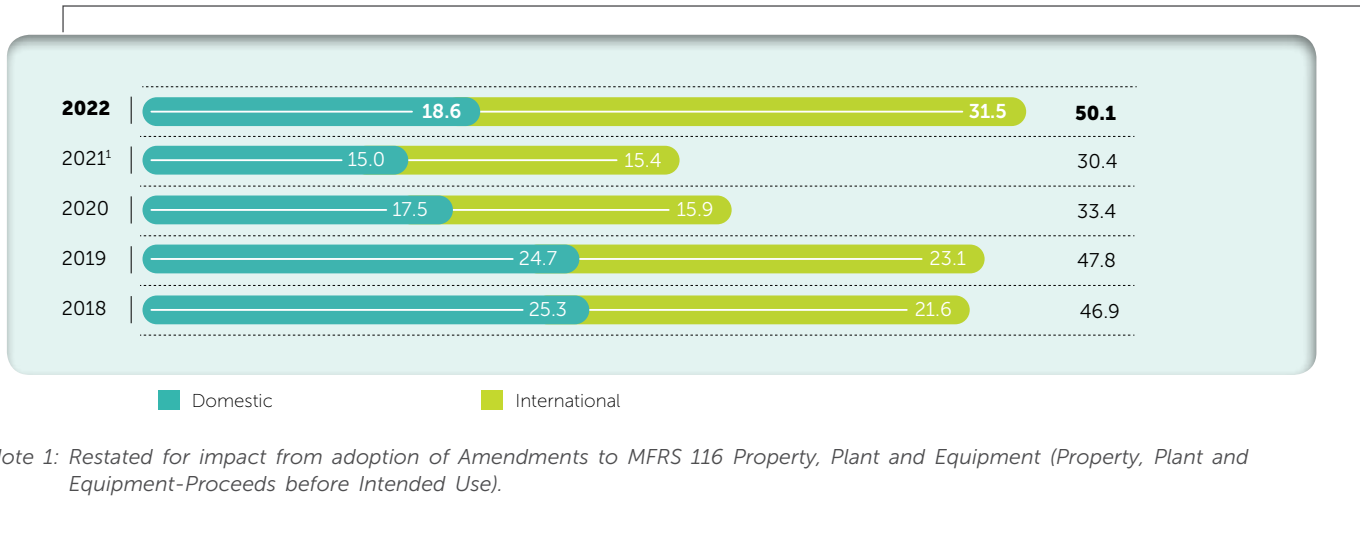


Group Financial Results and Position

Capital Investments

(RM billion)

Total Capital Expenditure (CAPEX) spent during the year of RM50.1 billion is higher by RM19.7 billion compared with RM30.4 billion in FY2021.

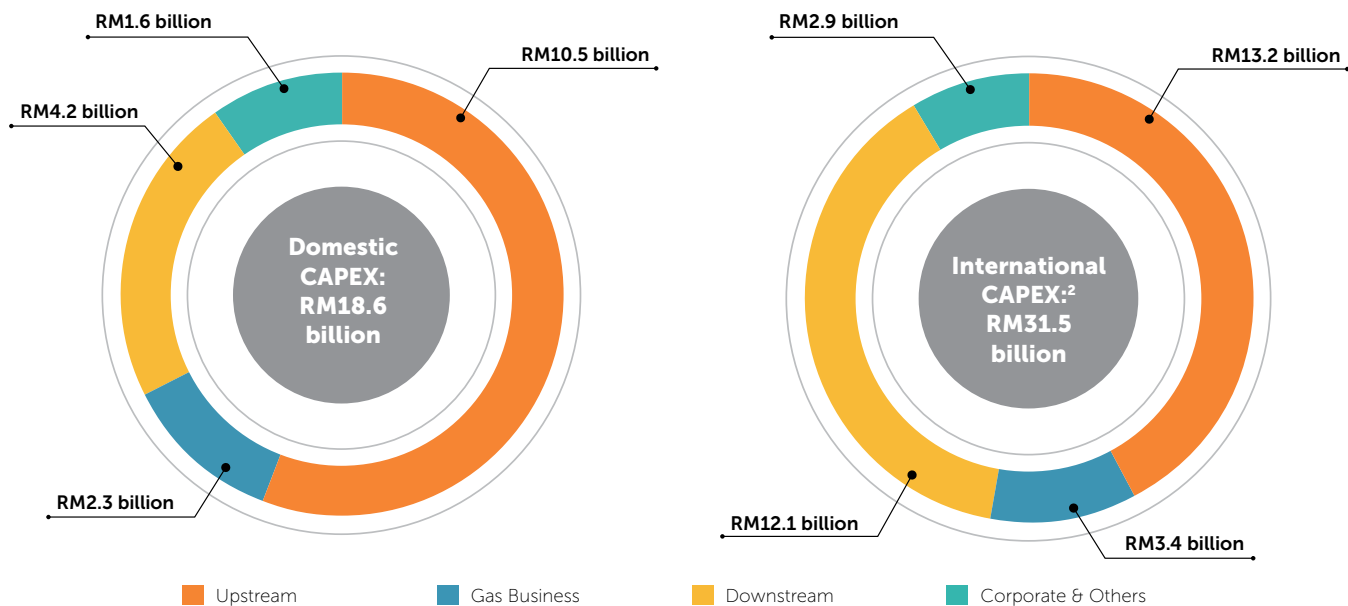


Capital Investments by Business and Geographical Segment

Domestic CAPEX increased by 24 per cent compared to FY2021, contributing to the growth of the Malaysian oil and gas industry.

Excluding international acquisitions made during the year, the CAPEX spent is divided almost equally between Malaysia and international projects.

Included in the Corporate and Others business segment is CAPEX incurred for Gentari.

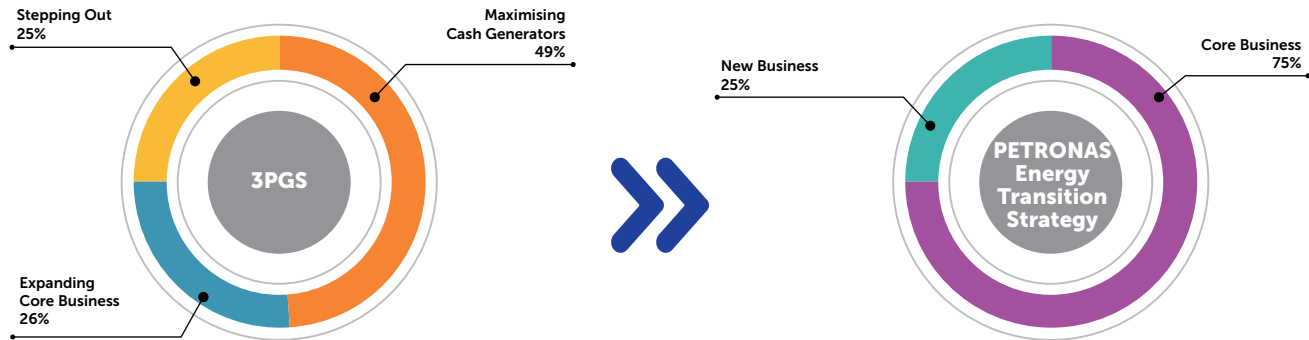


Note 2: Including international acquisition made during the year

CAPEX by Strategy

(RM billion)

As the momentum for the energy transition accelerates, the Three-Pronged Growth Strategy (3PGS) was further crystallised into the PETRONAS Energy Transition Strategy. PETRONAS remains steadfast in the journey towards Energy Transition, achieving our NZCE 2050 aspiration and step-out opportunities beyond the Group's current core business. 25 per cent of total CAPEX in FY2022 was spent on New Business.



Segment Capital Investments

- Amidst the continued volatility of the energy market and the call for energy transition, we remain steadfast in strengthening our portfolio through strict capital discipline, ensuring sufficient allocation for our cash generators, investments in growth, and transformation towards a low-carbon future. Overall CAPEX spent during the year was RM50.1 billion, higher compared with RM30.4 billion in FY2021.
- We continue to strengthen our core business and pursue CAPEX in the energy transition. RM12.5 billion or 25 per cent of total CAPEX was spent on New business. This includes the successful acquisition of Perstorp Holding AB, a leading sustainability-driven global specialty chemicals company based in Sweden. Decarbonisation projects such as Kasawari Carbon Capture and Sequestration were undertaken during the year.
- Moving forward, more allocation of CAPEX is projected in scaling up investment in the core business, lowering emissions as well as investing in clean energy to future-proof the Group's portfolio.

Upstream

- CAPEX for Upstream business accounted for 47 per cent of the the Group's total CAPEX with a total spending of RM23.7 billion, an increase of RM9.0 billion as compared to FY2021. Upstream's CAPEX for FY2022 was predominantly spent on exploration, development and production activities aimed at sustaining and growing production in Malaysia and international operations.
- About RM10.5 billion or 44 per cent of Upstream total CAPEX was spent domestically to intensify efforts to enhance the recovery rate of existing fields as well as the development of new fields. Among the key projects in Malaysia are Kasawari Gas Field Development, Integrated Bekok Oil, and Bayan Gas Phase 2.

- Meanwhile, a total of RM13.2 billion was allocated towards international portfolio investments, key countries include Brazil, Canada, Iraq and Argentina. The highlights of the investments include the acquisition of 21 per cent participating interests in the Sepia field in Brazil, one of the world's most prolific basins.

Gas

- Gas business accounted for 11 per cent of the Group's total CAPEX and incurred a total spending of RM5.6 billion in FY2022.
- CAPEX for FY2022 were predominantly spent on international ventures particularly for LNG projects in Canada.
- Domestic spending during the year remains comparable to FY2021. Moving forward, the approved Final Investment Decision (FID) for the Sabah nearshore LNG facility will increase future domestic CAPEX, while monetising gas resources in an optimised and and more environmentally conscious manner.

Downstream

- Downstream business' CAPEX of RM16.3 billion during the year, accounted for 33 per cent of the Group's overall CAPEX allocation.
- The spending made during the year was mainly related to the acquisition of Perstorp as well as other operational and growth projects.

Corporate and Others

- CAPEX spent by businesses under Corporate and Others during the year of RM4.5 billion, was lower by RM0.3 billion as compared to FY2021 with MISC accounting for 78 per cent of the total spending.
- During the year, MISC's significant investments were mainly from Dynamic Positioning Shuttle Tankers (DPST) and Very Large Crude Carriers (VLCC) amounting to RM1.2 billion.