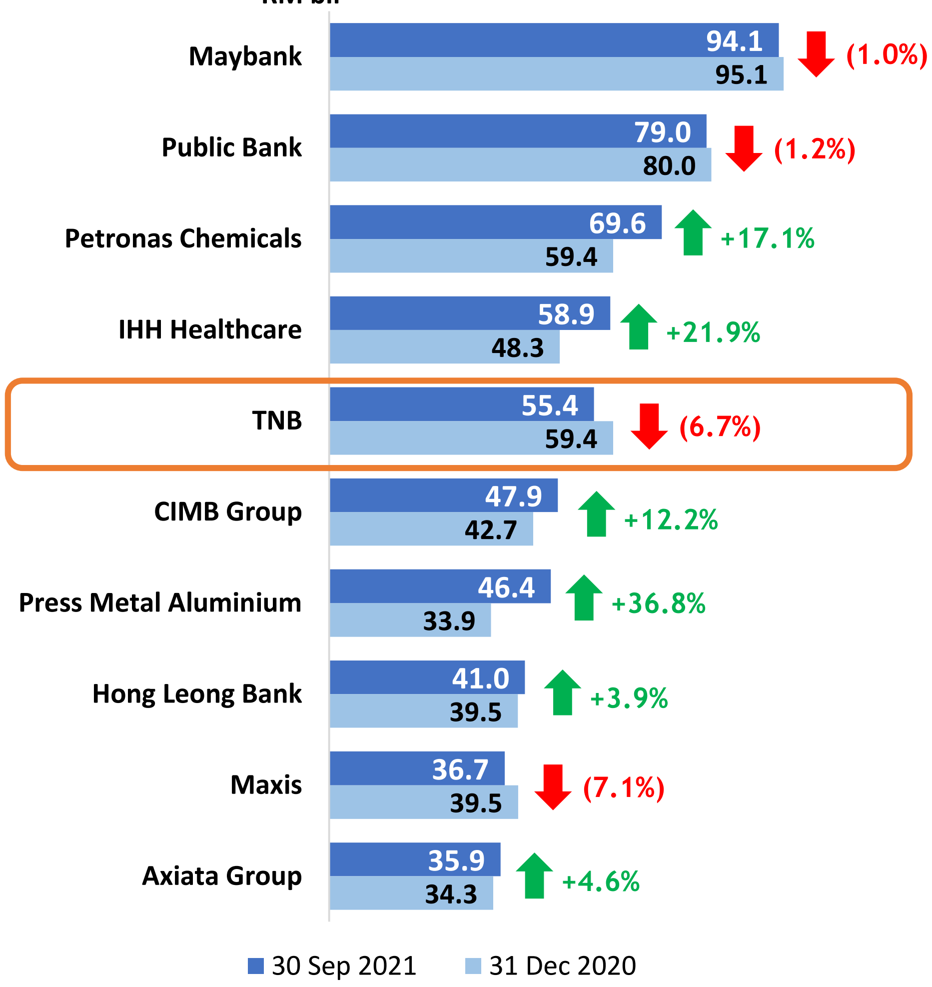
Foreign Shareholding (%)





Institutional: 12.29%
Individual: 0.07%

Top 10 KLCI Stocks by Market Capitalisation



Note:
1. Top 10 KLCI ranking by Market Capitalisation as at 30th September 2021
2. TNB Latest Market Cap: RM54.7bil (5th), as at 22nd November 2021

Source: Share Registrar, Bloomberg and IR Internal Analysis

THANK YOU

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