TENAGA NASIONAL BERHAD
199001009294 (200866-W)

The Board of Directors is pleased to announce the following:

## A. UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS FOR THE SECOND QUARTER ENDED 30 JUNE 2026

(Amounts in RM million unless otherwise stated)

| | Individual | | Cumulative | |
|---|---|---|---|---|
| | Current quarter ended 30.06.2026 | Corresponding quarter ended 30.06.2025 | Current period ended 30.06.2026 | Preceding period ended 30.06.2025 |
| Revenue | 18,236.0 | 16,835.0 | 35,339.7 | 32,873.7 |
| Automatic Fuel Adjustment ('AFA') under/(over) recovery* | 514.9 | (589.3) | (346.8) | (764.5) |
| Operating expenses | (16,858.5) | (14,331.1) | (30,779.1) | (28,035.6) |
| Net reversal on impairment of financial instruments | (4.7) | (7.2) | (61.4) | (25.8) |
| Other operating income | 199.2 | 209.6 | 386.6 | 390.9 |
| Operating profit | 2,086.9 | 2,117.0 | 4,539.0 | 4,438.7 |
| Foreign exchange | | | | |
| - Translation (loss)/gain | (2.1) | 318.4 | 19.5 | 350.6 |
| - Transaction (loss)/gain | (17.7) | 23.5 | (8.2) | 30.2 |
| Share of results of joint ventures | (3.1) | 2.7 | 2.0 | 7.8 |
| Share of results of associates | 3.0 | 12.6 | 25.1 | 27.1 |
| Profit before finance cost | 2,067.0 | 2,474.2 | 4,577.4 | 4,854.4 |
| Finance income | 173.3 | 194.6 | 204.7 | 365.0 |
| Finance cost | (998.0) | (1,008.9) | (1,978.6) | (1,978.8) |
| Fair value changes of financial instruments | 12.0 | (58.5) | 15.8 | (85.0) |
| Profit before taxation and zakat | 1,254.3 | 1,601.4 | 2,819.3 | 3,155.6 |
| Taxation and zakat | (348.0) | (428.0) | (826.1) | (941.4) |
| **Profit for the period** | **906.3** | **1,173.4** | **1,993.2** | **2,214.2** |
| Profit attributable to: | | | | |
| - Owners of the Company | 888.8 | 1,158.1 | 1,986.4 | 2,216.1 |
| - Non-controlling interests | 17.5 | 15.3 | 6.8 | (1.9) |
| **Profit for the period** | **906.3** | **1,173.4** | **1,993.2** | **2,214.2** |
| | **Sen** | **Sen** | **Sen** | **Sen** |
| Basic/Diluted Earnings per share attributable to the owners of the Company | 15.25 | 19.90 | 34.08 | 38.08 |

*This includes Imbalance Cost Pass-Through ('ICPT')

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 2025.

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TENAGA NASIONAL BERHAD
199001009294 (200866-W)

## A. UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE SECOND QUARTER ENDED 30 JUNE 2026

(Amounts in RM million unless otherwise stated)

| | Individual | | Cumulative | |
|---|---|---|---|---|
| | Current quarter ended 30.06.2026 | Corresponding quarter ended 30.06.2025 | Current period ended 30.06.2026 | Preceding period ended 30.06.2025 |
| **Profit for the period** | **906.3** | **1,173.4** | **1,993.2** | **2,214.2** |
| **Other comprehensive income/(expense)** | | | | |
| **Items that will not be reclassified subsequently to profit or loss:** | | | | |
| Defined benefit plan actuarial gain/(loss) | 3.8 | (115.8) | (31.9) | (317.0) |
| Fair value changes of financial assets at fair value through other comprehensive income ('FVOCI') | (3.9) | 2.0 | (3.6) | 2.1 |
| **Items that may be reclassified subsequently to profit or loss:** | | | | |
| Foreign currency translation differences | (25.1) | (31.6) | 86.0 | 81.5 |
| Share of other comprehensive (expense)/income of associates accounted for using the equity method | (5.2) | 3.5 | (3.2) | (11.1) |
| **Total other comprehensive (expense)/income** | (30.4) | (141.9) | 47.3 | (244.5) |
| **Total comprehensive income for the period** | **875.9** | **1,031.5** | **2,040.5** | **1,969.7** |
| Attributable to: | | | | |
| - Owners of the Company | 854.8 | 1,018.0 | 2,033.8 | 1,970.0 |
| - Non-controlling interests | 21.1 | 13.5 | 6.7 | (0.3) |
| **Total comprehensive income for the period** | **875.9** | **1,031.5** | **2,040.5** | **1,969.7** |

The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the audited financial statements for the financial year ended 31 December 2025.

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TENAGA NASIONAL BERHAD
199001009294 (200866-W)

## B. UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2026

(Amounts in RM million unless otherwise stated)

| | 30.06.2026 | 31.12.2025 |
|---|---|---|
| **NON-CURRENT ASSETS** | | |
| Property, plant and equipment | 135,836.2 | 132,884.8 |
| Right-of-use assets | 32,616.9 | 32,586.5 |
| Investment property | 540.0 | 524.5 |
| Joint ventures | 207.9 | 245.8 |
| Associates | 972.5 | 1,037.2 |
| Intangible assets | 715.8 | 732.2 |
| Investment in unquoted debt security | 306.7 | 262.2 |
| Deferred tax assets | 322.5 | 315.3 |
| Long term receivables | 1,006.0 | 972.4 |
| Finance lease receivables | 3.4 | 4.2 |
| Financial assets at FVOCI | 0.3 | 81.3 |
| Contract asset | 62.7 | 62.7 |
| Contract cost assets | 6.6 | 9.5 |
| Financial assets at fair value through profit or loss ('FVTPL') | 13.9 | 14.9 |
| Derivative financial instruments | 106.7 | 104.5 |
| | 172,718.1 | 169,838.0 |
| **CURRENT ASSETS** | | |
| Inventories | 2,509.6 | 2,561.8 |
| Receivables, deposits and prepayments | 7,909.9 | 6,719.7 |
| Contract assets | 5,457.7 | 4,263.6 |
| Contract cost assets | 227.1 | 189.7 |
| Tax recoverable | 982.1 | 1,210.0 |
| Finance lease receivables | 0.4 | 0.3 |
| Amounts due from joint ventures | 17.5 | 16.5 |
| Amounts due from associates | 389.0 | 338.9 |
| Financial assets at FVTPL | 85.1 | 135.8 |
| Financial assets at FVOCI | 77.4 | - |
| Deposits, bank and cash balances | 15,280.1 | 12,836.7 |
| Asset classified as held for sale | - | 243.5 |
| | 32,935.9 | 28,516.5 |
| **CURRENT LIABILITIES** | | |
| Payables | (13,910.0) | (11,155.2) |
| Contract liabilities | (465.7) | (474.3) |
| Derivative financial instruments | (2.1) | (0.7) |
| Lease liabilities | (2,783.9) | (2,578.3) |
| Amounts due to associates | (458.4) | (132.8) |
| Current tax liabilities | (163.6) | (91.2) |
| Employee benefits | (743.3) | (743.3) |
| Consumer deposits | (9,749.6) | (9,353.2) |
| Short term borrowings | (7,793.3) | (11,951.7) |
| Government development grants | (108.0) | (107.2) |
| | (36,177.9) | (36,587.9) |
| **NET CURRENT LIABILITIES** | (3,242.0) | (8,071.4) |
| **NON-CURRENT LIABILITIES** | | |
| Borrowings | (53,143.0) | (47,134.0) |
| Derivative financial instruments | (83.9) | (72.1) |
| Contract liabilities | (9,166.9) | (8,719.5) |
| Government development grants | (1,289.4) | (1,300.2) |
| Lease liabilities | (28,414.1) | (27,904.8) |
| Deferred tax liabilities | (9,253.5) | (9,267.6) |
| Other liabilities | (2,235.8) | (1,807.4) |
| Employee benefits | (12,507.2) | (12,587.0) |
| | (116,093.8) | (108,792.6) |
| **TOTAL NET ASSETS** | **53,382.3** | **52,974.0** |
| **EQUITY** | | |
| Share capital | 12,810.1 | 12,810.1 |
| Other reserves | (7,844.4) | (7,891.8) |
| Retained profits | 46,225.4 | 45,871.2 |
| **CAPITAL AND RESERVES ATTRIBUTABLE TO OWNERS OF THE COMPANY** | 51,191.1 | 50,789.5 |
| **NON-CONTROLLING INTERESTS ('NCI')** | 2,191.2 | 2,184.5 |
| **TOTAL EQUITY** | **53,382.3** | **52,974.0** |

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the audited financial statements for the financial year ended 31 December 2025.

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**TENAGA NASIONAL BERHAD**
199001009294 (200866-W)

## C. UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE SECOND QUARTER ENDED 30 JUNE 2026

(Amounts in RM million unless otherwise stated)

| | Attributable to owners of the Company | | | | |
|---|---|---|---|---|---|
| | Ordinary shares | Other reserves | Retained profits | Non-controlling interest | Total equity |
| **At 1 January 2026** | **12,810.1** | **(7,891.8)** | **45,871.2** | **2,184.5** | **52,974.0** |
| Defined benefit plan actuarial (loss)/gain | - | (33.2) | - | 1.3 | (31.9) |
| Fair value changes of financial assets at FVOCI | - | (3.6) | - | - | (3.6) |
| Foreign currency translation differences | - | 87.4 | - | (1.4) | 86.0 |
| Profit for the financial period | - | - | 1,986.4 | 6.8 | 1,993.2 |
| Share of OCI of associates accounted for using the equity method | - | (3.2) | - | - | (3.2) |
| **Total comprehensive income** | **-** | **47.4** | **1,986.4** | **6.7** | **2,040.5** |
| Final dividend paid for FY2025 | - | - | (1,632.2) | - | (1,632.2) |
| **Total transactions with owners** | **-** | **-** | **(1,632.2)** | **-** | **(1,632.2)** |
| **At 30 June 2026** | **12,810.1** | **(7,844.4)** | **46,225.4** | **2,191.2** | **53,382.3** |
| | | | | | |
| **At 1 January 2025** | **12,700.2** | **(6,962.9)** | **54,633.8** | **2,198.6** | **62,569.7** |
| Defined benefit plan actuarial loss | - | (313.8) | - | (3.2) | (317.0) |
| Fair value changes of financial assets at FVOCI | - | 2.1 | - | - | 2.1 |
| Foreign currency translation differences | - | 76.7 | - | 4.8 | 81.5 |
| Profit/(loss) for the financial period | - | - | 2,216.1 | (1.9) | 2,214.2 |
| Share of OCI of associates accounted for using the equity method | - | (11.1) | - | - | (11.1) |
| **Total comprehensive (expense)/income** | **-** | **(246.1)** | **2,216.1** | **(0.3)** | **1,969.7** |
| LTIP: | | | | | |
| - Share-based payment expense | - | 28.3 | - | - | 28.3 |
| - Reversal of share-based payment expense | - | (16.1) | - | - | (16.1) |
| - Shares issued | 109.9 | (109.9) | - | - | - |
| Final dividend paid for FY2024 | - | - | (1,511.4) | - | (1,511.4) |
| Acquisition of shares from NCI | - | - | (3.6) | 3.6 | - |
| **Total transactions with owners** | **109.9** | **(97.7)** | **(1,515.0)** | **3.6** | **(1,499.2)** |
| **At 30 June 2025** | **12,810.1** | **(7,306.7)** | **55,334.9** | **2,201.9** | **63,040.2** |

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 2025.

TENAGA NASIONAL BERHAD
199001009294 (200866-W)

## D. UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE SECOND QUARTER ENDED 30 JUNE 2026

(Amounts in RM million unless otherwise stated)

| | FY2026 ended 30.06.2026 | FY2025 ended 30.06.2025 |
|---|---|---|
| **Cash flows from operating activities** | | |
| Cash generated from operations | 11,688.2 | 11,230.6 |
| Post-employment benefits paid | (400.4) | (468.0) |
| Post-employment benefits received | 10.1 | - |
| Contract liabilities received | 887.0 | 827.8 |
| Consumer deposits received | 281.5 | 287.3 |
| Net taxation and zakat paid | (513.9) | (175.6) |
| Net cash flows generated from operating activities | 11,952.5 | 11,702.1 |
| **Cash flows from investing activities** | | |
| Additional investments in: | | |
| - Financial assets at FVTPL | (4.6) | - |
| - Joint ventures | - | (18.6) |
| - Associate | (8.6) | - |
| Disposals of financial assets at FVTPL | 59.5 | 252.3 |
| Dividend income received | 92.2 | 6.9 |
| Finance income received | 217.9 | 362.8 |
| Property, plant and equipment: | | |
| - Additions | (7,219.9) | (6,583.1) |
| - Proceeds from disposals | 12.6 | 1.9 |
| Investment property: | | |
| - Additions | (21.0) | - |
| Net (increase)/decrease in deposits maturing more than 90 days: | | |
| - Invested | (1,421.7) | (2,104.4) |
| - Matured | 1,479.7 | 2,499.7 |
| Net cash flows used in investing activities | (6,813.9) | (5,582.5) |
| **Cash flows from financing activities** | | |
| Government development grants received | 6.2 | 0.8 |
| Borrowings: | | |
| - Drawdowns | 10,991.3 | 718.9 |
| - Repayments | (9,088.3) | (807.4) |
| Finance cost paid | (1,417.2) | (1,386.5) |
| Repayments of lease obligations: | | |
| - Principal | (789.2) | (1,143.9) |
| - Interest | (703.4) | (765.0) |
| Dividends paid to shareholders | (1,632.2) | (1,511.4) |
| Net decrease in debt reserve accounts | 10.2 | 132.2 |
| Net increase in cash at bank, held in trust | (0.7) | (0.9) |
| Net increase in restricted cash | (0.9) | (1.8) |
| Net cash flows used in financing activities | (2,624.2) | (4,765.0) |
| Net increase in cash and cash equivalents | 2,514.4 | 1,354.6 |
| Effects of changes in foreign currency | 6.4 | (89.9) |
| **Cash and cash equivalents at the beginning of the financial period** | 10,652.3 | 15,212.8 |
| **Cash and cash equivalents at the end of the financial period** | **13,173.1** | **16,477.5** |
| | | |
| **Deposit, bank and cash balances at the end of the financial period** | 15,280.1 | 20,341.0 |
| Debt reserve accounts [1] | (571.1) | (398.7) |
| Cash at bank, held in trust [2] | (178.4) | (190.5) |
| Restricted cash | (7.6) | (10.6) |
| Deposits maturing more than 90 days | (1,349.9) | (3,263.7) |
| **Cash and cash equivalents at the end of the financial period** | **13,173.1** | **16,477.5** |

[1] Debt reserve accounts relate 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 the 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 2025.

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## 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 2025.

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 2025.

### 2) AUDIT QUALIFICATION
The audited financial statements for the financial year ended 31 December 2025 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 2025.

Amendments to standards that are applicable and effective to the Group beginning 1 January 2026 are as follows:

a) Amendments to MFRS 9 Financial Instruments on The Classification and Measurement of Financial Instruments
b) Amendments to MFRS 9 Financial Instruments on Contract Referencing Nature Dependent Electricity
c) Amendments to MFRS 7 Financial Instruments (Disclosures) on The Classification and Measurement of Financial Instruments
d) Amendments to MFRS 7 Financial Instruments (Disclosures) on Contract Referencing Nature Dependent Electricity

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 30.06.2026 | Corresponding quarter ended 30.06.2025 | Current period ended 30.06.2026 | Preceding period ended 30.06.2025 |
| Sales: | | | | |
| - Electricity | 17,672.1 | 16,293.7 | 34,136.3 | 31,896.8 |
| - Goods and services | 296.4 | 307.6 | 657.5 | 604.9 |
| Construction contracts | 34.3 | 34.8 | 65.1 | 64.2 |
| Customers' contributions | 131.9 | 79.2 | 282.0 | 153.7 |
| Revenue from contracts with customers | 18,134.7 | 16,715.3 | 35,140.9 | 32,719.6 |
| Insurance contract | 101.3 | 119.7 | 198.8 | 154.1 |
| **Total revenue** | **18,236.0** | **16,835.0** | **35,339.7** | **32,873.7** |

## 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 final single-tier dividend for Financial Year 2025 was paid on 17 April 2026 totalling RM1,632.2 million.

The Board of Directors has approved an interim single tier dividend of 25.0 sen per ordinary share, in respect of the financial year ended 31 December 2026, totalling to approximately RM1,457.3 million (based on 5,829,142,171 paid-up share capital).

The books closure and payment dates will be announced in due course.

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**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 geographical location of the Group's operation is analysed as follows:

| | **Current period ended 30.06.2026** | **Preceding period ended 30.06.2025** |
|---|---|---|
| Malaysia | 34,617.8 | 32,096.4 |
| United Kingdom | 385.0 | 364.0 |
| Kuwait | 233.4 | 300.4 |
| Republic of Ireland | 66.2 | 62.7 |
| Australia | 11.8 | 11.7 |
| Other countries | 25.5 | 38.5 |
| | 35,339.7 | 32,873.7 |

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 30.06.2026** | **As at 31.12.2025** |
|---|---|---|
| Malaysia | 164,392.2 | 161,333.0 |
| United Kingdom | 5,161.9 | 5,329.8 |
| Kuwait | - | 0.1 |
| Republic of Ireland | 1,068.0 | 1,118.2 |
| Australia | 1,169.9 | 1,112.6 |
| Other countries | 176.0 | 166.1 |
| | 171,968.0 | 169,059.8 |

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## 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

On 4 August 2026, TNB received a legal claim from a third party in relation to land matters. Based on the Group's preliminary assessment, the likelihood of financial obligation is not probable. The Group will continue to monitor the matter and reassess its potential implications as the legal proceedings progress.

## 13) CHANGES IN THE COMPOSITION OF THE GROUP

On 29 April 2026, the disposal of the Group's entire equity interest in Lumut Maritime Terminal Sdn. Bhd. ('LMT') was completed upon fulfilment of the conditions precedent under the Sale and Purchase Agreement. As a result, the investment, which was previously classified as an asset held for sale, was derecognised during the quarter.

## 14) CONTINGENT LIABILITIES

Contingent liabilities of the Group include the following:

| | **As at 30.06.2026** | **As at 31.12.2025** |
|---|---|---|
| Claims by third parties | 379.2 | 429.2 |

Claims by third parties include claims by statutory body, contractors and consumers. 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 30.06.2026** | **As at 31.12.2025** |
|---|---|---|
| **Authorised capital expenditure for 5 years not provided in the financial statements** | | |
| - Contracted | 290.4 | 242.8 |
| - Not contracted | 104,165.1 | 114,207.2 |
| **Total capital commitments** | **104,455.5** | **114,450.0** |

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

### 16) REVIEW OF PERFORMANCE

(a) Performance of the current period ended 30 June 2026 against the corresponding period ended 30 June 2025:

The Group's revenue increased by RM2,466.0 million or 7.5%, mainly contributed by electricity sales increase of 7.0%, or RM2,239.5 million. The growth was supported by an overall demand increase of 7.7% in the Peninsular primarily driven by the commercial sector. AFA/ICPT over recovery position decreased to RM346.8 million, compared to RM764.5 million in the corresponding period last year, mainly due to fuel price movements during the current period.

Operating profit increased by 2.3% to RM4,539.0 million from RM4,438.7 million in the corresponding period last year, primarily driven by the factors mentioned above, with the impact largely offset by higher operating expenses.

Profit after tax decreased to RM1,993.2 million from RM2,214.2 million in the corresponding period last year, representing a decrease of 10.0%, or RM221.0 million. The decrease was mainly driven by lower foreign exchange gains, partially mitigated by a lower taxation.

(b) Performance of the current second quarter (three months) FY2026 against the corresponding second quarter (three months) FY2025:

Revenue for the quarter under review increased from RM16,835.0 million to RM18,236.0 million, resulted from higher sales of electricity by 8.5% or RM1,378.4 million. Demand growth rose by 9.1%, primarily from the commercial sector.

Operating profit for the current quarter decreased by 1.4% or RM30.1 million primarily from higher operating expenses, partially cushioned by the factors mentioned above.

Profit after taxation for the current quarter decreased by RM267.1 million to RM906.3 million from RM1,173.4 million in the corresponding quarter, primarily due to an unfavorable foreign exchange movement resulting in foreign exchange losses in the current quarter as compared to foreign exchange gains in the corresponding quarter. The decrease was partially moderated by lower taxation.

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

Performance of the current quarter (Second Quarter FY2026) against the preceding quarter (First Quarter FY2026):

The Group recorded a profit after tax of RM906.3 million for the current quarter, compared to RM1,086.9 million in the preceding quarter, representing a decrease of RM180.6 million. The decrease was mainly due to higher operating expenses, partially mitigated by higher revenue and increased finance income.

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## 18) PROSPECTS

For the first half of financial year 2026, the Group delivered a resilient performance, supported by a strong 8.0% growth in electricity demand. This growth was driven by robust commercial activity, moving in tandem with Malaysia's strong Gross Domestic Product ('GDP') growth of 6.0%* in the second quarter.

Looking ahead, Malaysia's economy is projected to grow within the range of 4.0% to 5.0%* for the full year of 2026, with recent momentum indicating growth could approach the upper end of this projection. Backed by this steady macroeconomic outlook and rising energy demand, the Group anticipates its operational performance to remain resilient, with earnings continuing to be firmly underpinned by the stability of its regulated business.

While the Group remains vigilant of external uncertainties, including geopolitical developments and volatility in the global energy market, we are well-positioned to navigate these headwinds. Concurrently, the Group will continue to accelerate strategic investments in grid modernisation, infrastructure expansion, and renewable energy integration. These efforts reinforce our commitment to advancing the National Energy Transition Roadmap ('NETR') while delivering reliable supply and sustainable long-term value to all stakeholders.

**Source: Bank Negara Malaysia (14 August 2026)*

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## 19) PROFIT FROM OPERATIONS

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

| | Individual | | Cumulative | |
|---|---|---|---|---|
| | Current quarter ended 30.06.2026 | Corresponding quarter ended 30.06.2025 | Current period ended 30.06.2026 | Preceding period ended 30.06.2025 |
| Property, plant and equipment: | | | | |
| - Depreciation | (2,265.8) | (2,142.8) | (4,460.3) | (4,210.4) |
| - Provision for written off | (7.1) | (0.4) | (7.6) | (2.7) |
| - Reversal for written off | - | 1.1 | - | 1.1 |
| - Gain/(loss) on disposals | 10.4 | (0.8) | 10.8 | (0.8) |
| - Abandoned projects | (5.8) | - | (4.3) | - |
| Right-of-use assets: | | | | |
| - Depreciation | (901.1) | (823.1) | (1,773.6) | (1,620.8) |
| Investment property: | | | | |
| - Depreciation | (2.9) | - | (5.5) | - |
| Receivables: | | | | |
| - Impairment losses | (30.8) | (20.5) | (140.1) | (60.5) |
| - Reversal of impairment losses | 1.1 | 0.9 | 50.2 | 17.6 |
| Contract assets: | | | | |
| - Impairment losses | (2.3) | (0.2) | (5.8) | (1.4) |
| - Reversal of impairment losses | 1.4 | - | 1.5 | 0.2 |
| Amounts due from joint ventures: | | | | |
| - Impairment losses | (2.1) | (1.9) | (8.1) | (4.0) |
| - Reversal of impairment losses | 2.1 | 2.0 | 8.2 | 4.2 |
| Amounts due from associates: | | | | |
| - Reversal of impairment losses | - | 0.1 | - | 0.1 |
| Investment in unquoted debt security: | | | | |
| - Impairment losses | - | - | - | (0.3) |
| - Reversal of impairment losses | 26.1 | - | 27.5 | - |
| Financial guarantee: | | | | |
| - Impairment losses | (5.4) | - | (11.1) | - |
| - Reversal of impairment losses | 5.2 | 12.4 | 16.3 | 18.3 |
| Inventories: | | | | |
| - Provision for obsolescence | - | (0.6) | (62.1) | (61.2) |
| - Write back of obsolescence | 3.1 | 0.9 | 64.2 | 54.5 |
| - Written off | (16.7) | (6.9) | (53.1) | (30.0) |
| Investment in associate: | | | | |
| - Reversal of impairment losses | - | - | 1.0 | - |

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.

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## 21) TAXATION AND ZAKAT

Taxation and zakat for the reporting period comprised the following:

| | Individual | | Cumulative | |
|---|---|---|---|---|
| | **Current quarter ended 30.06.2026** | **Corresponding quarter ended 30.06.2025** | **Current period ended 30.06.2026** | **Preceding period ended 30.06.2025** |
| **Income tax:** | | | | |
| Current tax and zakat | (433.3) | (491.6) | (826.6) | (973.7) |
| **Deferred tax (net):** | | | | |
| Relating to origination and reversal of temporary differences | 85.3 | 63.6 | 0.5 | 32.3 |
| **Total taxation and zakat** | **(348.0)** | **(428.0)** | **(826.1)** | **(941.4)** |

For the reporting period ended 30 June 2026, the Group recorded a 29.3% 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.

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## 23) GROUP BORROWINGS

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

| | | | As at 30.06.2026 | As at 31.12.2025 |
|---|---|---|---|---|
| Short term | - | secured | 2,071.0 | 2,235.1 |
| | - | unsecured | 5,722.3 | 9,716.6 |
| **Sub-total** | | | **7,793.3** | **11,951.7** |
| Long term | - | secured | 20,318.3 | 19,776.7 |
| | - | unsecured | 32,824.7 | 27,357.3 |
| **Sub-total** | | | **53,143.0** | **47,134.0** |
| **Total** | | | **60,936.3** | **59,085.7** |

(b) Currency denominations:

| | As at 30.06.2026 | As at 31.12.2025 |
|---|---|---|
| United States Dollar (USD) | 6,467.5 | 6,445.3 |
| Great Britain Pound (GBP) | 2,968.8 | 3,134.6 |
| Japanese Yen (JPY) | 1,085.7 | 1,162.3 |
| Australian Dollar (AUD) | 1,402.3 | 1,360.3 |
| Euro (EUR) | 900.3 | 961.5 |
| Total Ringgit equivalent of foreign currency borrowings | 12,824.6 | 13,064.0 |
| Ringgit borrowings | 48,111.7 | 46,021.7 |
| **Total** | **60,936.3** | **59,085.7** |

(c) Effective average cost of borrowing based on exposure as at 30 June 2026 was 4.65% (31 December 2025: 4.63%).

(d) Repayments of debts during the reporting period were as follows:
(i) Foreign currency denominated loans of RM224.7 million; and
(ii) Ringgit denominated loans of RM8,863.6 million.

(e) Drawdowns of debts during the reporting period were as follows:
(i) Foreign currency denominated loans of RM15.6 million; and
(ii) Ringgit denominated loans of RM10,975.7 million.

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## 24) DERIVATIVE FINANCIAL INSTRUMENTS

| Type of Derivatives | As at 30.06.2026 | |
|---|---|---|
| | Notional Amount | Fair value Amount |
| **Foreign Currency Contracts** | | |
| - Spot | 1.8 | - |
| - Forward less than 1 year | 353.3 | (2.1) |
| **Interest Rate Swap Contracts ('IRS')** | | |
| - 1 year to 3 years | 1,117.8 | 9.1 |
| - More than 3 years | 830.6 | 57.0 |
| **Profit Rate Swap Contracts ('PRS')** | | |
| - More than 3 years | 255.0 | (1.0) |
| **Power Purchase Agreement ('PPA')** | | |
| - More than 3 years | 1,204.3 | (42.3) |
| **Total** | 3,762.8 | 20.7 |

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.

## 25) MATERIAL LITIGATIONS

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

On 26 May 2023, the Inland Revenue Board of Malaysia ('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. Reference is also made to the announcements dated 22 June 2023, 14 September 2023, 12 January 2024, 29 March 2024, 30 May 2024, 29 July 2024, 18 November 2024, 17 April 2025, and 8 September 2025.

The High Court on 1 October 2025 allowed SPG's judicial review application to set aside the notices. The High Court agreed with the submission of SPG's legal counsel that the IRB had no basis in law to issue the notices.

On 27 October 2025, the IRB filed a notice of appeal to the Court of Appeal against the High Court's decision allowing SPG's judicial review application. IRB has requested that the hearing initially fixed for 9 September 2026 be postponed pending discussion between the parties. The Court of Appeal fixed a case management on 14 September 2026.

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.

## 25) MATERIAL LITIGATIONS (CONTINUATION)

(b) 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 14 April 2025. On 11 April 2025, the High Court vacated the leave hearing scheduled for 14 April 2025 and rescheduled the leave hearing for 30 June 2025.

The High Court vacated the leave hearing on 30 June 2025 and requested for the parties to attend a clarification on 22 July 2025. The interim stay shall remain in effect until the full and final disposal of the judicial review leave application, including all further proceedings and any enforcement of the notice.

On 22 July 2025, the High Court granted leave to TNBWE to commence judicial review against the IRB and granted an interim stay of all further proceedings, including the enforcement of the Notice, until the disposal of the substantive hearing. The High Court has vacated the clarification hearing previously scheduled for 13 January 2026 in respect of the substantive judicial review application and has also vacated the case management previously scheduled for 12 February 2026. The High Court has vacated the case management on 30 March 2026. On 30 March 2026, the High Court has fixed further case management on 30 April 2026 for parties to update on the progress of the settlement. The High Court has vacated the case management scheduled on 30 April 2026 and has rescheduled the case management to 23 July 2026. On 23 July 2026, the High Court has scheduled the decision on 25 September 2026. The High Court granted an interim stay on all further proceedings, including the enforcement of the Notice, until the full and final disposal of the judicial review of leave application.

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 during the quarter under review other than those announced to Bursa Malaysia since the date of the last audited financial statements.

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TENAGA NASIONAL BERHAD
199001009294 (200866-W)

## 26) EARNINGS PER SHARE

| | Individual | | Cumulative | |
|---|---|---|---|---|
| | **Current quarter ended 30.06.2026** | **Corresponding quarter ended 30.06.2025** | **Current period ended 30.06.2026** | **Preceding period ended 30.06.2025** |
| Profit attributable to owners of the Company | 888.8 | 1,158.1 | 1,986.4 | 2,216.1 |
| Weighted average number of ordinary shares in issue ('000) | 5,829,142 | 5,819,568 | 5,829,142 | 5,819,568 |
| **Basic/Diluted earnings per share (sen)** | **15.25** | **19.90** | **34.08** | **38.08** |

The diluted earnings per share of the Group is similar to the basic earnings per share as the Group does not have any potential dilutive ordinary shares in issue.

## 27) EXCEPTIONAL ITEMS

There were no exceptional items incurred during the period.

By Order of the Board

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

Kuala Lumpur
27 August 2026