

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 2026**

(Amounts in RM million unless otherwise stated)

	Individual/Cumulative	
	Current quarter ended 31.03.2026	Corresponding quarter ended 31.03.2025
Revenue	17,103.7	16,038.7
Automatic Fuel Adjustment ('AFA') over recovery*	(861.7)	(175.2)
Operating expenses	(13,920.6)	(13,704.5)
Net loss on impairment of financial instruments	(56.7)	(18.6)
Other operating income	187.4	181.3
Operating profit	2,452.1	2,321.7
Foreign exchange		
- Translation gain	21.6	32.2
- Transaction gain	9.5	6.7
Share of results of joint ventures	5.1	5.1
Share of results of associates	22.1	14.5
Profit before finance cost	2,510.4	2,380.2
Finance income	31.4	170.4
Finance cost	(980.6)	(969.9)
Fair value changes of financial instruments	3.8	(26.5)
Profit before taxation and zakat	1,565.0	1,554.2
Taxation and zakat	(478.1)	(513.4)
Profit for the period	1,086.9	1,040.8
Attributable to:		
- Owners of the Company	1,097.6	1,058.0
- Non-controlling interests	(10.7)	(17.2)
Profit for the period	1,086.9	1,040.8
Earnings per share attributable to the owners of the Company:		
	Sen	Sen
Basic	18.83	18.20
Diluted	18.83	18.15

*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.

**A. UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE FIRST QUARTER ENDED 31 MARCH 2026**

(Amounts in RM million unless otherwise stated)

	Individual/Cumulative	
	Current quarter ended 31.03.2026	Corresponding quarter ended 31.03.2025
Profit for the period	1,086.9	1,040.8
Other comprehensive (expense)/income		
Items that will not be reclassified subsequently to profit or loss:		
Defined benefit plan actuarial loss	(35.7)	(201.2)
Fair value changes of financial assets at fair value through other comprehensive income ('FVOCI')	0.3	0.1
Items that may be reclassified subsequently to profit or loss:		
Foreign currency translation differences	111.1	113.1
Share of other comprehensive income ('OCI') of associates accounted for using the equity method	2.0	(14.6)
Total other comprehensive income/(expense)	77.7	(102.6)
Total comprehensive income for the period	1,164.6	938.2
Attributable to:		
- Owners of the Company	1,179.0	952.0
- Non-controlling interests	(14.4)	(13.8)
Total comprehensive income for the period	1,164.6	938.2

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.

B. UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2026

(Amounts in RM million unless otherwise stated)

	31.03.2026	31.12.2025
NON-CURRENT ASSETS		
Property, plant and equipment	133,765.2	132,884.8
Right-of-use assets	33,137.4	32,586.5
Investment property	521.9	524.5
Joint ventures	211.0	245.8
Associates	999.6	1,037.2
Intangible assets	721.3	732.2
Investment in unquoted debt security	249.3	262.2
Deferred tax assets	339.5	315.3
Long term receivables	885.3	972.4
Finance lease receivables	3.8	4.2
Financial assets at FVOCI	81.6	81.3
Contract assets	62.7	62.7
Contract cost assets	9.5	9.5
Financial assets at fair value through profit or loss ('FVTPL')	13.9	14.9
Derivative financial instruments	119.2	104.5
	<u>171,121.2</u>	<u>169,838.0</u>
CURRENT ASSETS		
Inventories	2,330.7	2,561.8
Receivables, deposits and prepayments	6,621.3	6,719.7
Contract assets	4,934.8	4,263.6
Contract cost assets	208.5	189.7
Tax recoverable	1,138.5	1,210.0
Finance lease receivables	0.4	0.3
Amounts due from joint ventures	16.6	16.5
Amounts due from associates	152.8	338.9
Derivative financial instruments	3.3	-
Financial assets at FVTPL	85.2	135.8
Deposits, bank and cash balances	15,961.8	12,836.7
Asset classified as held for sale	243.5	243.5
	<u>31,697.4</u>	<u>28,516.5</u>
CURRENT LIABILITIES		
Payables	(12,681.9)	(11,155.2)
Contract liabilities	(490.6)	(474.3)
Derivative financial instruments	-	(0.7)
Lease liabilities	(2,795.5)	(2,578.3)
Amounts due to associates	(376.3)	(132.8)
Current tax liabilities	(139.5)	(91.2)
Employee benefits	(743.3)	(743.3)
Consumer deposits	(9,658.6)	(9,353.2)
Short term borrowings	(12,233.5)	(11,951.7)
Government development grants	(106.8)	(107.2)
	<u>(39,226.0)</u>	<u>(36,587.9)</u>
NET CURRENT LIABILITIES	<u>(7,528.6)</u>	<u>(8,071.4)</u>
NON-CURRENT LIABILITIES		
Borrowings	(48,272.0)	(47,134.0)
Derivative financial instruments	(80.5)	(72.1)
Contract liabilities	(8,898.5)	(8,719.5)
Government development grants	(1,277.5)	(1,300.2)
Lease liabilities	(28,745.3)	(27,904.8)
Deferred tax liabilities	(9,356.2)	(9,267.6)
Other liabilities	(1,896.5)	(1,807.4)
Employee benefits	(12,559.7)	(12,587.0)
	<u>(111,086.2)</u>	<u>(108,792.6)</u>
TOTAL NET ASSETS	<u>52,506.4</u>	<u>52,974.0</u>
EQUITY		
Share capital	12,810.1	12,810.1
Other reserves	(7,810.4)	(7,891.8)
Retained profits	45,336.6	45,871.2
CAPITAL AND RESERVES ATTRIBUTABLE TO OWNERS OF THE COMPANY	<u>50,336.3</u>	<u>50,789.5</u>
NON-CONTROLLING INTERESTS ('NCI')	<u>2,170.1</u>	<u>2,184.5</u>
TOTAL EQUITY	<u>52,506.4</u>	<u>52,974.0</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 2025.

C. UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE FIRST QUARTER ENDED 31 MARCH 2026

(Amounts in RM million unless otherwise stated)

	Attributable to owners of the Company			Non-	
	Ordinary shares	Other reserves	Retained profits	controlling interests	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	-	(35.7)	-	-	(35.7)
Fair value changes of financial assets at FVOCI	-	0.3	-	-	0.3
Foreign currency translation differences	-	114.8	-	(3.7)	111.1
Profit/(Loss) for the financial period	-	-	1,097.6	(10.7)	1,086.9
Share of OCI of associates accounted for using the equity method	-	2.0	-	-	2.0
Total comprehensive income/(expense)	-	81.4	1,097.6	(14.4)	1,164.6
Final dividend for FY2025	-	-	(1,632.2)	-	(1,632.2)
Total transactions with owners	-	-	(1,632.2)	-	(1,632.2)
At 31 March 2026	12,810.1	(7,810.4)	45,336.6	2,170.1	52,506.4

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
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

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.

D. UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE FIRST QUARTER ENDED 31 MARCH 2026

(Amounts in RM million unless otherwise stated)

	FY2026 ended 31.03.2026	FY2025 ended 31.03.2025
Cash flows from operating activities		
Cash generated from operations	5,465.8	5,454.1
Post-employment benefits paid	(198.5)	(237.0)
Contract liabilities received	407.3	558.8
Consumer deposits received	252.3	227.0
Net taxation and zakat paid	(274.3)	(31.4)
Net cash flows generated from operating activities	<u>5,652.6</u>	<u>5,971.5</u>
Cash flows from investing activities		
Additional investments in financial assets at FVTPL	(1.0)	-
Disposals of financial assets at FVTPL	53.0	196.0
Dividend income received	92.2	6.9
Finance income received	96.0	160.8
Property, plant and equipment:		
- Additions	(3,043.0)	(3,012.3)
- Proceeds from disposals	0.6	-
Net (increase)/decrease in deposits maturing more than 90 days:		
- Invested	(362.4)	(709.1)
- Matured	15.0	520.8
Net cash flows used in investing activities	<u>(3,149.6)</u>	<u>(2,836.9)</u>
Cash flows from financing activities		
Government development grants received	5.7	0.7
Borrowings:		
- Drawdowns	1,755.6	216.0
- Repayments	(435.0)	(388.0)
Finance cost paid	(459.6)	(446.8)
Repayments of lease obligations:		
- Principal	(257.8)	(575.6)
- Interest	(301.3)	(362.2)
Net increase in debt reserve account	(200.4)	(42.9)
Net increase in cash at bank, held in trust	(0.2)	(0.5)
Net increase in restricted cash	-	(2.3)
Net cash flows generated from/(used in) financing activities	<u>107.0</u>	<u>(1,601.6)</u>
Net increase in cash and cash equivalents	2,610.0	1,533.0
Effects of changes in foreign currencies	(17.8)	16.6
Cash and cash equivalents at the beginning of the period	<u>10,652.3</u>	<u>15,212.8</u>
Cash and cash equivalents at the end of the period	<u>13,244.5</u>	<u>16,762.4</u>
Deposit, bank and cash balances at the end of the period	15,961.8	21,384.7
Debt reserve account ¹	(781.7)	(573.8)
Cash at bank, held in trust ²	(177.9)	(190.1)
Restricted cash	(6.7)	(11.1)
Deposits maturing more than 90 days	(1,751.0)	(3,847.3)
Cash and cash equivalents at the end of the period	<u>13,244.5</u>	<u>16,762.4</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 2025.

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 31.03.2026	Corresponding quarter ended 31.03.2025
Sales:		
- Electricity	16,464.2	15,603.1
- Goods and services	361.1	297.3
Construction contracts	30.8	29.4
Customers' contributions	150.1	74.5
Revenue from contracts with customers	17,006.2	16,004.3
Insurance contract	97.5	34.4
Total revenue	17,103.7	16,038.7

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 not recommended any dividend for the quarter ended 31 March 2026.

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 quarter ended 31.03.2026	Corresponding quarter ended 31.03.2025
Malaysia	16,771.6	15,678.1
United Kingdom	156.5	156.6
Kuwait	139.1	158.3
Republic of Ireland	15.5	20.6
Australia	7.6	7.5
Other countries	13.4	17.6
	<u>17,103.7</u>	<u>16,038.7</u>

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

	As at 31.03.2026	As at 31.12.2025
Malaysia	162,770.0	161,333.0
United Kingdom	5,148.3	5,329.8
Kuwait	-	0.1
Republic of Ireland	1,077.1	1,118.2
Australia	1,149.7	1,112.6
Other countries	172.6	166.1
	<u>170,317.7</u>	<u>169,059.8</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

- a) As announced to Bursa Malaysia on 1 April 2026, TNB established a RM10.0 billion Islamic Medium Term Notes ('Sukuk Wakalah') Programme, with a tenure of at least one (1) year and not more than fifty (50) years. Under the programme, TNB may issue Sukuk Wakalah, Sustainability Sukuk Wakalah and Sustainability-Linked Sukuk Wakalah. TNB's inaugural issuance under the programme is a Sustainability Sukuk Wakalah, with proceeds to be utilised to finance and/or refinance projects that meet the criteria set out in the TNB Transition Finance Framework which is consistent with the applicable Sustainability Guidelines/Frameworks. The transaction documents have been executed, with the first issuance of RM4.0 billion expected by the end of May 2026.
- b) As announced to Bursa Malaysia on 8 May 2026, TNB via its indirect wholly-owned subsidiary, TNB Kuala Muda Solar Sdn. Bhd. ('TKMS') has issued RM1.05 billion in nominal value of ASEAN Green Sustainable and Responsible Investment ('SRI') Sukuk Wakalah with tenures ranging from three (3) to nineteen (19) years. The proceeds from the issuance will be utilised for Shariah-compliant purposes. The proceeds from the issuance will be utilised to part-finance a 500MWac large scale solar photovoltaic facility in Kuala Muda, Kedah, together with reimbursing pre-financial close project costs, repayment of existing borrowings, pre-funding of the finance service reserve account, supporting working capital post-commercial operations and covering all relevant fees and related expenses.

The issuances are treated as non-adjusting events after the reporting period and, accordingly, has not been recognised in the current 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 31.03.2026	As at 31.12.2025
Claims by third parties	<u>427.8</u>	<u>429.2</u>

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 31.03.2026	As at 31.12.2025
Authorised capital expenditure for 5 years not provided in the financial statements		
- Contracted	455.3	242.8
- Not contracted	<u>107,119.2</u>	<u>114,207.2</u>
Total capital commitments	<u>107,574.5</u>	<u>114,450.0</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 2026 against the corresponding period ended 31 March 2025:

The Group's revenue increased by RM1,065.0 million or 6.6%, mainly contributed by electricity sales increase of 5.5%, or RM861.1 million. The growth was supported by an overall demand increase of 7.0% in the Peninsular primarily driven by the commercial sector. AFA/ICPT was in a higher over recovery position of RM861.7 million, compared to RM175.2 million in the corresponding period last year, mainly due to lower fuel prices during the current period.

Operating profit increased by 5.6% to RM2,452.1 million from RM2,321.7 million in the corresponding period last year, arising from higher electricity demand coupled with reduced fuel prices.

Profit after tax increased to RM1,086.9 million from RM1,040.8 million in the corresponding period last year, representing an increase of 4.4%, or RM46.1 million. The increase was mainly attributable to the factors mentioned above.

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

Performance of the current quarter (First Quarter FY2026) against the preceding quarter (Fourth Quarter FY2025):

The Group recorded a profit after tax of RM1,086.9 million for the current quarter, compared to RM1,652.1 million in the preceding quarter, representing a decrease of RM565.2 million. This was mainly driven by lower other income, reduced foreign exchange translation gains and higher taxation which was partially offset by a reduction in operating expenses.

18) PROSPECTS

For the first quarter of financial year 2026, the Group's stable performance demonstrates its operational resilience, driven by 7.0% growth in electricity demand. This growth was led primarily by a robust commercial sector, moving in tandem with Malaysia's strong first quarter Gross Domestic Product ('GDP') growth of 5.4%*.

Looking ahead, the Malaysia's economy is projected to grow within the range of 4.0% to 5.0%* for the full year of 2026. Backed by this positive macroeconomic outlook, the Group anticipates its operational performance to remain resilient and earnings will continue to be firmly underpinned by the stability of our regulated business.

While the Group remains vigilant regarding ongoing global geopolitical uncertainties, we are well-positioned to navigate these headwinds through operational excellence and financial prudence. Concurrently, we will continue to pursue strategic growth opportunities arising from the evolving energy sector; specifically through grid modernisation and renewable energy expansion in alignment with our commitment to the National Energy Transition Roadmap ('NETR') and sustainable stakeholder value.

**Source: Bank Negara Malaysia (15 May 2026)*

19) PROFIT FROM OPERATIONS

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

	Individual/Cumulative	
	Current quarter ended 31.03.2026	Corresponding quarter ended 31.03.2025
Property, plant and equipment:		
- Depreciation	(2,194.5)	(2,067.6)
- Written off	(0.5)	(2.3)
- Gain on disposals	0.4	-
- Abandoned projects	1.5	-
Right-of-use assets:		
- Depreciation	(872.5)	(797.7)
Investment property:		
- Depreciation	(2.6)	-
Receivables:		
- Impairment losses	(109.3)	(40.0)
- Reversal of impairment losses	49.1	16.7
Contract assets:		
- Impairment losses	(3.5)	(1.2)
- Reversal of impairment losses	0.1	0.2
Amounts due from joint ventures:		
- Impairment losses	(6.0)	(2.1)
- Reversal of impairment losses	6.1	2.2
Investment in unquoted debt security:		
- Impairment losses	-	(0.3)
- Reversal of impairment losses	1.4	-
Financial guarantee:		
- Reversal of impairment losses	5.4	5.9
Inventories:		
- Provision for obsolescence	(62.1)	(60.6)
- Write back of obsolescence	61.1	53.6
- Written off	(36.4)	(23.1)
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.

21) TAXATION AND ZAKAT

Taxation and zakat for the reporting period comprised the following:

	Individual/Cumulative	
	Current quarter ended 31.03.2026	Corresponding quarter ended 31.03.2025
Income tax:		
Current tax and zakat	(393.3)	(482.1)
Deferred tax (net):		
Relating to origination and reversal of temporary differences	(84.8)	(31.3)
Total taxation and zakat	(478.1)	(513.4)

For the reporting period ended 31 March 2026, the Group recorded a 30.5% 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 31.03.2026	As at 31.12.2025
Short term	- secured	2,271.4	2,235.1
	- unsecured	9,962.1	9,716.6
Sub-total		12,233.5	11,951.7
Long term	- secured	19,446.4	19,776.7
	- unsecured	28,825.6	27,357.3
Sub-total		48,272.0	47,134.0
Total		60,505.5	59,085.7

- (b) Currency denominations:

		As at 31.03.2026	As at 31.12.2025
United States Dollar (USD)		6,475.4	6,445.3
Great Britain Pound (GBP)		2,943.1	3,134.6
Japanese Yen (JPY)		1,092.0	1,162.3
Australian Dollar (AUD)		1,401.6	1,360.3
Euro (EUR)		932.3	961.5
Kuwait (KWD)		15.5	-
Total Ringgit equivalent of foreign currency borrowings		12,859.9	13,064.0
Ringgit borrowings		47,645.6	46,021.7
Total		60,505.5	59,085.7

- (c) Effective average cost of borrowing based on exposure as at 31 March 2026 was 4.62% (31 December 2025: 4.63%).
- (d) Repayments of debts during the reporting period were as follows:
- (i) Foreign currency denominated loans of RM145.7 million; and
 - (ii) Ringgit denominated loans of RM289.3 million.
- (e) Drawdowns of debts during the reporting period were as follows:
- (i) Foreign currency denominated loans of RM15.5 million; and
 - (ii) Ringgit denominated loans of RM1,740.1 million.

24) DERIVATIVE FINANCIAL INSTRUMENTS

Type of Derivatives	As at 31.03.2026	
	Notional Amount	Fair value Amount
Foreign Currency Contracts		
- Spot	100.3	0.6
- Forward less than 1 year	94.8	2.7
Interest Rate Swap Contracts ('IRS')		
- More than 3 years	1,566.2	76.6
Profit Rate Swap Contracts ('PRS')		
- More than 3 years	264.9	(1.2)
Power Purchase Agreement ('PPA')		
- More than 3 years	1,243.9	(36.7)
Total	3,270.1	42.0

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.

25) MATERIAL LITIGATIONS

(a) 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. Pursuant to the notice of appeal, the Court of Appeal has fixed the hearing of the appeal on 9 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 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. 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. 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 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 31.03.2026	Corresponding quarter ended 31.03.2025
Profit attributable to owners of the Company	1,097.6	1,058.0
Weighted average number of ordinary shares in issue ('000)	5,829,142	5,812,948
Basic earnings per share (sen)	18.83	18.20
Weighted average number of ordinary shares in issue ('000)	5,829,142	5,812,948
Adjustments for LTIP ('000)	-	16,194
Weighted average number of diluted ordinary shares ('000)	5,829,142	5,829,142
Diluted earnings per share (sen)	18.83	18.15

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
25 May 2026