

The Board of Directors is pleased to announce the following:

**A. UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS
FOR THE FIRST QUARTER ENDED 31 MARCH 2025**

(Amounts in RM million unless otherwise stated)

	Individual/Cumulative	
	Current quarter ended 31.03.2025	Corresponding quarter ended 31.03.2024
Revenue	16,038.7	13,640.4
Imbalance Cost Pass-Through (over recovery)/under recovery	(175.2)	2,353.0
Operating expenses	(13,704.5)	(14,082.6)
Net loss on impairment of financial instruments	(18.6)	(59.4)
Other operating income	181.3	173.4
Operating profit	2,321.7	2,024.8
Foreign exchange		
- Translation gain/(loss)	32.2	(196.7)
- Transaction gain	6.7	25.4
Share of results of joint ventures	5.1	4.9
Share of results of associates	14.5	14.7
Profit before finance cost	2,380.2	1,873.1
Finance income	170.4	156.2
Finance cost	(969.9)	(1,027.1)
Fair value changes of financial instruments	(26.5)	27.6
Profit before taxation and zakat	1,554.2	1,029.8
Taxation and zakat	(513.4)	(351.9)
Profit for the period	1,040.8	677.9
Attributable to:		
- Owners of the Company	1,058.0	715.7
- Non-controlling interests	(17.2)	(37.8)
Profit for the period	1,040.8	677.9
Earnings per share attributable to the owners of the Company:		
	Sen	Sen
Basic	18.20	12.37
Diluted	18.15	12.31

The Condensed Consolidated Statement of Profit or Loss should be read in conjunction with the audited financial statements for the financial year ended 31 December 2024.

**A. UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE FIRST QUARTER ENDED 31 MARCH 2025**

(Amounts in RM million unless otherwise stated)

	Individual/Cumulative	
	Current quarter ended 31.03.2025	Corresponding quarter ended 31.03.2024
Profit for the period	1,040.8	677.9
Other comprehensive (expense)/income		
Items that will not be reclassified subsequently to profit or loss:		
Defined benefit plan actuarial loss	(201.2)	(171.9)
Fair value changes of financial assets at fair value through other comprehensive income ('FVOCI')	0.1	0.8
Items that may be reclassified subsequently to profit or loss:		
Foreign currency translation differences	113.1	104.4
Share of other comprehensive income ('OCI') of associates accounted for using the equity method	(14.6)	17.8
Total other comprehensive expense	(102.6)	(48.9)
Total comprehensive income for the period	938.2	629.0
Attributable to:		
- Owners of the Company	952.0	721.1
- Non-controlling interests	(13.8)	(92.1)
Total comprehensive income for the period	938.2	629.0

The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the audited financial statements for the financial year ended 31 December 2024.

B. UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2025

(Amounts in RM million unless otherwise stated)

	31.03.2025	31.12.2024
NON-CURRENT ASSETS		
Property, plant and equipment	126,855.5	125,611.1
Right-of-use assets	34,956.4	31,057.0
Joint ventures	208.5	203.4
Associates	1,287.9	1,284.1
Intangible assets	927.7	952.5
Investment in unquoted debt security	258.6	255.5
Tax recoverable	3,522.4	3,522.4
Deferred tax assets	335.9	373.9
Long term receivables	955.0	913.8
Finance lease receivables	3.9	4.7
Financial assets at FVOCI	81.3	81.2
Contract cost assets	8.9	8.9
Financial assets at fair value through profit or loss ('FVTPL')	19.2	19.2
Derivative financial instruments	130.1	137.6
Employee benefits	322.6	322.6
	<u>169,873.9</u>	<u>164,747.9</u>
CURRENT ASSETS		
Inventories	2,259.6	2,543.6
Receivables, deposits and prepayments	7,049.9	10,857.4
Contract assets	4,731.9	4,641.6
Contract cost assets	212.4	124.3
Tax recoverable	1,195.5	1,621.3
Finance lease receivables	1.7	1.3
Amounts due from joint ventures	16.0	15.9
Amounts due from associates	395.5	420.2
Derivative financial instruments	34.0	35.6
Financial assets at FVTPL	218.9	445.9
Deposits, bank and cash balances	21,384.7	19,601.1
	<u>37,500.1</u>	<u>40,308.2</u>
CURRENT LIABILITIES		
Payables	(12,473.1)	(14,215.4)
Contract liabilities	(563.7)	(460.2)
Derivative financial instruments	-	(2.8)
Lease liabilities	(2,779.5)	(3,140.1)
Amounts due to associates	(451.0)	(476.9)
Current tax liabilities	(96.7)	(85.3)
Employee benefits	(645.5)	(645.5)
Consumer deposits	(8,943.0)	(8,666.3)
Short term borrowings	(5,971.1)	(6,275.6)
	<u>(31,923.6)</u>	<u>(33,968.1)</u>
NET CURRENT ASSETS	5,576.5	6,340.1
NON-CURRENT LIABILITIES		
Borrowings	(51,594.4)	(51,131.0)
Derivative financial instruments	(101.1)	(98.2)
Contract liabilities	(8,256.7)	(7,838.8)
Government development grants	(1,064.0)	(1,187.7)
Lease liabilities	(29,531.8)	(25,570.5)
Deferred tax liabilities	(9,203.2)	(9,263.6)
Other liabilities	(1,569.8)	(1,470.4)
Employee benefits	(12,129.6)	(11,958.1)
	<u>(113,450.6)</u>	<u>(108,518.3)</u>
TOTAL NET ASSETS	<u>61,999.8</u>	<u>62,569.7</u>
EQUITY		
Share capital	12,700.2	12,700.2
Other reserves	(7,065.6)	(6,962.9)
Retained profits	54,180.4	54,633.8
CAPITAL AND RESERVES ATTRIBUTABLE TO OWNERS OF THE COMPANY	59,815.0	60,371.1
NON-CONTROLLING INTERESTS ('NCI')	2,184.8	2,198.6
TOTAL EQUITY	<u>61,999.8</u>	<u>62,569.7</u>

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the audited financial statements for the financial year ended 31 December 2024.

C. UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE FIRST QUARTER ENDED 31 MARCH 2025

(Amounts in RM million unless otherwise stated)

	Attributable to owners of the Company				
	Ordinary shares	Other reserves	Retained profits	Non- controlling interests	Total equity
At 1 January 2025	12,700.2	(6,962.9)	54,633.8	2,198.6	62,569.7
Defined benefit plan actuarial loss	-	(201.2)	-	-	(201.2)
Fair value changes of financial assets at FVOCI	-	0.1	-	-	0.1
Foreign currency translation differences	-	109.7	-	3.4	113.1
Profit/(Loss) for the financial period	-	-	1,058.0	(17.2)	1,040.8
Share of OCI of associates accounted for using the equity method	-	(14.6)	-	-	(14.6)
Total comprehensive (expense)/income	-	(106.0)	1,058.0	(13.8)	938.2
Long Term Incentive Plan ('LTIP') share-based payment expense	-	3.3	-	-	3.3
Final dividend for FY2024	-	-	(1,511.4)	-	(1,511.4)
Total transactions with owners	-	3.3	(1,511.4)	-	(1,508.1)
At 31 March 2025	12,700.2	(7,065.6)	54,180.4	2,184.8	61,999.8

At 1 January 2024	12,499.5	(6,682.6)	53,008.9	2,256.9	61,082.7
Defined benefit plan actuarial loss	-	(115.0)	-	(56.9)	(171.9)
Fair value changes of financial assets at FVOCI	-	0.8	-	-	0.8
Foreign currency translation differences	-	101.8	-	2.6	104.4
Profit/(Loss) for the financial period	-	-	715.7	(37.8)	677.9
Share of OCI of associates accounted for using the equity method	-	17.8	-	-	17.8
Total comprehensive income/(expense)	-	5.4	715.7	(92.1)	629.0
LTIP share-based payment expense	-	20.6	-	-	20.6
Final dividend for FY2023	-	-	(1,620.5)	-	(1,620.5)
Total transactions with owners	-	20.6	(1,620.5)	-	(1,599.9)
At 31 March 2024	12,499.5	(6,656.6)	52,104.1	2,164.8	60,111.8

The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the audited financial statements for the financial year ended 31 December 2024.

D. UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE FIRST QUARTER ENDED 31 MARCH 2025

(Amounts in RM million unless otherwise stated)

	FY2025 ended 31.03.2025	FY2024 ended 31.03.2024
Cash flows from operating activities		
Cash generated from operations	5,454.1	4,342.9
Post-employment benefits paid	(237.0)	(213.3)
Contract liabilities received	558.8	424.6
Consumer deposits received	227.0	270.8
Net taxation and zakat paid	(31.4)	(150.6)
Net cash flows generated from operating activities	<u>5,971.5</u>	<u>4,674.4</u>
Cash flows from investing activities		
Additional investments in:		
- Financial assets at FVTPL	-	(2,565.9)
Disposals of financial assets at FVTPL	196.0	2,652.8
Dividend income received	6.9	32.6
Finance income received	160.8	141.3
Property, plant and equipment:		
- Additions	(3,012.3)	(2,099.4)
Net (increase)/decrease in deposits maturing more than 90 days		
- Invested	(709.1)	(1,028.8)
- Matured	520.8	596.4
Net cash flows used in from investing activities	<u>(2,836.9)</u>	<u>(2,271.0)</u>
Cash flows from financing activities		
Government development grants received	0.7	-
Borrowings:		
- Drawdowns	216.0	506.2
- Repayments	(388.0)	(2,405.2)
Finance cost paid	(446.8)	(445.6)
Repayments of lease obligations:		
- Principal	(575.6)	(624.1)
- Interest	(362.2)	(389.1)
Net (increase)/decrease in debt reserve account	(42.9)	0.1
Net increase in cash at bank, held in trust	(0.5)	(0.3)
Net increase in restricted cash	(2.3)	(0.2)
Net cash flows used in from financing activities	<u>(1,601.6)</u>	<u>(3,358.2)</u>
Net increase/(decrease) in cash and cash equivalents	1,533.0	(954.8)
Effects of changes in foreign currencies	16.6	1.3
Cash and cash equivalents at the beginning of the period	<u>15,212.8</u>	<u>17,225.2</u>
Cash and cash equivalents at the end of the period	<u>16,762.4</u>	<u>16,271.7</u>
Deposit, bank and cash balances at the end of the period	21,384.7	18,869.7
Debt reserve account ¹	(573.8)	(511.1)
Cash at bank, held in trust ²	(190.1)	(223.1)
Restricted cash	(11.1)	(8.4)
Deposits maturing more than 90 days	(3,847.3)	(1,855.4)
Cash and cash equivalents at the end of the period	<u>16,762.4</u>	<u>16,271.7</u>

¹ Debt reserve account relates to deposits placed with licensed financial institution as part of security obligations for bond financing.

² The cash at bank held in trust is in respect of grants received from Government by a subsidiary for designated capital projects.

The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the audited financial statements for the financial year ended 31 December 2024.

E. EXPLANATORY NOTES

(Amounts in RM million unless otherwise stated)

1) BASIS OF PREPARATION

These condensed interim financial statements of the Group have been prepared in accordance with the reporting requirements as set out in Malaysian Financial Reporting Standards ('MFRS') 134 'Interim Financial Reporting', International Accounting Standards ('IAS') 34 'Interim Financial Reporting' and paragraph 9.22 and Appendix 9B of the Listing Requirements of Bursa Malaysia Securities Berhad, and should be read in conjunction with the Group's audited financial statements for the financial year ended 31 December 2024.

The explanatory notes attached to the interim financial statements provide an explanation of events and transactions that are significant for an understanding of the changes in the financial position and performance of the Group since the financial year ended 31 December 2024.

2) AUDIT QUALIFICATION

The audited financial statements for the financial year ended 31 December 2024 was not subject to any qualification.

3) CHANGES IN ACCOUNTING POLICIES

The accounting policies applied are consistent with those adopted for the financial statements for the financial year ended 31 December 2024.

Amendments to standards that are applicable and effective to the Group beginning 1 January 2025 are as follows:

- a) Amendments to MFRS 121 The Effects of Changes in Foreign Exchange Rates on Lack of Exchangeability

The adoption of the amendments to the standards do not have any significant impact to the unaudited Condensed Consolidated Financial Statements upon their initial application.

4) REVENUE

The disaggregation of revenue is as follows:

	Individual/Cumulative	
	Current quarter ended 31.03.2025	Corresponding quarter ended 31.03.2024
Sales:		
- Electricity	15,603.1	13,283.9
- Goods and services	297.3	200.7
Construction contracts	29.4	34.5
Customers' contributions	74.5	72.3
Revenue from contracts with customers	16,004.3	13,591.4
Insurance contract	34.4	49.0
Total revenue	16,038.7	13,640.4

5) SEASONAL OR CYCLICAL FACTORS

The businesses of the Group are not subject to material seasonal or cyclical fluctuations.

6) UNUSUAL ITEMS AFFECTING ASSETS, LIABILITIES, EQUITY, NET INCOME OR CASH FLOWS

There were no unusual items of nature, size or incidence that affect the assets, liabilities, equity, net income or cash flows of the Group during the reporting period.

7) MATERIAL CHANGES IN ESTIMATES OF AMOUNTS REPORTED

There were no material changes in the estimates of the amounts reported in the previous financial period that have a material effect on the results of the current reporting period.

8) DEBT AND EQUITY SECURITIES

Except for those disclosed in Note 23, there were no other material transactions relating to debts and equity securities during the quarter under review.

9) DIVIDENDS

The Board of Directors has not recommended any dividend for the quarter ended 31 March 2025.

The final single-tier dividend for Financial Year 2024 was paid on 16 April 2025 totalling RM1,511.4 million.

10) SEGMENTAL REPORTING

Operating Segment

Operating segment is not presented as the Group is principally engaged in the generation, transmission, distribution and sales of electricity and the provision of other related services, which are substantially within a single business segment and this is consistent with the current practice of internal reporting.

Geographical information

The Group operates in a few countries. Accordingly, the Group's operations by geographical location is segmented into Malaysia, United Kingdom, Kuwait, Republic of Ireland, Australia and other countries. The other countries operation is not further segregated as no individual overseas country contributed more than 10.0% of the consolidated operating revenue or assets.

Revenue by location of the Group's operation are analysed as follows:

	Current quarter ended 31.03.2025	Corresponding quarter ended 31.03.2024
Malaysia	15,678.1	13,403.6
United Kingdom	156.6	181.3
Kuwait	158.3	21.8
Republic of Ireland	20.6	11.2
Australia	7.5	9.9
Other countries	17.6	12.6
	<u>16,038.7</u>	<u>13,640.4</u>

Non-current assets other than financial instruments, employee benefits and deferred tax assets by location of the Group's operations are analysed as follows:

	As at 31.03.2025	As at 31.12.2024
Malaysia	160,379.7	155,301.9
United Kingdom	5,764.9	5,687.9
Kuwait	0.1	0.2
Republic of Ireland	1,217.9	1,206.7
Australia	1,203.3	1,197.1
Other countries	160.3	164.1
	<u>168,726.2</u>	<u>163,557.9</u>

11) VALUATION OF PROPERTY, PLANT & EQUIPMENT

The Group does not adopt a revaluation policy on its property, plant and equipment.

12) MATERIAL EVENTS SUBSEQUENT TO THE END OF THE REPORTING PERIOD

There were no material events subsequent to the end of the reporting period.

13) CHANGES IN THE COMPOSITION OF THE GROUP

There were no material changes to the composition of the Group during the quarter under review.

14) CONTINGENT LIABILITIES

Contingent liabilities of the Group include the following:

	As at 31.03.2025	As at 31.12.2024
Claims by third parties	<u>384.0</u>	<u>383.1</u>

Claims by third parties include claims by contractors, consumers and statutory body. These claims are being addressed and the Directors are of the opinion that their ultimate resolution will not have a material effect on the financial position of the Group.

15) CAPITAL COMMITMENTS

	As at 31.03.2025	As at 31.12.2024
Authorised capital expenditure for 5 years not provided in the financial statements		
- Contracted	286.3	282.8
- Not contracted	<u>92,129.5</u>	<u>98,640.9</u>
Total capital commitments	<u>92,415.8</u>	<u>98,923.7</u>

F. ADDITIONAL INFORMATION AS REQUIRED BY PART A OF APPENDIX 9B OF THE BURSA MALAYSIA LISTING REQUIREMENTS

16) REVIEW OF PERFORMANCE

Performance of the current period ended 31 March 2025 against the corresponding period ended 31 March 2024:

The Group's revenue increased by RM2,398.3 million or 17.6%, mainly contributed by electricity sales increase of 17.5%, or RM2,319.2 million, due to other regulatory adjustments under Incentive Based Regulation ('IBR') framework. ICPT was in an over recovery position of RM175.2 million, compared to an under recovery of RM2,353.0 million in the corresponding period last year, due to lower fuel prices.

Operating profit increased by 14.7%, or RM296.9 million, due to improved margins, primarily from lower operating expenses. Additionally, the growth in operating profit was supported by a lower net impairment loss on financial instruments, attributed to the improved collections from the customers.

Profit after tax increased to RM1,040.8 million from RM677.9 million in the corresponding period, representing an increase of 53.5%, or RM362.9 million. This increase was driven by the improved margin mentioned above, coupled with gains from foreign exchange translation in the current period, compared to a loss from foreign exchange translation in the corresponding period. This was partially offset by a higher tax expense due to the Group not having the shelter from the reinvestment allowance.

17) MATERIAL CHANGES IN THE QUARTERLY RESULTS COMPARED TO THE PRECEDING QUARTER

Performance of the current quarter (First Quarter FY2025) against the preceding quarter (Fourth Quarter FY2024):

The Group recorded profit after tax of RM1,040.8 million in the current quarter as compared to RM907.8 million in the preceding quarter, an increase of RM133.0 million. The increase was mainly due to foreign exchange translation gains in the current quarter, compared to foreign exchange translation losses in the preceding quarter. However, this was partially offset by a net impairment loss on financial instruments, compared to a net reversal in the preceding quarter. The reversal was mainly due to an improved allowance for doubtful debts following the finalisation of a settlement arrangement with a trade receivable recognised in the preceding quarter.

18) PROSPECTS

In the first quarter of the financial year 2025, the Group delivered a stable performance, supported by higher demand from the commercial sector and underpinned by the country's Gross Domestic Product ('GDP') growth of 4.4%*. With the rollout of Incentive Based Regulation Period 4, the regulated business continued to strengthen the Group's overall financial position.

Notwithstanding geopolitical uncertainties, the Group expects to maintain a resilient performance in 2025. The Group will continue to uphold operational and financial discipline, while pursuing sustainable growth in a dynamic and evolving energy landscape.

The Group remains dedicated to support the National Energy Transition Roadmap, fostering sustainable growth, and creating lasting value for its stakeholders.

**Source: Bank Negara Malaysia (16 May 2025)*

19) PROFIT FROM OPERATIONS

The following items have been charged in arising at the profit from operations:

	Individual/ Cumulative
	Current quarter ended 31.03.2025
Property, plant and equipment:	
- Depreciation	(2,067.6)
- Written-off	(2.3)
Right-of-use assets:	
- Depreciation	(797.7)
Receivables:	
- Impairment losses	(40.0)
- Reversal of impairment losses	16.7
Contract assets:	
- Impairment losses	(1.2)
- Reversal of impairment losses	0.2
Amounts due from joint ventures:	
- Impairment losses	(2.1)
- Reversal of impairment losses	2.2
Investment in unquoted debt security:	
- Impairment losses	(0.3)
Financial guarantee:	
- Reversal of impairment losses	5.9
Inventories:	
- Provision for obsolescence	(60.6)
- Write back of obsolescence	53.6
- Written off	(23.1)

Other than the items highlighted above, there were no material disposal of quoted investment and impairment of property, plant and equipment during the quarter under review.

20) VARIANCE OF ACTUAL PROFIT FROM FORECAST PROFIT

This note is not applicable, as the Group did not publish any profit forecast.

21) TAXATION AND ZAKAT

Taxation and zakat for the reporting period comprised the following:

	Individual/Cumulative	
	Current quarter ended 31.03.2025	Corresponding quarter ended 31.03.2024
Income tax:		
Current tax and zakat	(482.1)	(258.7)
Deferred tax (net):		
Relating to origination and reversal of temporary differences	(31.3)	(93.2)
Total taxation and zakat	(513.4)	(351.9)

For the reporting period ended 31 March 2025, the Group recorded a 33.0% effective tax rate, which was higher than the statutory tax rate of 24.0%. The higher effective tax rate is mainly due to the expenses not allowable for tax.

22) STATUS OF CORPORATE PROPOSALS

There were no material corporate proposals entered into during the reporting period other than those announced to Bursa Malaysia since the date of the last audited financial statements.

23) GROUP BORROWINGS

(a) The analysis of Group borrowings classified under current and non-current categories are as follows:

		As at 31.03.2025	As at 31.12.2024
Short term	- secured	2,241.1	2,088.2
	- unsecured	3,730.0	4,187.4
Sub-total		5,971.1	6,275.6
Long term	- secured	20,993.7	21,113.5
	- unsecured	30,600.7	30,017.5
Sub-total		51,594.4	51,131.0
Total		57,565.5	57,406.6

(b) Currency denominations:

	As at 31.03.2025	As at 31.12.2024
United States Dollar (USD)	8,640.5	8,618.4
Great Britain Pound (GBP)	3,425.6	3,459.0
Japanese Yen (JPY)	1,361.6	1,375.1
Australian Dollar (AUD)	1,414.8	1,313.4
Euro (EUR)	1,029.4	1,002.5
Total Ringgit equivalent of foreign currency borrowings	15,871.9	15,768.4
Ringgit borrowings	41,693.6	41,638.2
Total	57,565.5	57,406.6

(c) Effective average cost of borrowing based on exposure as at 31 March 2025 was 4.82% (31 December 2024: 4.83%).

(d) Repayments of debts during the reporting period were as follows:

- (i) Foreign currency denominated loans of RM160.9 million; and
- (ii) Ringgit denominated loans of RM227.1 million.

(e) Drawdowns of debts during the reporting period were as follows:

- (i) Foreign currency denominated loans of RM76.7 million; and
- (ii) Ringgit denominated loans of RM139.3 million.

24) DERIVATIVE FINANCIAL INSTRUMENTS

Type of Derivatives	As at 31.03.2025	
	Notional Amount	Fair value Amount
Foreign Currency Contracts		
- Forward less than 1 year	1,098.7	34.0
Interest Rate Swap Contracts ('IRS')		
- More than 3 years	1,713.6	67.6
Profit Rate Swap Contracts ('PRS')		
- More than 3 years	284.5	(0.6)
Power Purchase Agreement ('PPA')		
- More than 3 years	1,409.0	(38.0)
Total	4,505.8	63.0

The notional amount and fair value of all forward contracts are disclosed on a net basis. There is no change to the cash requirements of the derivatives, risks associated with the derivatives and policies to mitigate those risks since the last financial year.

IRS and PRS entered into by subsidiaries are to effectively fix the interest and profit rate payable on the term loans.

TNB Group entered into PPA which entitled them to sell the electricity output at an agreed price for five to fifteen years, thereby mitigating exposure to variable market prices.

On 13 March 2025, Bomen SF Finco Pty Ltd, an indirect wholly owned subsidiary of Spark Renewables has entered into IRS contracts transaction to receive interest at floating rates and obliged to pay interest at a fixed rate of 3.8% per annum on aggregate notional principal of AUD40.7 million.

25) MATERIAL LITIGATIONS

(a) Tenaga Nasional Berhad ('TNB') – Reinvestment Allowance ('RIA')

On 7 December 2016, TNB and the Inland Revenue Board of Malaysia ('IRB') entered into a consent judgement before the Kuala Lumpur High Court to substitute judicial review proceedings for notices of additional assessment dated 23 November 2015 for Years of Assessment ('YA') 2013 and 2014 amounting to RM2,068.2 million (referred to as 'Notices 1') arising from the disallowance of TNB's RIA claims. The consent judgement also stipulates that the IRB will not commence any proceedings relating to the Notices 1 until the matter is determined by the Special Commissioners of Income Tax ('SCIT') and the High Court, if there is a subsequent appeal by either party. On 15 December 2016, TNB filed appeals against the Notices 1 to the SCIT according to Section 99(1) of the Income Tax Act 1967, which have since been registered before the SCIT. However, the trial at SCIT is adjourned, pending the Federal Court's decision in relation to the notice of additional assessment for YA 2018.

Meanwhile, for the notices of additional assessment issued for YAs 2015, 2016, and 2017 amounting to RM3,977.9 million (referred to as 'Notices 2'), both TNB and the IRB recorded a consent order for judicial review application before the High Court on 30 December 2020. On 22 August 2023, the High Court allowed TNB's judicial review application to set aside the Notices 2. The High Court agreed that TNB is in the business of manufacturing electricity and as such, TNB is entitled to claim RIA on the capital expenditures which were incurred in YAs 2015, 2016 and 2017 in the course of expanding, modernising and automating its business. In response, on 25 August 2023, the IRB filed a notice of appeal against the High Court's decision. However, the hearing before the Court of Appeal is adjourned, pending the Federal Court's decision in relation to the notice of additional assessment for YA 2018.

With regards to the notice of additional assessment for YA 2018 amounting to RM1,812.5 million (referred to as 'Notice 3'), both TNB and the IRB recorded a consent order for judicial review application before the High Court on 21 January 2021. On 8 February 2022, the High Court allowed with cost, TNB's judicial review application to set aside the Notice 3. Separately, on 8 February 2022, the IRB filed a notice of appeal against the High Court's decision. On 16 May 2024, the Court of Appeal dismissed the IRB's appeal against the decision of the High Court in allowing TNB's judicial review application to set aside the Notice 3. Both courts agreed that TNB is in the business of manufacturing electricity and as such, TNB is entitled to claim RIA on the capital expenditure which was incurred in YA 2018 in the course of expanding, modernising, and automating its business. IRB filed a Notice of Appeal on 12 September 2024, and the Federal Court has fixed the hearing date for the appeal on 4 February 2025. Pursuant to the hearing held, the Court, after considering the submissions of the parties, has reserved its judgement to a later date. The date of the judgement will be duly communicated to TNB in due course.

On 19 August 2024, TNB received notices of additional assessment for YAs 2020 and 2021 (referred to as 'Notices 4') amounting to RM1,391.0 million that are similar in nature to the above-mentioned Notices 1, 2, and 3. TNB has filed the judicial review application on 5 September 2024 before the High Court. Separately, on 25 September 2024, the High Court has fixed the hearing date on 31 July 2025.

Notwithstanding the outcome of the court proceedings, IRB had agreed to remit all penalties imposed for YAs 2013 to 2018, totalling RM2,438.9 million, in accordance with the signed consent orders in respect of the judicial review proceedings for YAs 2015 to 2017 and YA 2018. The potential tax liability was RM6,810.7 million after the remission of penalties. Nonetheless, the total net cash outflow exposure is estimated at RM5,053.5 million after taking into account the amount paid to IRB in December 2020 of RM1,757.2 million in relation to YAs 2016 and 2017.

25) MATERIAL LITIGATIONS (CONTINUATION)

(a) Tenaga Nasional Berhad ('TNB') – Reinvestment Allowance ('RIA') (CONTINUATION)

TNB has obtained legal advice from its tax solicitors on the merits of the cases mentioned above and on this basis, the Directors are of the opinion that there is no provision is required in the financial statements for the potential tax liability up to the reporting date. Notwithstanding with the above, TNB continued to claim the RIA for YAs 2022, 2023 and 2024 as permitted by the law.

(b) Southern Power Generation Sdn Bhd ('SPG')

On 26 May 2023, the IRB issued notices of assessment for YAs 2017, 2018, 2019, 2020 and 2021 amounting in aggregate to RM78.5 million to SPG.

On 6 June 2023, SPG filed a judicial review against the IRB at the High Court to challenge the matters arising from the above-mentioned notices. Subsequently, the High Court granted leave to SPG to commence judicial review against the IRB and granted an interim stay of all further proceedings including the enforcement until the following substantive hearings.

Pursuant to the IRB's request to vacate the recent hearing fixed on 12 March 2025, the High Court fixed a new hearing date on 8 September 2025. Separately, on 17 April 2025, the High Court granted an extension of the interim stay on the enforcement of the notices until 8 September 2025.

Based on the legal advice obtained from its tax solicitors on the merits of the case, SPG is of the view that no provision is required for the potential tax liability up to the reporting date.

(c) TNB Western Energy Berhad ('TNBWE')

TNBWE, an indirect wholly owned subsidiary of TNB, via TNB Manjung Five Sdn. Bhd., a wholly owned subsidiary of TNB Power Generation Sdn. Bhd. has received a notice of assessment for the YA 2018, dated 10 December 2024, from the IRB, amounting to RM291.6 million.

On 31 December 2024, TNBWE filed a judicial review application at the High Court to challenge matters arising from the above-mentioned notice. On 9 January 2025, the High Court granted an interim stay on all further proceedings, including the enforcement, until the full and final disposal of the judicial review leave application. The High Court has scheduled the leave hearing for 30 June 2025.

Based on the legal advice obtained from its tax solicitors on the merits of the case, TNBWE is of the view that no provision is required for the potential tax liability up to the reporting date.

There is no other pending material litigation other than those announced to Bursa Malaysia since the date of the last audited financial statements.

26) EARNINGS PER SHARE

	Individual/Cumulative	
	Current quarter ended 31.03.2025	Corresponding quarter ended 31.03.2024
Profit attributable to owners of the Company	1,058.0	715.7
Weighted average number of ordinary shares in issue ('000)	5,812,948	5,787,332
Basic earnings per share (sen)	18.20	12.37
Weighted average number of ordinary shares in issue ('000)	5,812,948	5,787,332
Adjustments for LTIP ('000)	16,194	25,008
Weighted average number of diluted ordinary shares ('000)	5,829,142	5,812,340
Diluted earnings per share (sen)	18.15	12.31

27) EXCEPTIONAL ITEMS

There were no exceptional items incurred during the period.

By Order of the Board



ALI MUNAWAR BIN SALIM
COMPANY SECRETARY *AS*
MAICSA 7021901
SSM PRACTICING CERTIFICATE NO.: 201908002911

Kuala Lumpur
27 May 2025