PETRONAS Chemicals Group Berhad Analyst Briefing

Third Quarter Ended 30 Sep 2025

21 Nov 2025

The PETRONAS Group adopts zero tolerance against all forms of bribery and corruption. We abide by the PETRONAS Code of Conduct and Business Ethics (CoBE) & Anti-Bribery and Corruption (ABC) Manual, guided by our Shared Values and Statement of Purpose.

Disclaimer

PETRONAS Chemicals Group Berhad ("PCG"), its subsidiaries and related corporations confirm that care has been taken in ensuring the accuracy and correctness of information, statements, text, articles, data, images and other materials contained and appearing in this presentation and the associated slides (hereinafter referred to as "the MATERIALS"). Accordingly, PCG, its subsidiaries and related corporations and its or their directors, officers, employees, agents and advisers (hereinafter referred to as "We") represent that, to the best of our knowledge and belief that the MATERIALS which are owned and directly related to us therein are accurate, correct and true.

The MATERIALS is not exhaustive. We do not assume any obligation to add, delete or make any changes to the MATERIALS and we may do so, if we feel necessary, without prior notice.

We expressly disclaim all liabilities whatsoever for any direct, indirect, special or consequential loss or damages howsoever resulting directly or indirectly from the access to or the use of this MATERIALS and the reliance on the MATERIALS contained herein. You should rely on your own evaluation and assessment of the MATERIALS in order to arrive at any decision. Any decision made by you based on the MATERIALS is your sole responsibility.

The MATERIALS may also contain information provided by third parties and we make no representation or warranty regarding the accuracy, reliability, truth and completeness of the said third parties' information.

In no event would the MATERIALS constitute or be deemed to constitute an invitation to invest in PCG, its subsidiaries and related corporations or an invitation by PCG, its subsidiaries and related corporations to enter into a contract with you.

Forward Looking Statements and Associated Risks

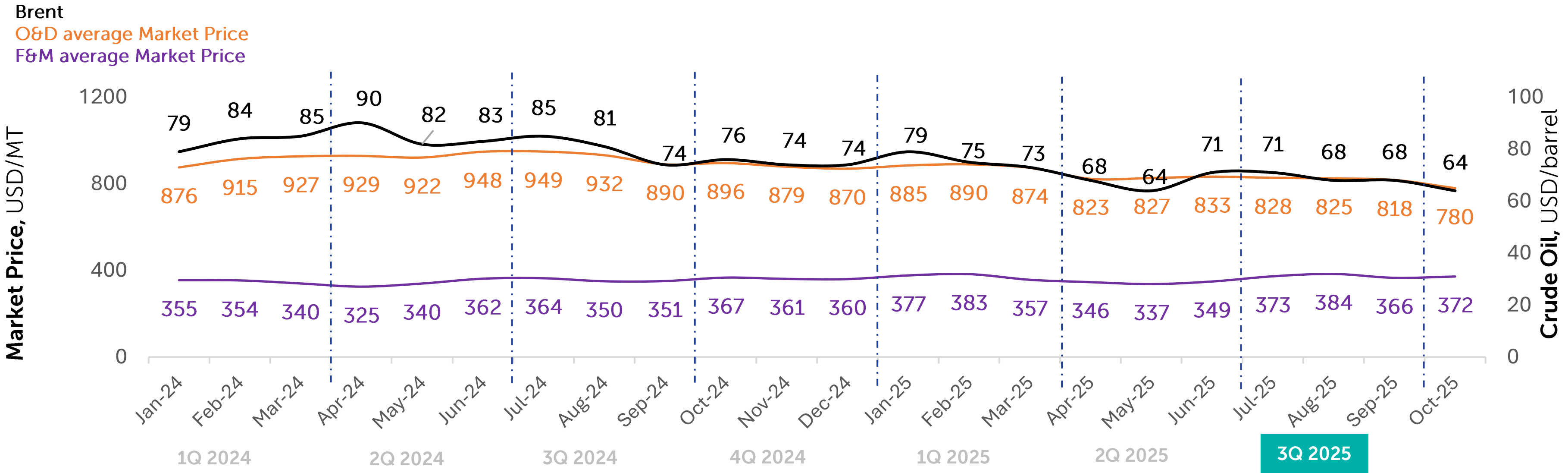
The MATERIALS and related discussions, including but not limited to those regarding the petrochemicals environment, anticipated demand for petrochemicals, plant turnaround activity and costs, investments in safety and operational risk, increase in turnaround activity and impact on production, future capital expenditures in general, generation of future receivables, sales to customers, cash flows, costs, cost savings, debt, demand, disposals, dividends, earnings, efficiency, gearing, growth, strategy, trends, reserves and productivity together with statements that contain words such as "believe", "plan", "expect" and "anticipate" and similar expressions thereof may constitute forward looking statements.

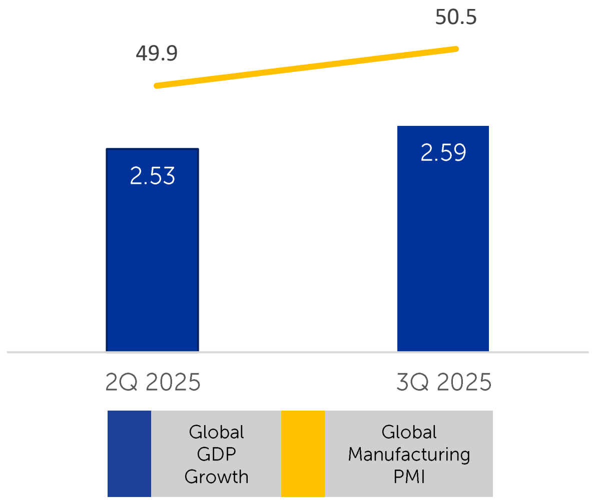
Such forward-looking statements are subject to certain risks and uncertainties, including but not limited to, the economic situation in Malaysia and countries in which we transact business internationally, increases in regulatory burdens in Malaysia and such countries, changes in import control or import duties, levies or taxes in international markets or in Malaysia, and changes in prices or demand for products produced by us, both in Malaysia and in international markets, as a result of competitive actions or economic factors. Such forward looking statements are also subject to the risks of increased costs in related technologies and such technologies producing expected results, and performance by third parties in accordance with contractual terms and specifications.

Should one or more of these uncertainties or risks, among others, materialise, actual results may vary materially from those estimated, anticipated or projected. Specifically, but without limitation, capital costs could increase, projects could be delayed, and anticipated improvements in capacity or performance may not be fully realised. Although We believe that the expectations of management as reflected by such forward looking statements are reasonable based on information currently available, no assurances can be given that such expectations will prove to have been correct. Accordingly, you are cautioned not to place undue reliance on the forward looking statements. We undertake no obligation to update or revise any of them, whether as a result of new information, future events or otherwise.

Content

Global and Domestic Economies Demonstrated Resilience Amid Elevated Policy Uncertainty





3Q 2025 Highlights

Global

- Global GDP growth demonstrated resilience amid policy uncertainty, particularly from trade tariffs and supply chain pressures, though overall pace remains modest
- Global manufacturing PMI index improved into expansion, with increase in new orders for consumers and intermediate goods

Malaysia

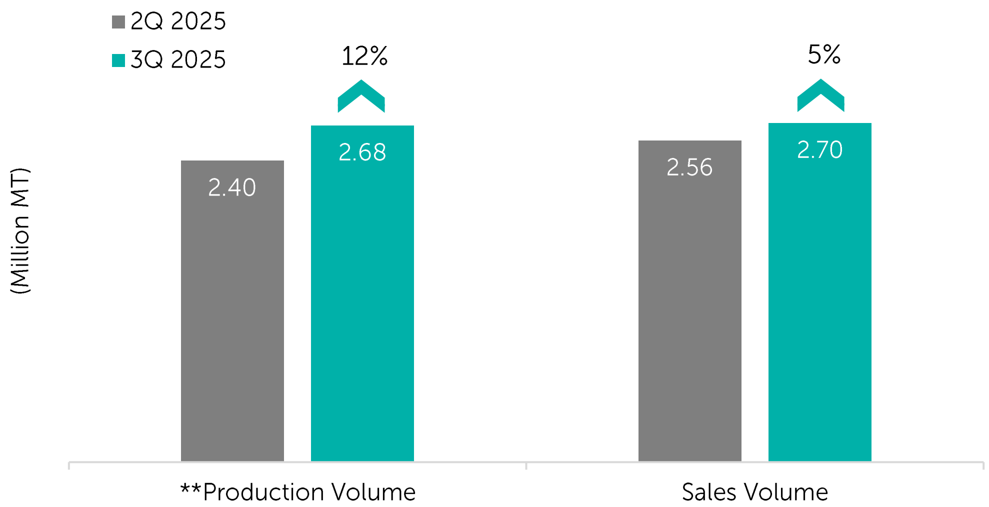
- GDP showed economy grew by 5.2% in 3Q, as compared to 1.0% in 2Q
- The strong 3Q figure was driven largely by domestic consumption, due to the disbursement of government targeted subsidy assistance which helped boost consumption

PCG

- Average group product prices in the commodities segments were comparable quarter-on-quarter, while Specialty Chemicals declined
- Downstream demand remains subdued, with gains in product spreads observed for urea and ammonia

**Source: market publications, PCG analysis*

3Q 2025 vs 2Q 2025 Highlights: Improved Earnings on Better Plant Operations and Eased FX Pressures



	2Q 2025	3Q 2025	2Q 2025 (excluding exceptional items)	3Q 2025 (excluding exceptional items)
REVENUE *in RM Million*	6,437	6,787	6,437	6,787
EBITDA *in RM Million*	395	497	632	535
(LAT) *in RM Million*	(1,047)	(291)	(107)	(217)
EBITDA MARGIN *(%)*	6.1	7.3	9.8	7.9

***Excludes PIC*

Exceptional items include forex, impairment and remeasurement loss

Operational

- Plant Utilisation (PU) rate at 89.5% on overall better plant performances, despite planned turnaround activity at PC Fertiliser Sabah *(2Q 2025: 77.4%)*
- Higher production volume at 2.68 million MT, following better operational performance in both O&D and F&M segments *(2Q 2025: 2.40 million MT)*

Commercial

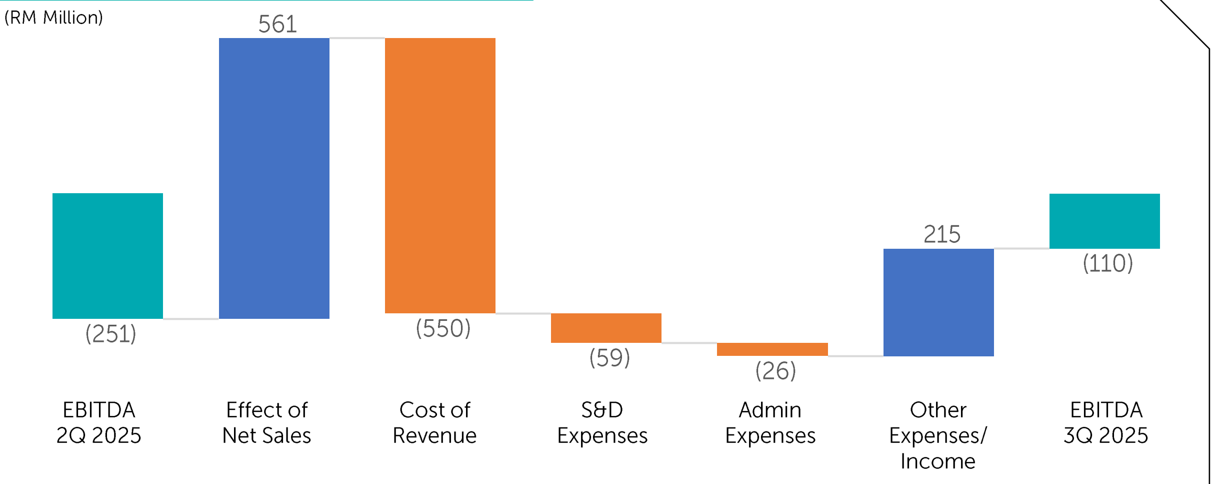
- Sales volume was higher at 2.70 million MT mainly for methanol, paraxylene and MTBE, in line with higher production *(2Q 2025: 2.56 million MT)*
- Average commodities product prices were comparable quarter-on-quarter, while Specialty Chemicals saw a decline

Financial

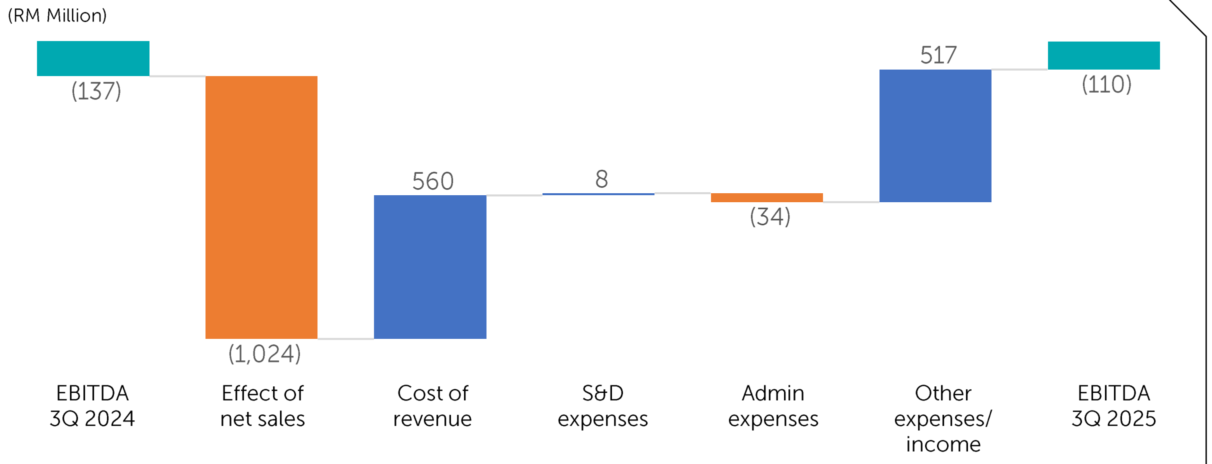
- Revenue was higher on higher sales volume
- EBITDA increased on higher product spreads particularly urea and ammonia as well as lower unrealised forex loss from revaluation of payables at PPC. Correspondingly, EBITDA margin was higher at 7.3%
- LAT at RM291 mil with lower unfavourable forex loss on revaluation of shareholders loan to PPC, compared to asset impairment at Perstorp and remeasurement loss arising from adjustment of timing for payment of trade payables recorded in preceding quarter

O&D: Higher revenue on higher sales volume from PPC

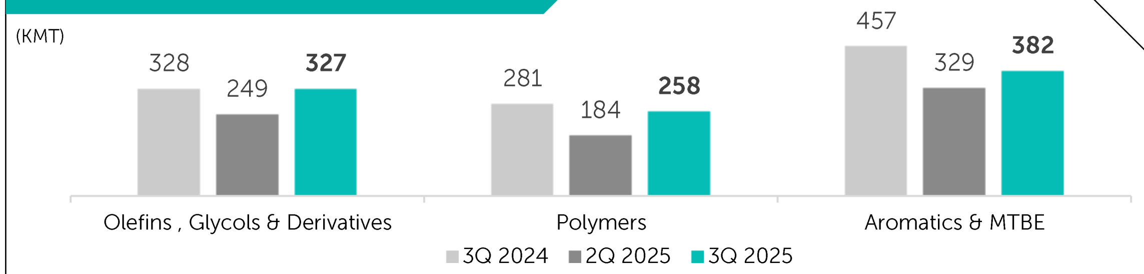
3Q 2025 vs 2Q 2025



3Q 2025 vs 3Q 2024



Product Sales Volume



	3Q 2024	2Q 2025	3Q 2025	Q-o-Q	Y-o-Y
* Plant Utilisation (PU) %	94.8	85.6	90.0	4.4%	(4.8%)
* Production Volume (KMT)	962	850	873	2.7%	(9.3%)
Sales Volume (KMT)	1,066	762	967	26.9%	(9.3%)
Revenue (RM mil)	4,230	2,645	3,206	21.2%	(24.2%)
EBITDA/LBITDA (RM mil)	(137)	(251)	(110)	56.2%	19.7%
LBITDA/EBITDA Margin (%)	(3.2)	(9.5)	(3.4)	6.1%	(0.2%)

** Excludes PPC*

3Q 2025 vs 2Q 2025

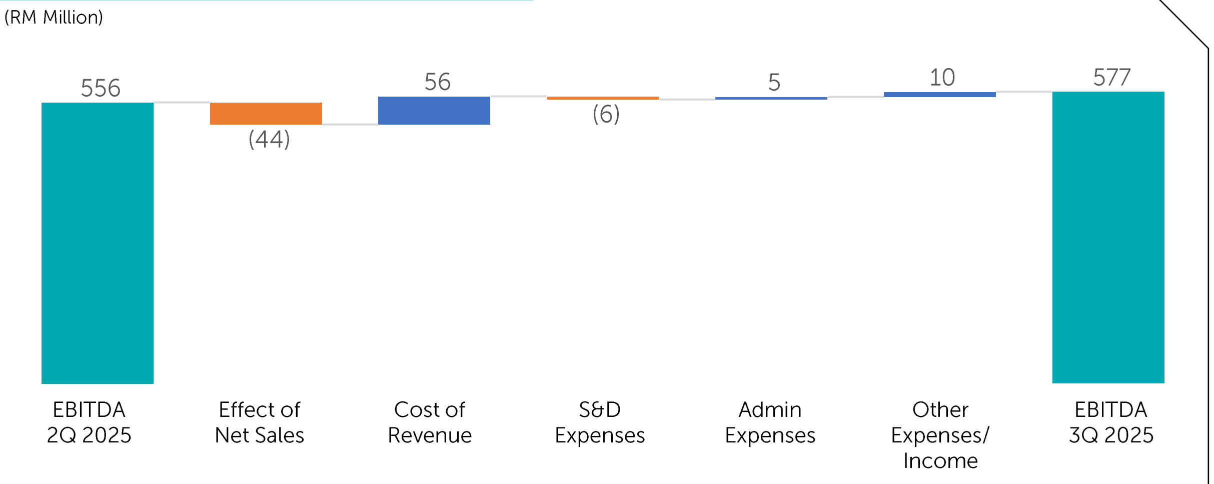
Plant Utilisation Rate: Improved to 90%, from 86% in preceding quarter on better plant performance

Revenue: Higher with higher sales volume from PPC

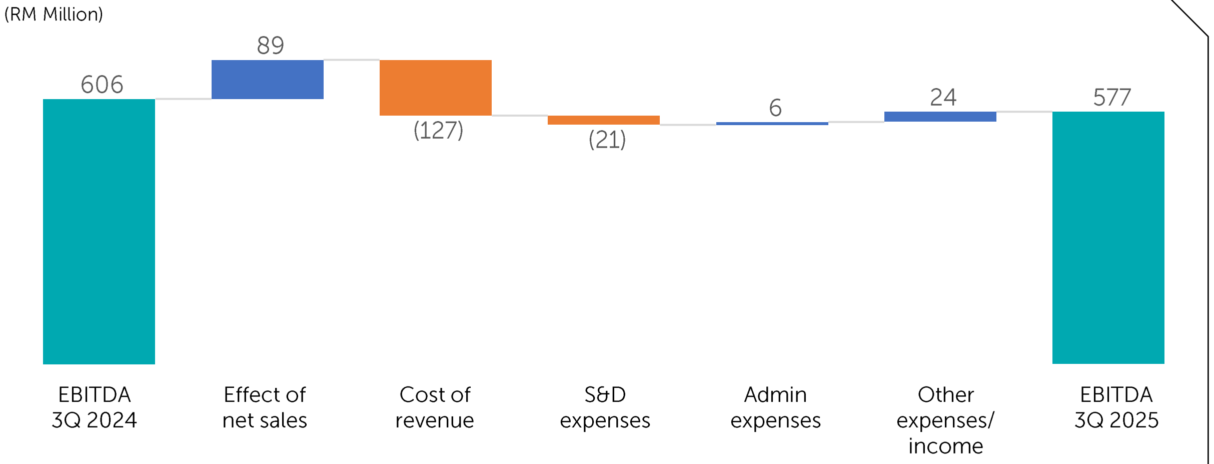
LBITDA: Improved due to lower unrealised forex loss on revaluation of PPC's payable

F&M: Higher EBITDA due to higher product spreads for urea and ammonia

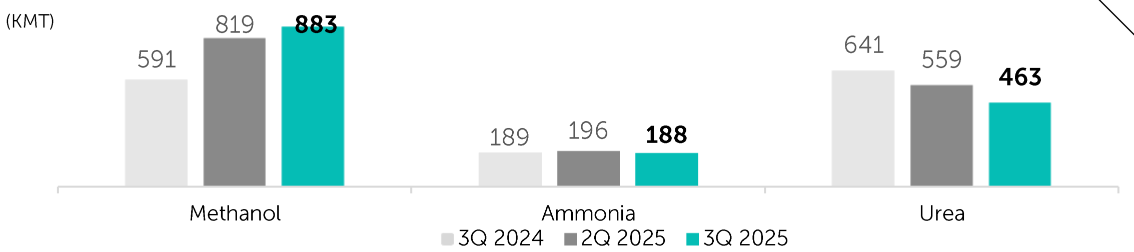
3Q 2025 vs 2Q 2025



3Q 2025 vs 3Q 2024



Product Sales Volume



	3Q 2024	2Q 2025	3Q 2025	Q-o-Q	Y-o-Y
Plant Utilisation (PU) %	89.9	72.8	89.3	16.5%	(0.6%)
Production Volume (KMT)	1,656	1,326	1,608	21.3%	(2.9%)
Sales Volume (KMT)	1,421	1,574	1,534	(2.5%)	8.0%
Revenue (RM mil)	2,130	2,263	2,219	(1.9%)	4.2%
EBITDA (RM mil)	606	556	577	3.8%	(4.8%)
EBITDA Margin (%)	28.5	24.6	26.0	1.4%	(2.5%)

3Q 2025 vs 2Q 2025

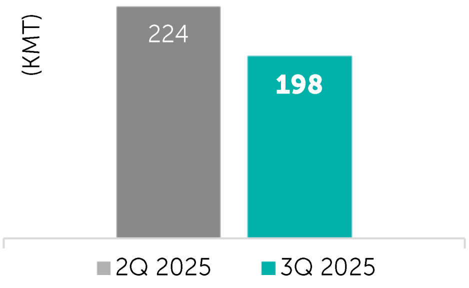
Plant Utilisation Rate: Improved to 89%, from 73% in the preceding quarter on better plant performance, despite planned turnaround activity at PC Fertiliser Sabah

Revenue: Slightly lower in line with lower sales volume

EBITDA: Higher due to higher products spreads for urea and ammonia

Specialties: Lower EBITDA impacted by continued market competition from China

Sales Volume



	3Q 2024	2Q 2025	3Q 2025	Q-o-Q	Y-o-Y	Key Highlights
Revenue (RM mil)	1,610	1,514	1,345	(11.2%)	(16.5%)	Lower EBITDA due to lower sales volume and the one-off gain of sales emissions right in 2Q 2025
EBITDA (RM mil)	79	153	49	(68.0%)	(38.0%)	
EBITDA Margin (%)	4.9	10.1	3.7	(6.5%)	(1.3%)	

3Q 2025 vs 2Q 2025

Intermediates

Polyols
Lower sales volume due to unfavourable market dynamic following trade and tariffs tension

Oxo
Lower sales volume due to soft demand

Formates
Lower sales volume due to weak demand in oil drilling segment and seasonal demand of deicer during summer

Animal Nutrition
Higher sales volume contributed by focused products (gut health), and higher contribution margin from favourable product mix in APAC and LATAM.

Specialties

Personal Care and Coating Solutions
Lower sales volume and contribution margin following soft demand

Engineered Fluids Solutions
Comparable sales volume and contribution margin following stable demand from Viscosity Modifier segment

Advanced Polymer Solutions
Lower sales volume and contribution margin due to weak demand

Silicones

Upstream:
Prices and margins remain under pressure as Asian suppliers redirect their sales to another region following rising entry barriers into the U.S. market

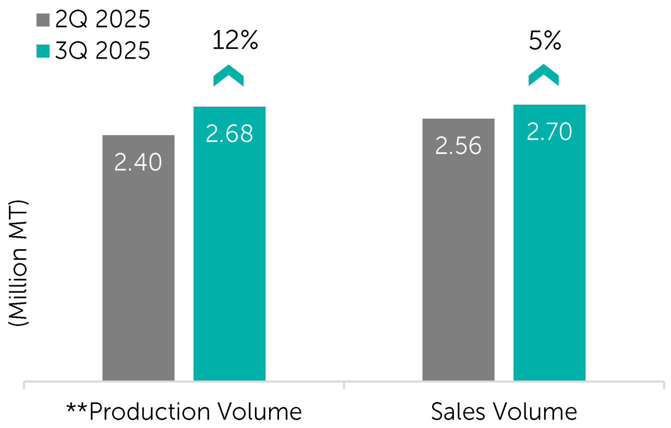
Downstream:
Lower sales volume and contribution margin due to weak demand

Group: EBITDA improved on higher F&M product spreads and lower unrealised forex loss

3Q 2025 vs 2Q 2025

PU Rate

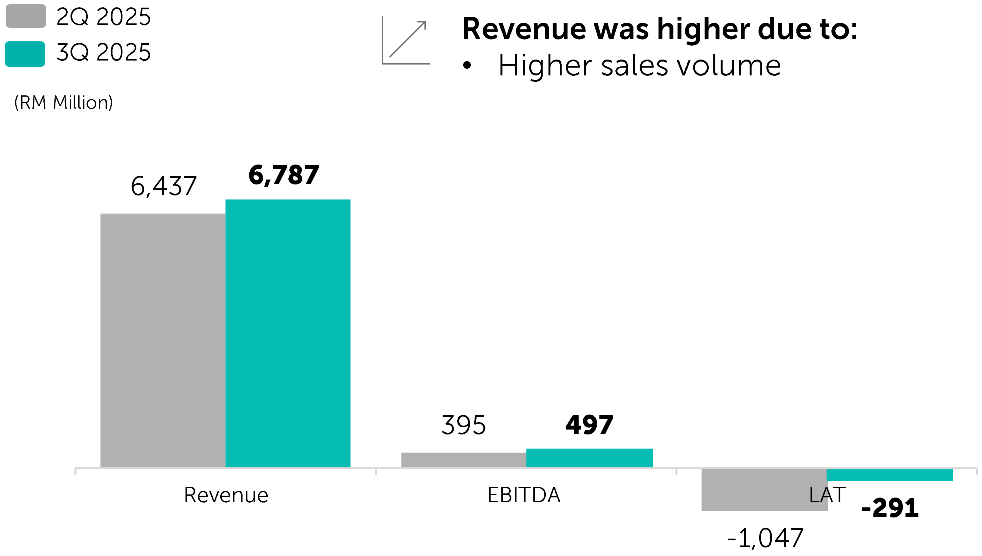
77%	90%
2Q 2025	3Q 2025



Plant Utilisation Rate (PU)**:
Higher on overall better plant performances, despite planned turnaround activity at PC Fertiliser Sabah

Production Volume:
Higher production volume in O&D and F&M segments

Sales Volume:
Higher, mainly for methanol, paraxylene and MTBE



Revenue was higher due to:
- Higher sales volume

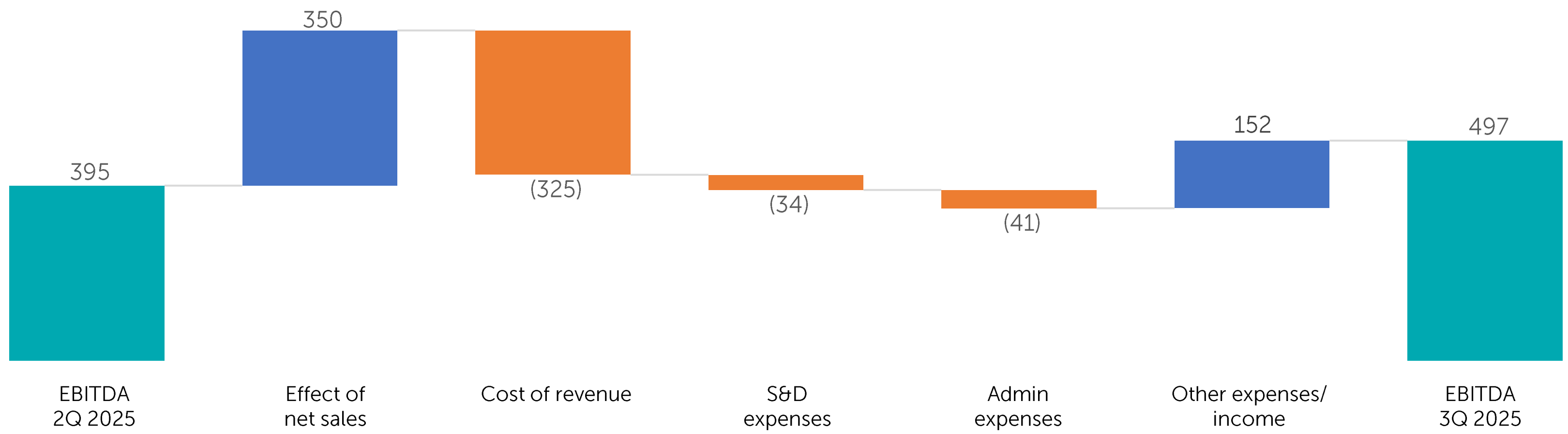
EBITDA was higher due to:
- Higher F&M product spreads
- Lower unrealised forex loss from revaluation of payables at PPC

LAT improved following:
- Higher EBITDA
- Lower unrealised forex loss on revaluation of shareholders loan to PPC

EBITDA MOVEMENT

(RM Million)

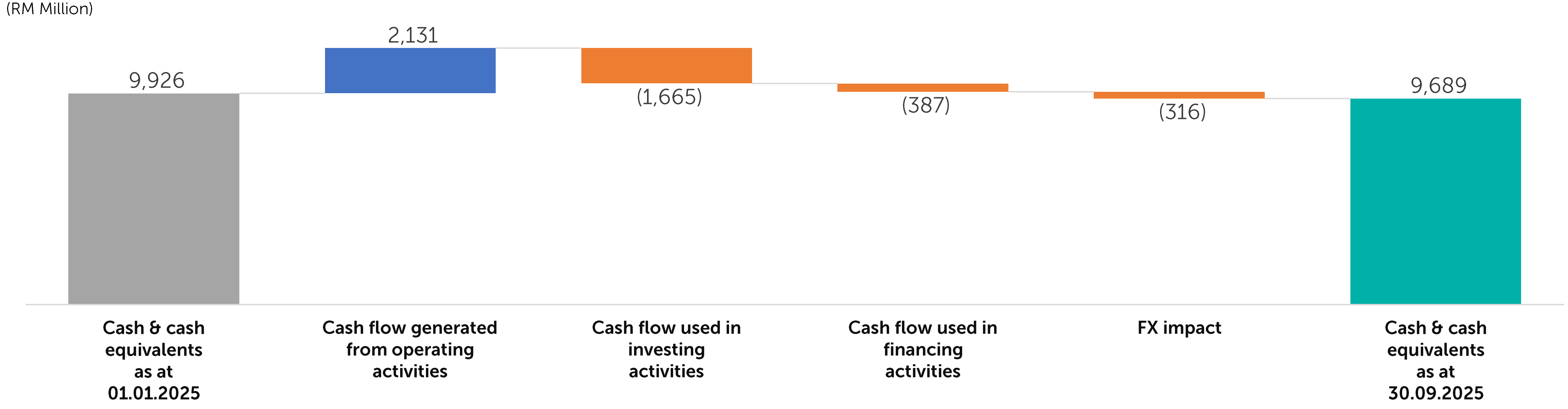
EBITDA Margin
2Q 2025: 6.1%
3Q 2025: 7.3%



*** Excludes PPC*

Cash balance mainly used to fund purchase of PPE and dividend payment

Cash Flow

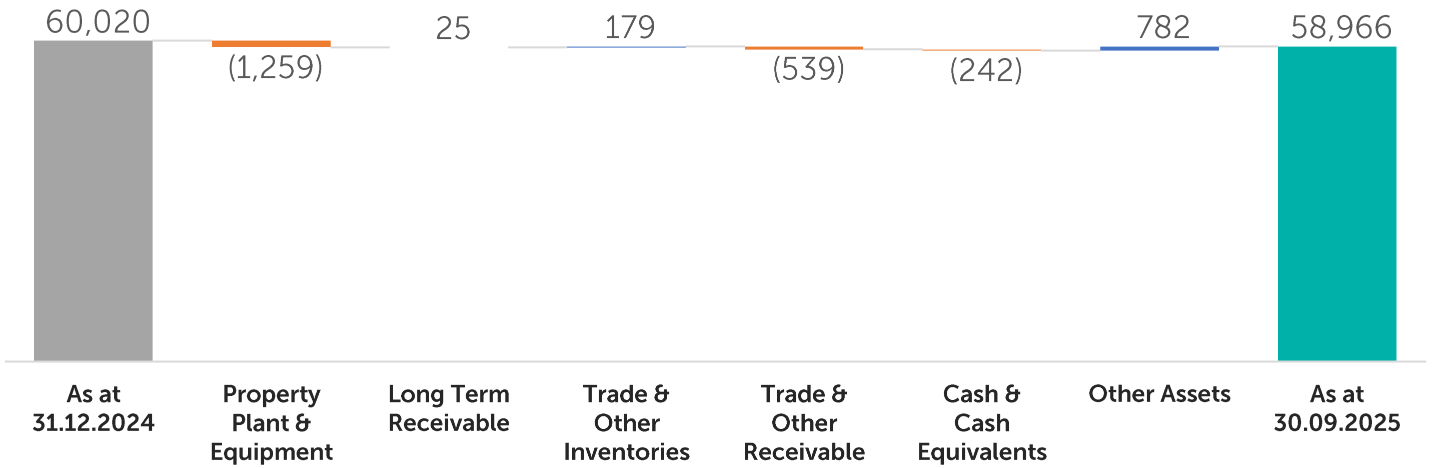


- Net cash used in investing activities mainly related to the purchase of PPE for statutory turnaround during the period, as well as additional investment in LG Petronas Chemicals Malaysia
- Net cash used in financing activities mainly due to payment of dividend to the shareholders of the Company

Lower total assets mainly due to weakening of USD against RM and impairment of assets

Total Assets

(RM Million)



The Group's total assets were lower mainly due to:

- Weakening of USD against RM and impairment of assets at Perstorp
- Lower trade and other receivables due to lower sales

Total Equity & Liabilities

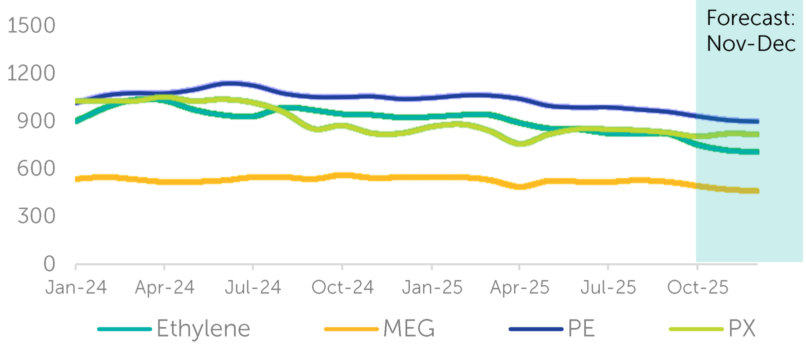
(RM Million)

Lower equity mainly attributable to loss generated during the period and payments of dividend in 2025 FY2024

Higher borrowings mainly due to net drawdown of revolving credit facilities at Perstorp

Bearish O&D market amid oversupply and weak demand while F&M stays firm on strong urea demand. Specialties market continues to face margin pressures amid subdued demand

O&D: Market sentiment remains cautious to bearish, with most products facing oversupply, weak demand, and prolonged price pressure until 1Q 2026



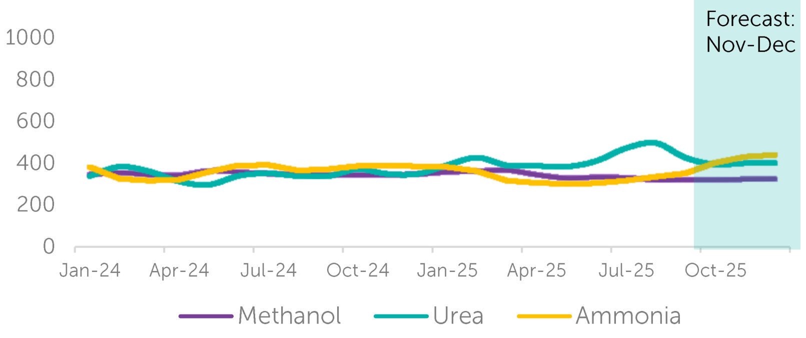
Ethylene:
Supply pressure ramps up with crackers returning from turnaround activities, coupled with limited demand amid weak downstream consumption

Ethylene Glycols:
Resumption of Chinese MEG units from maintenance intensifies supply glut while reduced polyester production further weaken market sentiment

Polyethylene:
Additional capacities in China, influx of US cargos and cautious purchasing continue to dampen LDPE prices

Paraxylene:
High inventories persist in China due to high production and slower downstream PTA and PET demand recovery

F&M: Urea supported by Indian tender requirements; Methanol, stable on balanced supply



Urea:
Issuance of India import tenders coupled with export restriction from China continue to support market sentiment

Ammonia:
Ongoing tight regional supply in Middle East and lack of spot availability in SEA drive prices higher

Methanol:
Stable methanol prices amid gas curtailment in Iran and steady downstream demand in SEA

Specialties: Demand faces strain from weak global macroeconomics

- Building and construction activity remains the weakest sector in 4Q 2025 constrained by weak property markets, with modest support from infrastructure activity in Asia
- Automotive global demand is softening from mid-year highs, with U.S. sales cooling, Europe flattening, China staying resilient on steady EV momentum, and the rest of Asia-Pacific showing mixed trends
- Consumer goods remains steady but cautious, as households focus on essential and value-driven purchases while discretionary spending stays weak amid persistent cost pressures

Key Focus and Updates

Value Creation and Cost Optimisation effort of over RM400 Million Realised YTD September 2025

Strengthen Operational Excellence & Commercial Excellence

Expansion of Innovative & Sustainable Solutions – 15 New Products YTD

- Neptem ™
- Emfinity
- Perstorp Amsterdam Site First Delivery

Deliver HSE Excellence

Driving GHG Reduction Efforts

- Zero Greenhouse Gas Emissions from Echt and Waspik Sites

Thank you.