


The Board of Directors is pleased to announce the following:

**A. UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS
FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2025**

(Amounts in RM million unless otherwise stated)

	Individual		Cumulative	
	Current quarter ended 30.09.2025	Corresponding quarter ended 30.09.2024 (Restated)	Current period ended 30.09.2025	Preceding period ended 30.09.2024 (Restated)
Revenue	17,249.7	14,351.6	50,123.4	42,358.8
Imbalance Cost Pass-Through (over recovery)/under recovery*	(1,053.9)	2,196.4	(1,818.4)	7,371.6
Operating expenses	(14,373.0)	(15,177.8)	(42,408.6)	(44,560.9)
Net (loss)/reversal on impairment of financial instruments	(264.8)	62.8	(290.6)	17.8
Other operating income	253.4	179.4	644.3	691.1
Operating profit	1,811.4	1,612.4	6,250.1	5,878.4
Foreign exchange				
- Translation (loss)/gain	(0.4)	1,112.5	350.2	1,046.0
- Transaction gain	4.2	7.6	34.4	25.9
Share of results of joint ventures	5.1	7.3	12.9	14.3
Share of results of associates	7.4	28.1	34.5	286.5
Profit before finance cost	1,827.7	2,767.9	6,682.1	7,251.1
Finance income	132.4	130.1	497.4	445.4
Finance cost	(1,013.1)	(978.5)	(2,991.9)	(3,019.4)
Fair value changes of financial instruments	258.0	(44.1)	173.0	(5.0)
Profit before taxation and zakat	1,205.0	1,875.4	4,360.6	4,672.1
Taxation and zakat	(301.5)	(382.9)	(1,242.9)	(1,258.5)
Profit for the period	903.5	1,492.5	3,117.7	3,413.6
Profit attributable to:				
- Owners of the Company	876.9	1,445.3	3,093.0	3,335.9
- Non-controlling interests	26.6	47.2	24.7	77.7
Profit for the period	903.5	1,492.5	3,117.7	3,413.6
Earnings per share attributable to the owners of the Company				
	Sen	Sen	Sen	Sen
Basic	15.06	24.94	53.12	57.55
Diluted	15.06	24.88	53.12	57.42

*This includes Automatic Fuel Adjustment ('AFA').

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 THIRD QUARTER ENDED 30 SEPTEMBER 2025**

(Amounts in RM million unless otherwise stated)

	<u>Individual</u>		<u>Cumulative</u>	
	<u>Current</u>	<u>Corresponding</u>	<u>Current</u>	<u>Preceding</u>
	<u>quarter</u>	<u>quarter</u>	<u>period</u>	<u>period</u>
	<u>ended</u>	<u>ended</u>	<u>ended</u>	<u>ended</u>
	<u>30.09.2025</u>	<u>30.09.2024</u>	<u>30.09.2025</u>	<u>30.09.2024</u>
		<u>(Restated)</u>		<u>(Restated)</u>
Profit for the period	903.5	1,492.5	3,117.7	3,413.6
Other comprehensive (expense)/income				
Items that will not be reclassified subsequently to profit or loss:				
Defined benefit plan actuarial loss	(223.7)	(175.6)	(540.7)	(429.1)
Fair value changes of financial assets at fair value through other comprehensive income ('FVOCI')	0.8	(10.2)	2.9	19.0
Items that may be reclassified subsequently to profit or loss:				
Foreign currency translation differences	(63.2)	(127.2)	18.3	(52.5)
Share of other comprehensive expense of associates accounted for using the equity method	(2.9)	(27.6)	(14.0)	(26.9)
Total other comprehensive expense	<u>(289.0)</u>	<u>(340.6)</u>	<u>(533.5)</u>	<u>(489.5)</u>
Total comprehensive income for the period	<u>614.5</u>	<u>1,151.9</u>	<u>2,584.2</u>	<u>2,924.1</u>
Attributable to:				
- Owners of the Company	592.9	1,119.2	2,562.9	2,920.6
- Non-controlling interests	21.6	32.7	21.3	3.5
Total comprehensive income for the period	<u>614.5</u>	<u>1,151.9</u>	<u>2,584.2</u>	<u>2,924.1</u>

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.

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B. UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 30 SEPTEMBER 2025

(Amounts in RM million unless otherwise stated)

	30.09.2025	31.12.2024 (Restated)	01.01.2024 (Restated)
NON-CURRENT ASSETS			
Property, plant and equipment	129,921.4	125,611.1	121,932.1
Right-of-use assets	33,360.4	31,057.0	34,106.8
Investment property	527.2	-	-
Joint ventures	234.9	203.4	208.4
Associates	1,008.5	1,284.1	1,458.8
Intangible assets	937.1	952.5	1,270.5
Investment in unquoted debt security	262.2	255.5	259.3
Deferred tax assets	329.9	373.9	379.3
Long term receivables	873.9	913.8	540.9
Finance lease receivables	3.7	4.7	6.1
Financial assets at FVOCI	83.9	81.2	55.1
Contract cost assets	8.9	8.9	4.7
Financial assets at fair value through profit or loss ('FVTPL')	19.2	19.2	35.9
Derivative financial instruments	114.1	137.6	168.0
Employee benefits	330.9	322.6	147.1
	<u>168,016.2</u>	<u>161,225.5</u>	<u>160,573.0</u>
CURRENT ASSETS			
Inventories	2,424.6	2,543.6	2,758.0
Receivables, deposits and prepayments	8,260.0	10,857.4	10,408.2
Contract assets	4,519.1	4,641.6	4,446.8
Contract cost assets	201.8	124.3	99.5
Tax recoverable	328.9	468.0	421.7
Finance lease receivables	1.2	1.3	1.1
Amounts due from joint ventures	16.3	15.9	22.7
Amounts due from associates	262.7	420.2	388.3
Derivative financial instruments	-	35.6	-
Financial assets at FVTPL	133.6	445.9	1,614.1
Deposits, bank and cash balances	14,466.3	19,601.1	19,390.5
Asset classified as held for sale	249.4	-	-
	<u>30,863.9</u>	<u>39,154.9</u>	<u>39,550.9</u>
CURRENT LIABILITIES			
Payables	(13,757.6)	(14,215.4)	(12,830.7)
Contract liabilities	(627.0)	(460.2)	(338.6)
Derivative financial instruments	(8.0)	(2.8)	(1.4)
Lease liabilities	(2,791.3)	(3,140.1)	(2,983.5)
Amounts due to associates	(352.9)	(476.9)	(579.7)
Current tax liabilities	(1,471.2)	(5,922.8)	(5,326.5)
Employee benefits	(645.5)	(645.5)	(615.8)
Consumer deposits	(9,188.6)	(8,666.3)	(8,050.1)
Short term borrowings	(5,902.7)	(6,275.6)	(7,330.6)
	<u>(34,744.8)</u>	<u>(39,805.6)</u>	<u>(38,056.9)</u>
NET CURRENT (LIABILITIES)/ASSETS	<u>(3,880.9)</u>	<u>(650.7)</u>	<u>1,494.0</u>
NON-CURRENT LIABILITIES			
Borrowings	(50,979.0)	(51,131.0)	(54,439.6)
Derivative financial instruments	(104.9)	(98.2)	(10.5)
Contract liabilities	(8,404.1)	(7,838.8)	(5,449.7)
Government development grants	(1,082.8)	(1,187.7)	(922.8)
Lease liabilities	(28,592.1)	(25,570.5)	(27,877.4)
Deferred tax liabilities	(9,136.3)	(9,308.8)	(9,018.3)
Other liabilities	(1,793.5)	(1,470.4)	(1,348.7)
Employee benefits	(12,403.9)	(11,958.1)	(11,755.3)
	<u>(112,496.6)</u>	<u>(108,563.5)</u>	<u>(110,822.3)</u>
TOTAL NET ASSETS	<u>51,638.7</u>	<u>52,011.3</u>	<u>51,244.7</u>
EQUITY			
Share capital	12,810.1	12,700.2	12,499.5
Other reserves	(7,590.7)	(6,962.9)	(6,682.6)
Retained profits	44,196.1	44,075.4	43,170.9
CAPITAL AND RESERVES ATTRIBUTABLE TO OWNERS OF THE COMPANY	<u>49,415.5</u>	<u>49,812.7</u>	<u>48,987.8</u>
NON-CONTROLLING INTERESTS ('NCI')	<u>2,223.2</u>	<u>2,198.6</u>	<u>2,256.9</u>
TOTAL EQUITY	<u>51,638.7</u>	<u>52,011.3</u>	<u>51,244.7</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 THIRD QUARTER ENDED 30 SEPTEMBER 2025

(Amounts in RM million unless otherwise stated)

	Attributable to owners of the Company			Non-controlling interest	Total equity
	Ordinary shares	Other reserves	Retained profits		
At 1 January 2025 (as previously reported)	12,700.2	(6,962.9)	54,633.8	2,198.6	62,569.7
Effect of prior year adjustments	-	-	(10,558.4)	-	(10,558.4)
At 1 January 2025 (Restated)	12,700.2	(6,962.9)	44,075.4	2,198.6	52,011.3
Defined benefit plan actuarial loss	-	(535.9)	-	(4.8)	(540.7)
Fair value changes of financial assets at FVOCI	-	2.9	-	-	2.9
Foreign currency translation differences	-	16.9	-	1.4	18.3
Profit for the financial period	-	-	3,093.0	24.7	3,117.7
Share of OCI of associates accounted for using the equity method	-	(14.0)	-	-	(14.0)
Total comprehensive (expense)/income	-	(530.1)	3,093.0	21.3	2,584.2
Long Term Incentive Plan ('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)	-	-	-
Dividends:					
- Final dividend paid for FY2024	-	-	(1,511.4)	-	(1,511.4)
- Interim dividend for FY2025	-	-	(1,457.3)	-	(1,457.3)
Dividend paid to NCI	-	-	-	(0.3)	(0.3)
Acquisition of shares from NCI	-	-	(3.6)	3.6	-
Total transactions with owners	109.9	(97.7)	(2,972.3)	3.3	(2,956.8)
At 30 September 2025	12,810.1	(7,590.7)	44,196.1	2,223.2	51,638.7

At 1 January 2024 (as previously reported)	12,499.5	(6,682.6)	53,008.9	2,256.9	61,082.7
Effect of prior year adjustments	-	-	(9,838.0)	-	(9,838.0)
At 1 January 2024 (Restated)	12,499.5	(6,682.6)	43,170.9	2,256.9	51,244.7
Defined benefit plan actuarial loss	-	(366.4)	-	(62.7)	(429.1)
Fair value changes of financial assets at FVOCI	-	19.0	-	-	19.0
Foreign currency translation differences	-	(41.0)	-	(11.5)	(52.5)
Profit for the financial period (Restated)	-	-	3,335.9	77.7	3,413.6
Share of OCI of associates accounted for using the equity method	-	(26.9)	-	-	(26.9)
Total comprehensive (expense)/income (Restated)	-	(415.3)	3,335.9	3.5	2,924.1
LTIP:					
- Share-based payment expense	-	71.7	-	-	71.7
- Reversal of share-based payment expense	-	(13.3)	-	-	(13.3)
- Shares issued	200.7	(200.7)	-	-	-
Dividends:					
- Final dividend paid for FY2023	-	-	(1,620.5)	-	(1,620.5)
- Interim dividend paid for FY2024	-	-	(1,453.2)	-	(1,453.2)
Dividend paid to NCI	-	-	-	(0.6)	(0.6)
Derecognition of subsidiary upon winding up	-	154.7	-	(20.6)	134.1
Total transactions with owners	200.7	12.4	(3,073.7)	(21.2)	(2,881.8)
At 30 September 2024 (Restated)	12,700.2	(7,085.5)	43,433.1	2,239.2	51,287.0

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.

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D. UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2025

(Amounts in RM million unless otherwise stated)

	FY2025 ended 30.09.2025	FY2024 ended 30.09.2024
Cash flows from operating activities		
Cash generated from operations	16,788.3	13,135.3
Post-employment benefits paid	(705.9)	(675.9)
Contract liabilities received	1,056.4	1,963.3
Consumer deposits received	356.6	352.7
Net taxation and zakat paid	(5,522.9)	(605.2)
Net cash flows generated from operating activities	<u>11,972.5</u>	<u>14,170.2</u>
Cash flows from investing activities		
Additional investments in:		
- Financial assets at FVTPL	-	(4,644.6)
- Joint ventures	(18.6)	(0.5)
- Associates	-	(1.3)
Disposals of financial assets at FVTPL	280.6	5,391.9
Dividend income received	68.8	133.5
Finance income received	501.4	395.7
Property, plant and equipment:		
- Additions	(11,175.4)	(6,317.6)
- Proceeds from disposals	3.3	-
Net (increase)/decrease in deposits maturing more than 90 days		
- Invested	(2,999.7)	(3,859.5)
- Matured	2,955.0	2,926.1
Net cash flows used in from investing activities	<u>(10,384.6)</u>	<u>(5,976.3)</u>
Cash flows from financing activities		
Government development grants received	3.9	1.4
Borrowings:		
- Drawdowns	1,039.3	544.0
- Repayments	(1,429.2)	(5,351.5)
Finance cost paid	(1,816.8)	(1,831.3)
Repayments of lease obligations:		
- Principal	(1,812.2)	(1,795.1)
- Interest	(1,134.8)	(1,163.2)
Dividends paid to shareholders	(1,511.4)	(1,620.5)
Dividends paid to NCI	(0.3)	(0.6)
Net (increase)/decrease in debt reserve accounts	(14.2)	112.2
Net increase in cash at bank, held in trust	(1.3)	(2.3)
Net decrease in restricted cash	5.3	0.6
Net cash flows used in financing activities	<u>(6,671.7)</u>	<u>(11,106.3)</u>
Net decrease in cash and cash equivalents	(5,083.8)	(2,912.4)
Effects of changes in foreign currency	(105.9)	(84.5)
Cash and cash equivalents at the beginning of the financial period	<u>15,212.8</u>	<u>17,225.2</u>
Cash and cash equivalents at the end of the financial period	<u>10,023.1</u>	<u>14,228.3</u>
Deposit, bank and cash balances at the end of the financial period		
Debt reserve accounts ¹	14,466.3	17,216.5
Cash at bank, held in trust ²	(545.1)	(399.0)
Cash at bank, held in trust ²	(190.9)	(225.1)
Restricted cash	(3.5)	(7.6)
Deposits maturing more than 90 days	(3,703.7)	(2,356.5)
Cash and cash equivalents at the end of the financial period	<u>10,023.1</u>	<u>14,228.3</u>

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 2024.

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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 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.

The amendment to the standard that is applicable and effective for the Group beginning 1 January 2025 is the amendment to MFRS 121, The Effects of Changes in Foreign Exchange Rates – 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 30.09.2025	Corresponding quarter ended 30.09.2024	Current period ended 30.09.2025	Preceding period ended 30.09.2024
Sales:				
- Electricity	16,649.3	13,797.7	48,546.1	40,834.9
- Goods and services	322.9	246.6	927.8	911.9
Construction contracts	61.6	31.0	125.8	92.8
Customers' contributions	105.3	75.0	259.0	219.6
Revenue from contracts with customers	17,139.1	14,150.3	49,858.7	42,059.2
Insurance contract	110.6	201.3	264.7	299.6
Total revenue	17,249.7	14,351.6	50,123.4	42,358.8

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

On 2 July 2025, the Federal Court held that Tenaga Nasional Berhad ('TNB') is a utility company under the Income Tax Act 1967 ('ITA') and therefore must come within the confines of Schedule 7B. However, in its judgement, the Federal Court acknowledged that TNB cannot be blamed for claiming Reinvestment Allowance ('RIA') under Schedule 7A prior to its decision.

In accordance with this decision, TNB has recognised a one-off provision in prior year FY2003 to FY2024, corresponding tax balances were made to appropriate the tax treatment amounting to RM10,558.4 million, which also resulted in a decrease in the Group's retained earnings by the same amount in the current quarter. Further details of the prior year adjustments are disclosed in Note 29.

Arising from this, the Group's current liabilities as at 30 September 2025 exceeded its current assets by RM3,880.9 million due to reduction in deposits, bank and cash balances by RM5,134.8 million for the payment of RIA amounting of RM5,167.3 million. Nevertheless, the recognition of this one-off provision does not have any immediate impact on TNB's liquidity position. As of 30 September 2025, TNB maintains an undrawn borrowing facility of RM20,500.2 million, providing sufficient headroom to meet any operational and financing needs.

Following the Federal Court ruling, on 23 July 2025, TNB submitted an application under Schedule 7B for Years of Assessment ('YAs') 2003 to 2024 to the Ministry of Finance ('MoF'), which has subsequently acknowledged receipt of the application.

On 26 November 2025, TNB received a letter from the MoF granting approval for Investment Allowance in respect of capital expenditure which will be deducted from future income.

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 24, 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 2024 was paid on 16 April 2025 totalling RM1,511.4 million.

The interim dividend for Financial Year 2025 was paid on 16 October 2025 totalling RM1,457.3 million.

The Board of Directors has not recommended any dividend for the quarter ended 30 September 2025.

10) ASSET CLASSIFIED AS HELD FOR SALE

On 18 August 2025, the Board of Directors approved the proposed divestment of Lumut Maritime Terminal Sdn. Bhd. ('LMT'), an associate company in which the Group holds a 50% less 1 share equity interest. As a result, LMT has been classified as an asset held for sale during the quarter. The divestment is expected to be completed within the forthcoming twelve months.

11) 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 period ended 30.09.2025	Corresponding period ended 30.09.2024
Malaysia	49,073.3	41,229.7
United Kingdom	534.4	588.2
Kuwait	337.1	384.7
Republic of Ireland	98.0	99.6
Australia	15.6	18.3
Other countries	65.0	38.3
	<u>50,123.4</u>	<u>42,358.8</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 30.09.2025	As at 31.12.2024 (Restated)
Malaysia	158,626.4	151,779.5
United Kingdom	5,605.9	5,687.9
Kuwait	0.2	0.2
Republic of Ireland	1,284.1	1,206.7
Australia	1,198.2	1,197.1
Other countries	161.2	164.1
	<u>166,876.0</u>	<u>160,035.5</u>

12) VALUATION OF PROPERTY, PLANT & EQUIPMENT

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

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

Following the Federal Court's decision for YA 2018 dated 2 July 2025 which stated among others that TNB is a utility company under ITA and therefore must come within the confines of Schedule 7B, TNB submitted an application to the MoF on 23 July 2025 for Investment Allowance under Schedule 7B, covering from YAs 2003 to 2024. Further details of the outcome are disclosed in Note 29.

On 26 November 2025, TNB received a letter from the MoF granting approval for Investment Allowance in respect of capital expenditure which will be deducted from future income. TNB is in the midst of assessing the impact to the financial statements.

14) CHANGES IN THE COMPOSITION OF THE GROUP

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

15) CONTINGENT LIABILITIES

Contingent liabilities of the Group include the following:

	As at 30.09.2025	As at 31.12.2024
Claims by third parties	353.2	383.1

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.

16) CAPITAL COMMITMENTS

	As at 30.09.2025	As at 31.12.2024
Authorised capital expenditure for 5 years not provided in the financial statements		
- Contracted	320.9	282.8
- Not contracted	123,287.7	98,640.9
Total capital commitments	123,608.6	98,923.7

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

17) REVIEW OF PERFORMANCE

- (a) Performance of the current period ended 30 September 2025 against the corresponding period ended 30 September 2024 (restated):

Electricity sales continued their strong momentum, increasing by 18.9%, or RM7,711.2 million, significantly contributing 18.3% or RM7,764.6 million to the Group's overall revenue. This growth reflects a robust rise in demand of 1.9%, particularly driven by the expanding commercial sector, underlining the country's ongoing economic development and growth. The Imbalance Cost Pass-Through / Automatic Fuel Adjustments recorded an over-recovery of RM1,818.4 million, compared to an under-recovery of RM7,371.6 million in the corresponding period last year, reflecting the positive impact of lower fuel costs.

Operating profit demonstrated a healthy increase of 6.3%, or RM371.7 million, driven by improved margins through disciplined cost management and higher revenue, showcasing the Group's operational efficiency and resilience in supporting the nation's energy needs.

While profit after tax decreased to RM3,117.7 million from RM3,413.6 million in the corresponding period, representing a reduction of 8.7% or RM295.9 million, this was primarily due to lower foreign exchange translation gains, compared to the same period last year.

- (b) Performance of the current third quarter (three months) FY2025 against the corresponding third quarter (three months) FY2024 (restated):

Revenue for the quarter under review increased from RM14,351.6 million to RM17,249.7 million, resulted from higher sales of electricity by 20.7% or RM2,851.6 million. Demand growth rose by 4.2%, primarily from the commercial sector.

Operating profit for the current quarter increased by 12.3% or RM199.0 million primarily driven by improved margins arising from lower operating expenses and further supported by higher operating income.

Profit after taxation for the current quarter decreased by RM589.0 million to RM903.5 million from RM1,492.5 million in the corresponding quarter, mainly due to lower foreign exchange gains, partially mitigated by a lower tax expense and lower operating expenses.

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

- Performance of the current quarter (Third Quarter FY2025) against the preceding quarter (Second Quarter FY2025):

The Group recorded profit after tax of RM903.5 million in the current quarter as compared to RM1,173.4 million in the preceding quarter, a decrease of RM269.9 million. The decrease was mainly due to lower foreign exchange gains.

19) PROSPECTS

For the first nine months of 2025, the Group delivered a stable performance, supported by sustained commercial demand and Malaysia's stronger GDP growth of 4.7%*. The regulated business continued to strengthen the Group's overall financial position. Momentum across renewable capacity expansion and grid enhancement further reinforced the Group's transition towards future-ready energy.

Moving forward, with Malaysia's GDP expected to grow between 4.0% and 4.8%*, the Group expects performance to remain stable for 2025. The Group will continue to exercise prudent strategies to remain resilient amid evolving market conditions, while progressing key initiatives under the National Energy Transition Roadmap and delivering sustainable value to stakeholders.

**Source: Bank Negara Malaysia (14 November 2025)*

20) PROFIT FROM OPERATIONS

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

	Individual Current quarter ended 30.09.2025	Cumulative Current period ended 30.09.2025
Property, plant and equipment:		
- Depreciation	(2,172.5)	(6,382.9)
- Written off	(4.4)	(6.0)
- Loss on disposals	(1.4)	(2.2)
- Abandoned projects	(0.6)	(0.6)
Right-of-use assets:		
- Depreciation	(831.8)	(2,452.6)
Investment property:		
- Depreciation	(2.6)	(2.6)
Receivables:		
- Impairment losses	(265.6)	(326.1)
- Reversal of impairment losses	1.8	19.4
Contract assets:		
- Impairment losses	(1.2)	(2.6)
- Reversal of impairment losses	1.2	1.4
Amounts due from joint ventures:		
- Impairment losses	(2.5)	(6.5)
- Reversal of impairment losses	2.0	6.2
Amounts due from associates:		
- Impairment losses	(0.1)	(0.1)
- Reversal of impairment losses	0.1	0.2
Investment in unquoted debt security		
- Impairment losses	(0.4)	(0.7)
Financial Guarantee:		
- Impairment losses	(0.1)	(0.1)
- Reversal of impairment losses	-	18.3
Inventories:		
- Provision for obsolescence	(0.8)	(62.0)
- Write back of obsolescence	2.4	56.9
- Written off	(48.6)	(78.6)
Investment in associate		
- Reversal of impairment losses	27.3	27.3

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.

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21) VARIANCE OF ACTUAL PROFIT FROM FORECAST PROFIT

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

22) TAXATION AND ZAKAT

Taxation and zakat for the reporting period comprised the following:

	Current quarter ended 30.09.2025	Individual Corresponding quarter ended 30.09.2024 (Restated)	Current period ended 30.09.2025	Cumulative Preceding period ended 30.09.2024 (Restated)
Income tax:				
Current tax and zakat	(255.0)	(406.9)	(1,228.7)	(1,254.8)
Deferred tax (net):				
Relating to origination and reversal of temporary differences	(46.5)	24.0	(14.2)	(3.7)
Total taxation and zakat	(301.5)	(382.9)	(1,242.9)	(1,258.5)

For the reporting period ended 30 September 2025, the Group recorded a 28.5% effective tax rate, which was higher than the statutory tax rate of 24.0%. The higher effective tax rate is mainly due to expenses not allowable for tax.

23) 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.

24) GROUP BORROWINGS

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

		As at 30.09.2025	As at 31.12.2024
Short term	- secured	2,121.4	2,088.2
	- unsecured	3,781.3	4,187.4
Sub-total		5,902.7	6,275.6
Long term	- secured	20,470.1	21,113.5
	- unsecured	30,508.9	30,017.5
Sub-total		50,979.0	51,131.0
Total		56,881.7	57,406.6

- (b) Currency denominations:

		As at 30.09.2025	As at 31.12.2024
United States Dollar (USD)		8,211.5	8,618.4
Great Britain Pound (GBP)		3,256.1	3,459.0
Japanese Yen (JPY)		1,271.2	1,375.1
Australian Dollar (AUD)		1,408.0	1,313.4
Euro (EUR)		1,028.7	1,002.5
Total Ringgit equivalent of foreign currency borrowings		15,175.5	15,768.4
Ringgit borrowings		41,706.2	41,638.2
Total		56,881.7	57,406.6

- (c) Effective average cost of borrowing based on exposure as at 30 September 2025 was 4.76% (31 December 2024: 4.83%).
- (d) Repayments of debts during the reporting period were as follows:
- Foreign currency denominated loans of RM417.5 million; and
 - Ringgit denominated loans of RM1,011.7 million.
- (e) Drawdowns of debts during the reporting period were as follows:
- Foreign currency denominated loans of RM115.7 million; and
 - Ringgit denominated loans of RM923.6 million.

25) DERIVATIVE FINANCIAL INSTRUMENTS

Type of Derivatives	As at 30.09.2025	
	Notional Amount	Fair value Amount
Foreign Currency Contracts		
- Forward less than 1 year	505.0	(8.0)
Interest Rate Swap Contracts ('IRS')		
- More than 3 years	1,668.4	55.0
Profit Rate Swap Contracts ('PRS')		
- More than 3 years	274.9	(3.7)
Power Purchase Agreement ('PPA')		
- More than 3 years	1,365.4	(42.1)
Total	3,813.7	1.2

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.

26) MATERIAL LITIGATIONS

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

On 7 December 2016, TNB and the 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 YAs 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 ('ITA'), which have since been registered before the SCIT. SCIT fixed for hearing on 26 September 2025 for determination of SCIT jurisdiction to hear the appeal when the taxpayer has already exhausted their right of appeal before the courts (this is pursuant to the Federal Court decision on 2 July 2025 in relation to notice of additional assessment for the YA 2018). On 3 September 2025, TNB has forwarded the notice of discontinuance to SCIT and the IRB to withdraw the SCIT proceedings and following that, SCIT has scheduled a mention date on 10 September 2025 to record the discontinuance of the SCIT proceedings. On 10 September 2025, SCIT confirmed the discontinuance of the SCIT proceedings and has issued the deciding order on 23 October 2025. The payments for YA 2013 and YA 2014, amounting to RM1,426.3 million after netting off the waived penalties, were settled on 29 September 2025.

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 judgement on 30 December 2020 whereby TNB agreed to pay assessment for YA 2016 and 2017 and in return IRB agreed to remit the penalties. 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. On 25 August 2023, the IRB filed a notice of appeal against the High Court's decision. Since Federal Court has delivered its decision in relation to YA 2018 on 2 July 2025, TNB has requested for a postponement of the appeal hearing at the Court of Appeal pending its submission of application for Investment Allowance ('IA') under Schedule 7B of the ITA. The Court of Appeal has fixed a case management on 29 August 2025 to update the Court on TNB's submission for Schedule 7B application. On 21 October 2025, the Court of Appeal allowed the IRB's appeal based on the Federal Court's decision dated 2 July 2025 in relation to YA 2018 with no order as to cost. Consequently, the payment for YA 2015, amounting to RM986.1 million after netting off the waived penalties, were settled on 29 September 2025.

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 judgement before the High Court on 21 January 2021 whereby IRB agreed not to object to the judicial review application and remit the penalty for YA 2018. 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.

26) MATERIAL LITIGATIONS (CONTINUATION)

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

IRB filed a Notice of Appeal on 12 September 2024. On 2 July 2025, the Federal Court has allowed the IRB's appeal against the decision by the High Court and the Court of Appeal, which allowed the judicial review application by TNB to set aside the Notice 3. The Federal Court ruled that TNB qualifies under Schedule 7B (Investment Allowance) instead of Schedule 7A (Reinvestment Allowance) for tax incentives. Subsequent to this, the additional tax for YA 2018 was settled on 29 July 2025 and 29 October 2025.

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. On 18 August 2025, the High Court fixed the hearing on 6 October 2025 for the judicial review application and did not extend the interim stay previously granted to TNB, due to the Federal Court's decision. Following this, the payments for YA 2020 and YA 2021, totaling RM1,208.7 million after deduction of the waived penalties, were settled on 29 September 2025.

TNB has received notices of additional assessment from the IRB dated 24 July 2025 and 30 July 2025 respectively, in relation to the YAs 2022 and 2023 (referred to as 'Notices 5') with a total additional tax payable amounting to RM1,449.1 million that are similar in nature to the above-mentioned Notices 1, 2, 3 and 4. The payment was made without prejudice to TNB's application for investment allowance under Schedule 7B of the ITA. Subsequent to this, the payment for YA 2022 and YA 2023 amounting to RM1,449.1 million were settled separately on 25 August 2025 and 28 August 2025, respectively.

IRB had agreed to remit all penalties imposed for YAs 2013 to 2018 and YAs 2020 to 2021, totalling RM2,760.3 million, in accordance with the consent judgements in respect of the judicial review proceedings for YAs 2015 to 2017 and 2018 in view of the amount paid to IRB in December 2020 amounting to RM1,757.2 million in relation to YAs 2016 and 2017. Additionally, there was a tax recoverable amount for YAs 2006 and 2008 to 2012 amounting to RM1,765.2 million.

Following the Federal Court's decision for YA 2018 dated 2 July 2025 which stated among others that TNB is a utility company under ITA and therefore must come within the confines of Schedule 7B, TNB submitted an application to the MoF on 23 July 2025 for Investment Allowance under Schedule 7B, covering from YAs 2003 to 2024. Subsequent to the submission under Schedule 7B for the YAs 2003 to 2024, TNB received a letter from MoF dated 7 August 2025, acknowledging receipt of the application. All tax disputes between TNB and the IRB in relation to RIA claims have been concluded at the SCIT, High Court and Court of Appeal.

On 26 November 2025, TNB received a letter from the MoF granting approval for Investment Allowance in respect of capital expenditure which will be deducted from future income.

26) MATERIAL LITIGATIONS (CONTINUATION)

(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. 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. The Court of Appeal has fixed the first case management on 26 January 2026.

(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.

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 TNB Western Energy Berhad 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. On 5 August 2025, the High Court has fixed 13 January 2026 for clarification in respect of the substantive judicial review 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.

27) EARNINGS PER SHARE

	Current quarter ended 30.09.2025	Individual Corresponding quarter ended 30.09.2024 (Restated)	Current period ended 30.09.2025	Cumulative Preceding period ended 30.09.2024 (Restated)
Profit attributable to owners of the Company	876.9	1,445.3	3,093.0	3,335.9
Weighted average number of ordinary shares in issue ('000)	5,822,795	5,796,210	5,822,795	5,796,210
Basic earnings per share (sen)	15.06	24.94	53.12	57.55
Weighted average number of ordinary shares in issue ('000)	5,822,795	5,796,210	5,822,795	5,796,210
Adjustments for LTIP ('000)	-	13,936	-	13,936
Weighted average number of diluted ordinary shares ('000)	5,822,795	5,810,146	5,822,795	5,810,146
Diluted earnings per share (sen)	15.06	24.88	53.12	57.42

28) EXCEPTIONAL ITEMS

There were no exceptional items incurred during the period.

29) PRIOR YEAR ADJUSTMENTS ('PYA')

Reinvestment Allowance – PYA in accordance with MFRS 108 Accounting Policies, Changes in Accounting Estimates and Errors

On 2 July 2025, the Federal Court ruled that TNB should have claimed Investment Allowance ('IA') under Schedule 7B of the Income Tax Act 1967 ('ITA'), instead of Reinvestment Allowance ('RIA') under Schedule 7A in respect of YA 2018. The ruling clarified that TNB's activities qualify as an investment project under Schedule 7B (Utility) rather than as a manufacturing activity under Schedule 7A.

Following this decision, TNB reviewed its previous tax positions and determined that the RIA claims under Schedule 7A from YA 2003 to YA 2023 had been made based on legal references and judicial precedents that supported its classification as a manufacturing entity, without considering Schedule 7B. The prior claims under Schedule 7A were largely driven by case law interpretation unrelated to the Income Tax Act, rather than a full assessment of the clear, reliable, and reasonable legislative distinction between manufacturing (Schedule 7A) and utility activities (Schedule 7B).

The nature of TNB's activities clearly qualifies it for incentives under Schedule 7B rather than Schedule 7A. Unlike manufacturing operations, these utility activities fall within the scope of investment projects eligible for Schedule 7B relief, reflecting the legislative intent to target incentives based on the type of economic activity rather than solely on precedent or interpretation.

Accordingly, the RIA were incorrectly claimed in prior years and consequently, financial results for the period ended 30 September 2024 and financial positions as at 1 January 2024 and 31 December 2024 have been restated to correct the tax treatment retrospectively. The effect of the restatements on the relevant line items is as shown in the next few pages.

29) PRIOR YEAR ADJUSTMENTS ('PYA') (CONTINUATION)

Condensed Consolidated Statement of Financial Position as at 1 January 2024 (Restated)

	As previously reported as at 1 January 2024	Prior Year Adjustments	Restated as at 1 January 2024
NON-CURRENT ASSETS			
Tax recoverable	3,522.4	(3,522.4)	-
CURRENT ASSETS			
Tax recoverable	1,519.0	(1,097.3)	421.7
CURRENT LIABILITIES			
Current tax liabilities	(108.2)	(5,218.3)	(5,326.5)
NET CURRENT (LIABILITIES)/ASSETS	7,809.6	(6,315.6)	1,494.0
TOTAL NET ASSETS	61,082.7	(9,838.0)	51,244.7
EQUITY			
Retained profits	53,008.9	(9,838.0)	43,170.9
CAPITAL AND RESERVES ATTRIBUTABLE TO OWNERS OF THE COMPANY	58,825.8	(9,838.0)	48,987.8
TOTAL EQUITY	61,082.7	(9,838.0)	51,244.7

Condensed Consolidated Statement Of Financial Position as at 31 December 2024 (Restated)

	As previously reported as at 31 December 2024	Prior Year Adjustments	Restated as at 31 December 2024
NON-CURRENT ASSETS			
Tax recoverable	3,522.4	(3,522.4)	-
CURRENT ASSETS			
Tax recoverable	1,621.3	(1,153.3)	468.0
CURRENT LIABILITIES			
Current tax liabilities	(85.3)	(5,837.5)	(5,922.8)
NET CURRENT (LIABILITIES)/ASSETS	6,340.1	(6,990.8)	(650.7)
NON-CURRENT LIABILITIES			
Deferred tax liabilities	(9,263.6)	(45.2)	(9,308.8)
TOTAL NET ASSETS	62,569.7	(10,558.4)	52,011.3
EQUITY			
Retained profits	54,633.8	(10,558.4)	44,075.4
CAPITAL AND RESERVES ATTRIBUTABLE TO OWNERS OF THE COMPANY	60,371.1	(10,558.4)	49,812.7
TOTAL EQUITY	62,569.7	(10,558.4)	52,011.3

29) PRIOR YEAR ADJUSTMENTS ('PYA') (CONTINUATION)
Condensed Consolidated Statement Of Profit or Loss for the Third Quarter Ended 30 September 2024 (Restated)

	Individual		
	As previously reported as at 30 September 2024	Prior Year Adjustments	Restated as at 30 September 2024
Taxation and zakat	(243.9)	(139.0)	(382.9)
Profit for the period	1,631.5	(139.0)	1,492.5
Profit attributable to:			
- Owners of the Company	1,584.3	(139.0)	1,445.3
Profit for the period	1,631.5	(139.0)	1,492.5
Earnings per share attributable to the owners of the Company			
	Sen		Sen
Basic	27.33		24.94
Diluted	27.27		24.88

Condensed Consolidated Statement Of Comprehensive Income for the Third Quarter Ended 30 September 2024 (Restated)

	Individual		
	As previously reported as at 30 September 2024	Prior Year Adjustments	Restated as at 30 September 2024
Profit for the period	1,631.5	(139.0)	1,492.5
Total comprehensive income for the period	1,290.9	(139.0)	1,151.9
Attributable to:			
- Owners of the Company	1,258.2	(139.0)	1,119.2
Total comprehensive income for the period	1,290.9	(139.0)	1,151.9

29) PRIOR YEAR ADJUSTMENTS ('PYA') (CONTINUATION)

Condensed Consolidated Statement Of Profit or Loss for the Third Quarter Ended 30 September 2024 (Restated)

	Cumulative		
	As previously reported as at 30 September 2024	Prior Year Adjustments	Restated as at 30 September 2024
Taxation and zakat	(850.3)	(408.2)	(1,258.5)
Profit for the period	3,821.8	(408.2)	3,413.6
Profit attributable to:			
- Owners of the Company	3,744.1	(408.2)	3,335.9
Profit for the period	3,821.8	(408.2)	3,413.6
Earnings per share attributable to the owners of the Company			
	Sen		Sen
Basic	64.60		57.55
Diluted	64.64		57.42

29) PRIOR YEAR ADJUSTMENTS ('PYA') (CONTINUATION)

Condensed Consolidated Statement Of Comprehensive Income for the Third Quarter Ended 30 September 2024 (Restated)

	Cumulative		
	As previously reported as at 30 September 2024	Prior Year Adjustments	Restated as at 30 September 2024
Profit for the period	3,821.8	(408.2)	3,413.6
Total comprehensive income for the period	3,332.3	(408.2)	2,924.1
Attributable to:			
- Owners of the Company	3,328.8	(408.2)	2,920.6
Total comprehensive income for the period	3,332.3	(408.2)	2,924.1

By Order of the Board



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

Kuala Lumpur
28 November 2025