

PETRONAS CHEMICALS GROUP BERHAD

Analyst Briefing

First Quarter Ended 31 March 2026

21 May 2026

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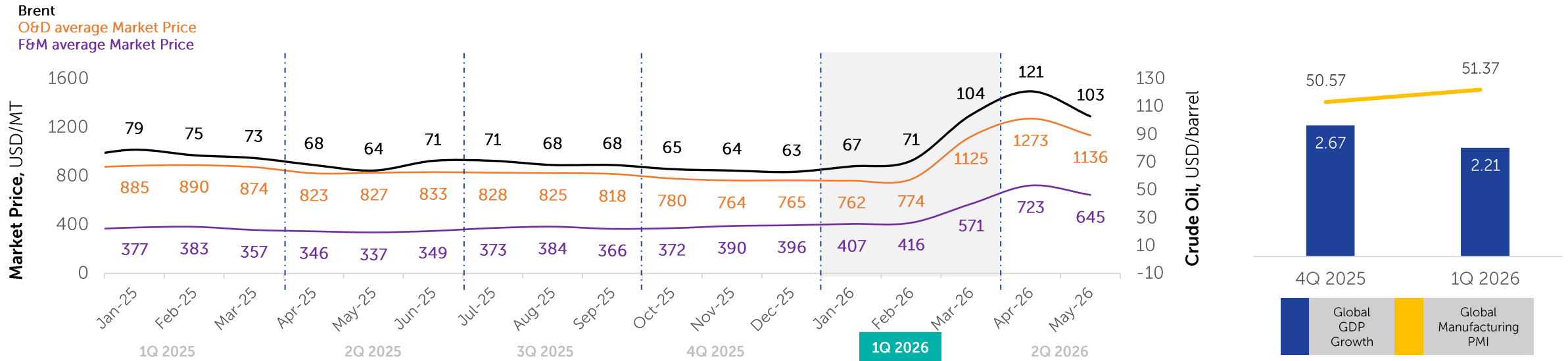
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West Asia conflict shocked the market; chemicals sector gained on supply instability



1Q 2026 Highlights

Global

- Global GDP growth softened slightly as the West Asia conflict reignited inflationary pressures that weighed on real incomes and confidence leading to tighter financial conditions which reversed the improving growth momentum seen prior to the conflict
- Global manufacturing PMI improved modestly. Services activity rebounded from year-end weakness as global trade momentum strengthened in the early part of the year

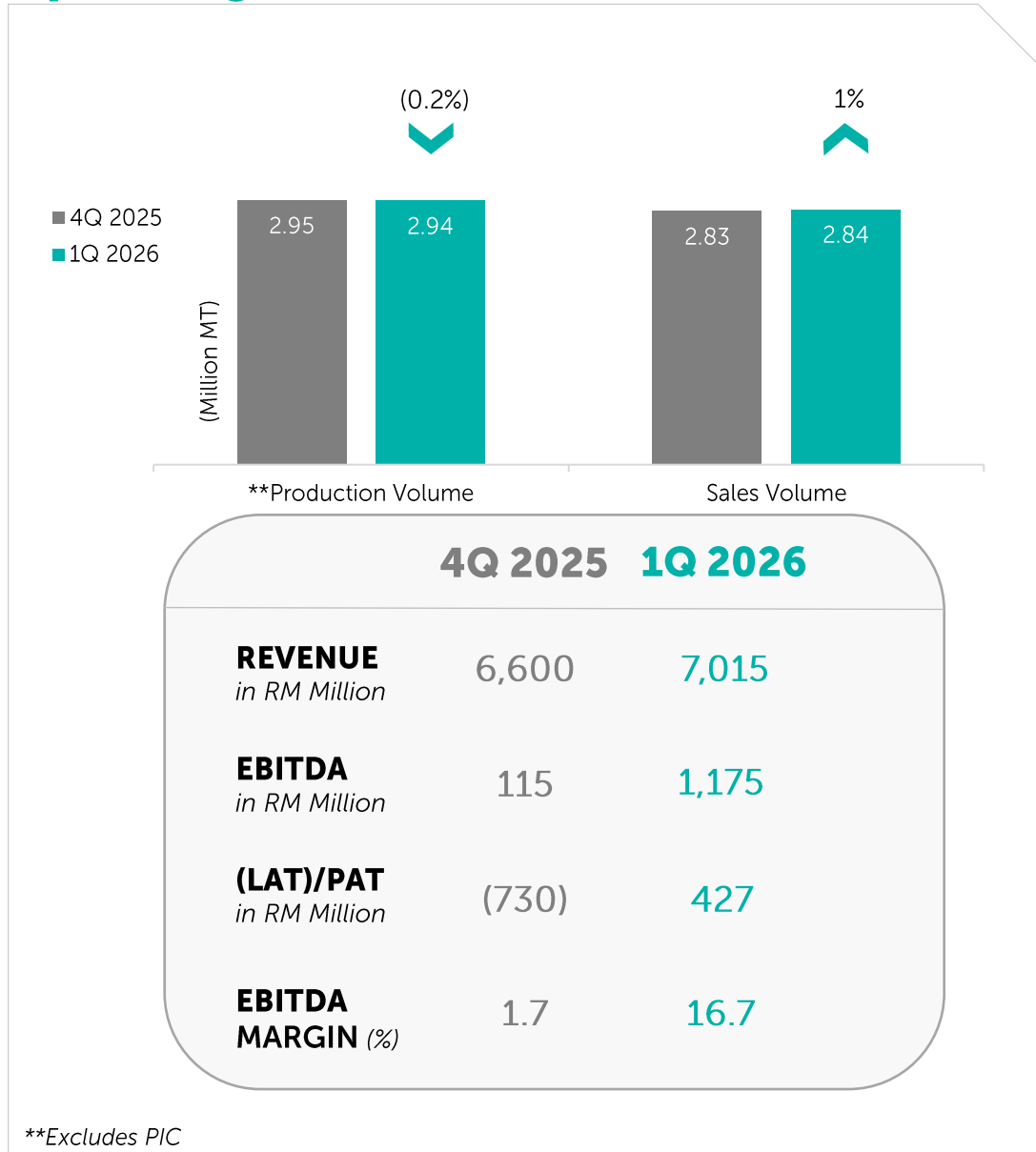
Malaysia

- Malaysia's economy grew by 5.4%, driven by growth in all sectors, remaining resilient amid global geopolitical uncertainties
- Services and Manufacturing sectors registered the highest growth quarter-on-quarter

PCG

- Average product prices for Commodities portfolio increased, while Specialty Chemicals remained broadly stable
- The improvement in prices was largely driven by supply constraints arising from the West Asia conflict

1Q 2026 Highlights: Improved earnings driven by stronger average product spreads and lower operating costs



Operational

- Plant Utilisation (PU)* rate sustained at a high level of 97% (4Q 2025: 96%)
- Marginally lower production volume at 2.94 million MT, mainly at Specialty Chemicals (4Q 2025: 2.95 million MT)

Commercial

- Marginally higher sales volume at 2.84 million MT, supported by higher sales volume from Specialty Chemicals (4Q 2025: 2.83 million MT)
- Average commodities product prices improved, while Specialty Chemicals was comparable quarter-on-quarter

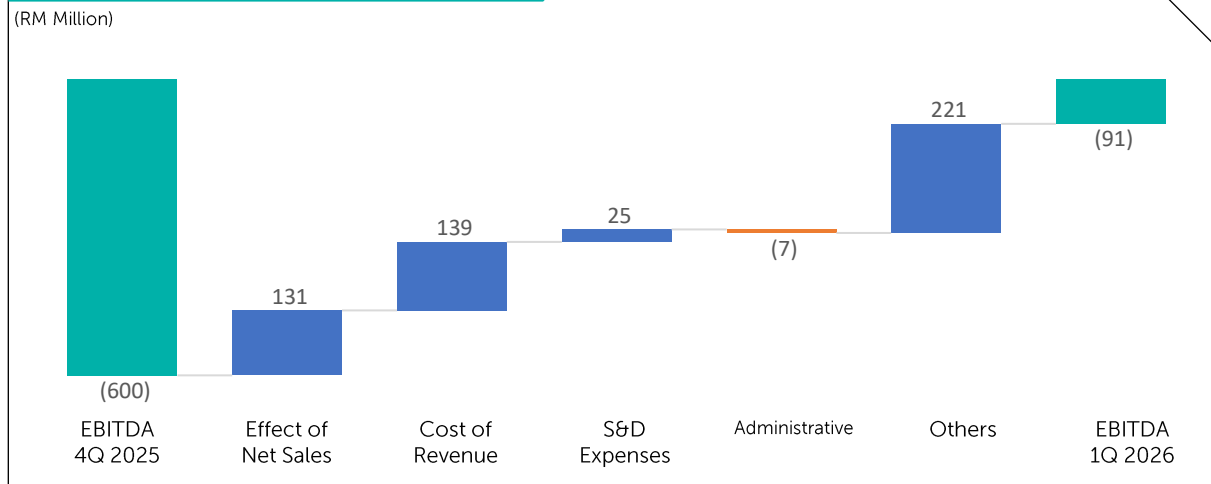
Financial

- Revenue was higher mainly due to higher average product prices for the Commodities products and higher sales volume from Specialty Chemicals
- EBITDA improved on higher product spreads, lower plant operation costs and higher contribution from Specialty Chemicals
- Recorded PAT of RM427 mil, reversing the LAT of RM730 mil in preceding quarter, in line with higher EBITDA, lower unrealised foreign exchange losses and gain on disposal of investments

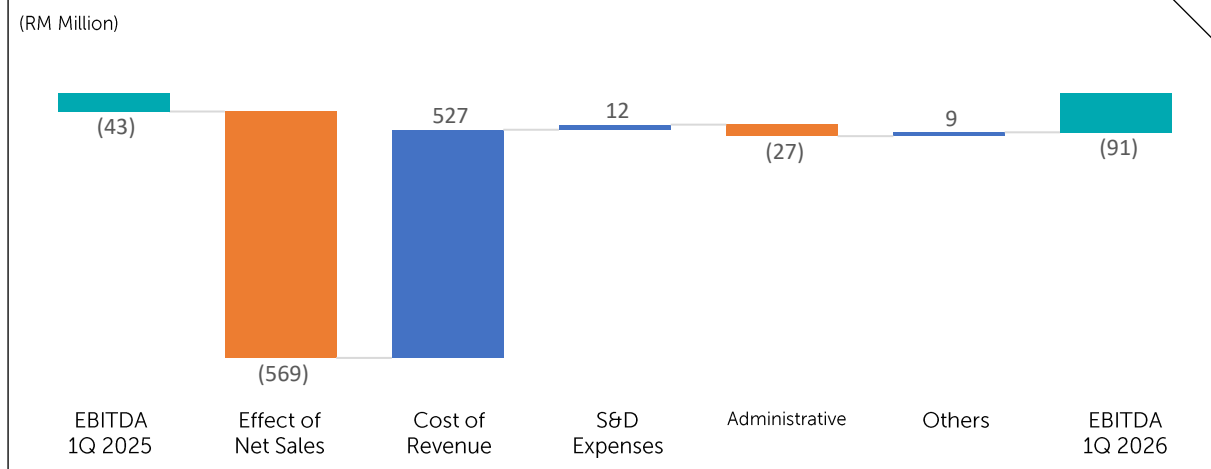
*Excludes Specialty Chemicals and PIC

O&D: Higher revenue supported by higher average product prices

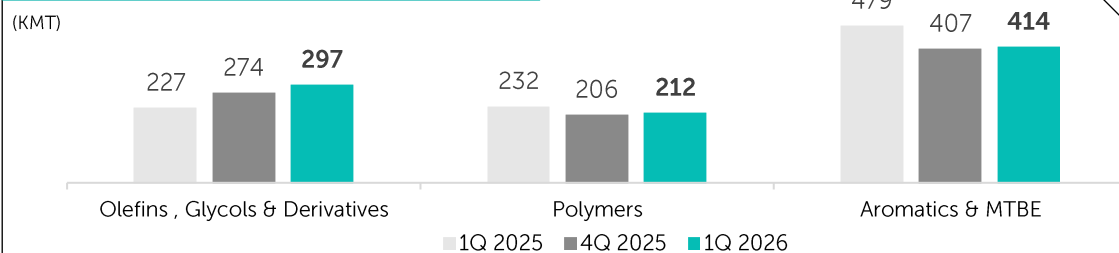
1Q 2026 vs 4Q 2025



1Q 2026 vs 1Q 2025



Product Sales Volume



	1Q 2025	4Q 2025	1Q 2026	Q-o-Q	Y-o-Y
* Plant Utilisation (PU) %	86.9	91.5	87.4	(4.1%)	0.5%
* Production Volume (KMT)	850	964	919	(4.7%)	8.1%
Sales Volume (KMT)	938	887	923	4.1%	(1.6%)
Revenue (RM mil)	3,513	2,813	2,944	4.7%	(16.2%)
LBITDA (RM mil)	(43)	(600)	(91)	84.8%	(>100%)
LBITDA Margin (%)	(1.2)	(21.3)	(3.1)	18.2%	(1.9%)

* Excludes PPC

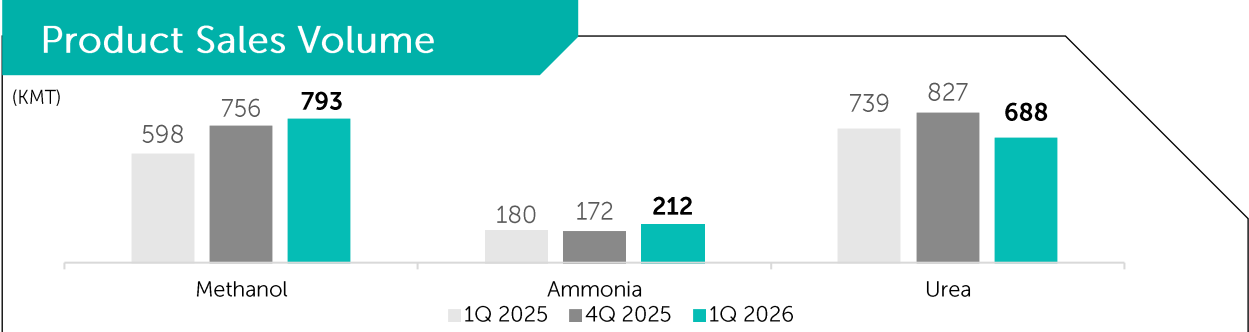
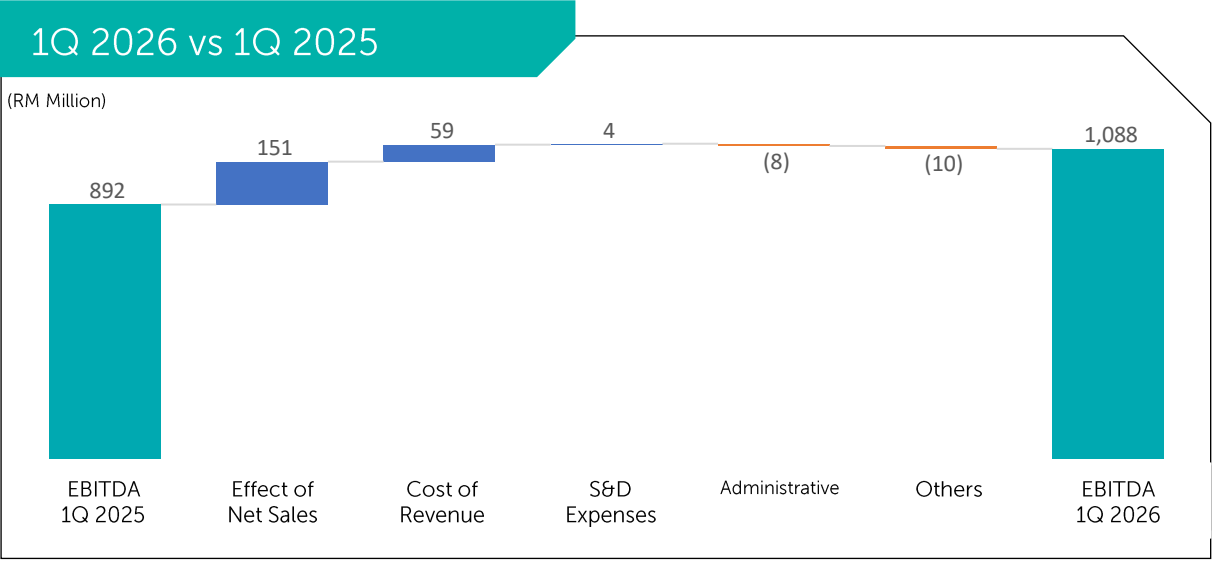
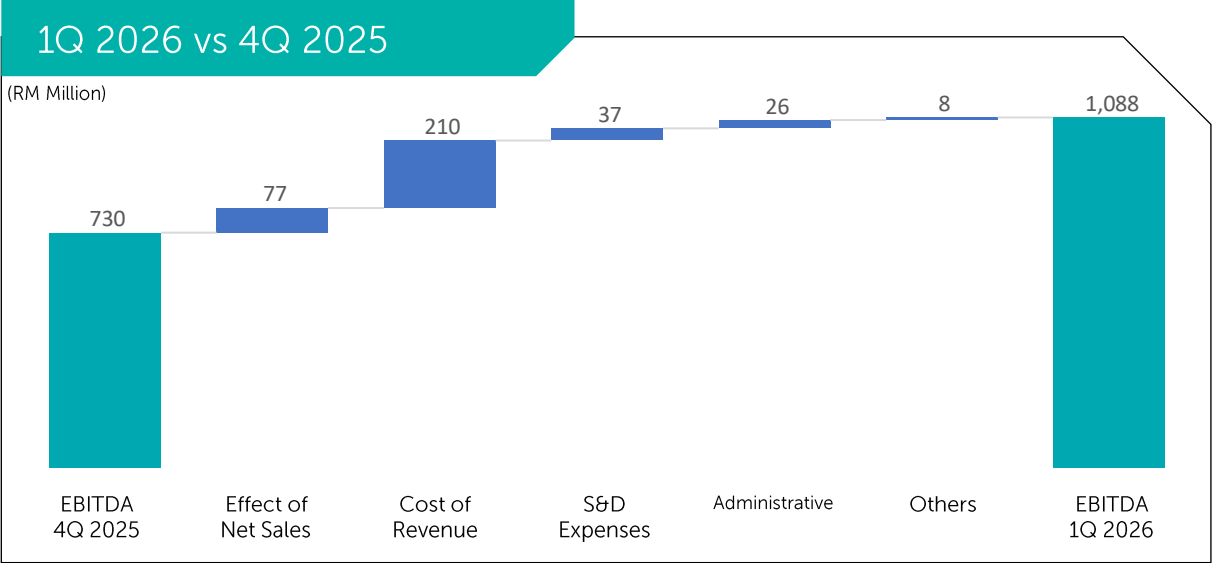
1Q 2026 vs 4Q 2025

Plant Utilisation Rate: Lower at 87% mainly due to planned maintenance activities at PC MTBE

Revenue: Higher supported by higher average product prices and sales volume

LBITDA: Narrowed to RM91 million due to higher average product spreads, lower plant operating costs and lower unrealised foreign exchange loss at PPC

F&M: Higher EBITDA due to higher product spreads



	1Q 2025	4Q 2025	1Q 2026	Q-o-Q	Y-o-Y
Plant Utilisation (PU) %	97.8	97.9	102.7	4.8%	4.9%
Production Volume (KMT)	1,762	1,802	1,850	2.7%	5.0%
Sales Volume (KMT)	1,517	1,755	1,693	(3.5%)	11.6%
Revenue (RM mil)	2,498	2,573	2,649	3.0%	6.0%
EBITDA (RM mil)	892	730	1,088	49.0%	22.0%
EBITDA Margin (%)	35.7	28.4	41.1	12.7%	5.4%

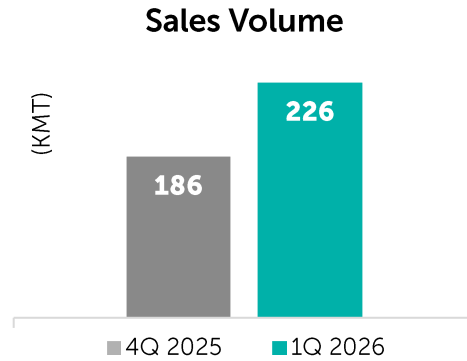
1Q 2026 vs 4Q 2025

Plant Utilisation Rate: Strong operational performance at 103%

Revenue: Higher by 3% due to higher average product prices, mainly for urea and methanol.

EBITDA: Higher by 49% mainly attributable to higher product spreads and lower plant operation costs

Specialties: EBITDA improved on higher sales volume and sales of emission rights



	1Q 2025	4Q 2025	1Q 2026	Q-o-Q	Y-o-Y	Key Highlights
Revenue (RM mil)	1,632	1,201	1,405	17%	(13.9%)	EBITDA improved in 1Q 2026 driven by 22% increase in sales volume and sales of emission rights
EBITDA (RM mil)	52	(31)	198	>100%	>100%	
EBITDA Margin (%)	3.2	(2.6)	14.1	16.7	10.9	

1Q 2026 vs 4Q 2025

Intermediates

Polyols

Sales volume rebounded in 1Q following restocking activities across Penta, TMP and Neo, with improved unit margins for key products.

Oxo

Higher volume and margins driven by customer stocking amid West Asia conflict and expectations of rising raw material prices, despite underlying demand remaining soft.

Formates

Sales volume increased, primarily supported by higher deicer demand following late winter conditions.

Animal Nutrition

Margin improved on stronger demand and more favourable product mix.

Specialties

Coating Solutions

Higher volumes across most product families, partly supported by seasonality as demand is typically higher in 1Q vs 4Q.

LAC

Higher sales volume in 1Q in comparison to slow buying activities in the previous quarter.

Personal Care

Stronger sales volumes with fairly stable margins.

Advanced Polymer Solutions

Higher sales volume and product prices quarter-on-quarter.

Silicones

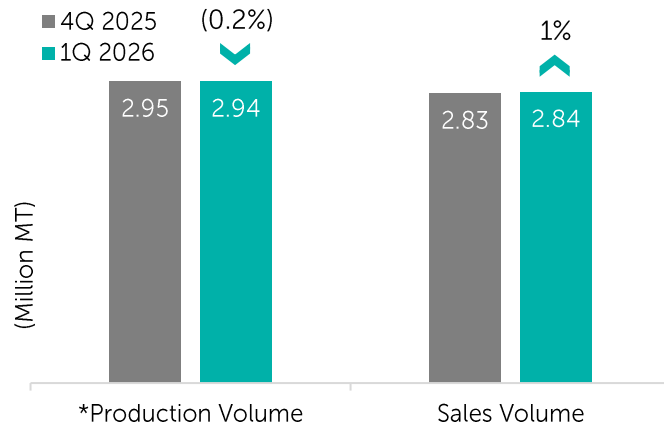
Higher average sales price and improved margin from favorable product mix.

Group: EBITDA improved on higher product spreads and lower operation costs

1Q 2026 vs 4Q 2025

PU Rate

4Q 2025	1Q 2026
96%	97%



Plant Utilisation Rate (PU)**:

Overall better plant performance across most facilities, despite planned maintenance activities at PC MTBE



Production Volume:

Marginally lower production volume



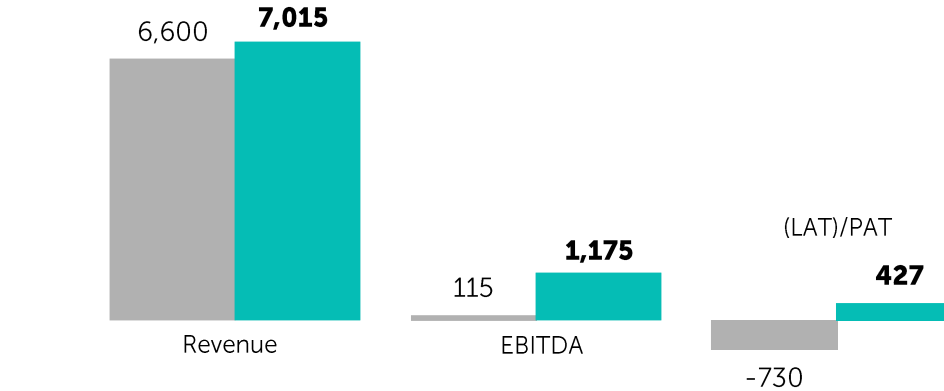
Sales Volume:

Higher, mainly for methanol, ammonia and Specialty Chemicals

■ 4Q 2025
■ 1Q 2026
(RM Million)

Revenue was higher due to:

- Higher average product prices
- Improved sales volume



EBITDA was higher due to:

- Higher product spreads
- Lower plant operation costs
- Lower unrealised forex loss at PPC
- Higher contribution from Specialty Chemicals

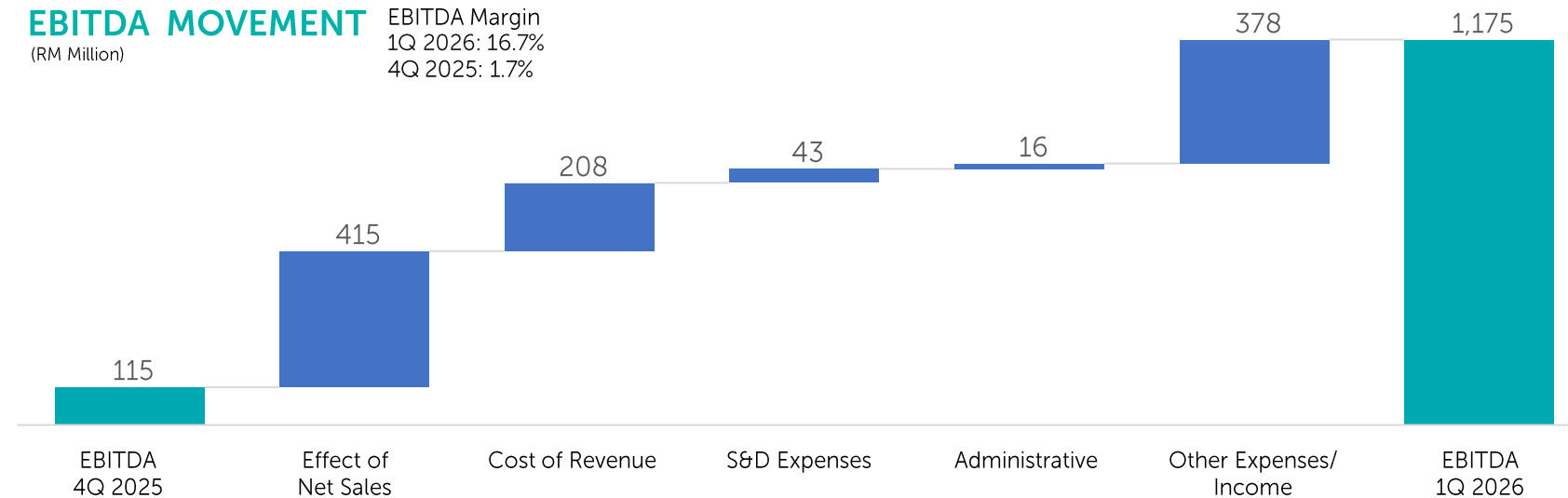
Higher PAT:

- In line with higher EBITDA
- Lower unrealised forex loss on revaluation of shareholders loan to PPC
- Gain on disposal of investments

EBITDA MOVEMENT

(RM Million)

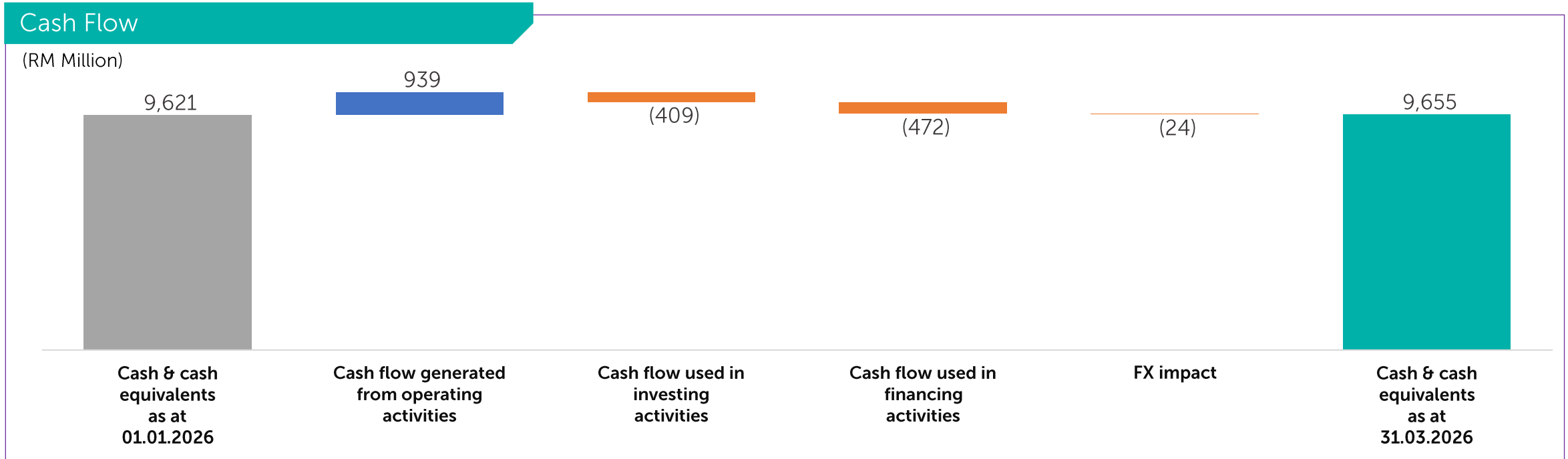
EBITDA Margin
1Q 2026: 16.7%
4Q 2025: 1.7%



* Excludes PPC

** Excludes PPC and Specialty Chemicals

Comparable cash balance in line with profit generated for the period

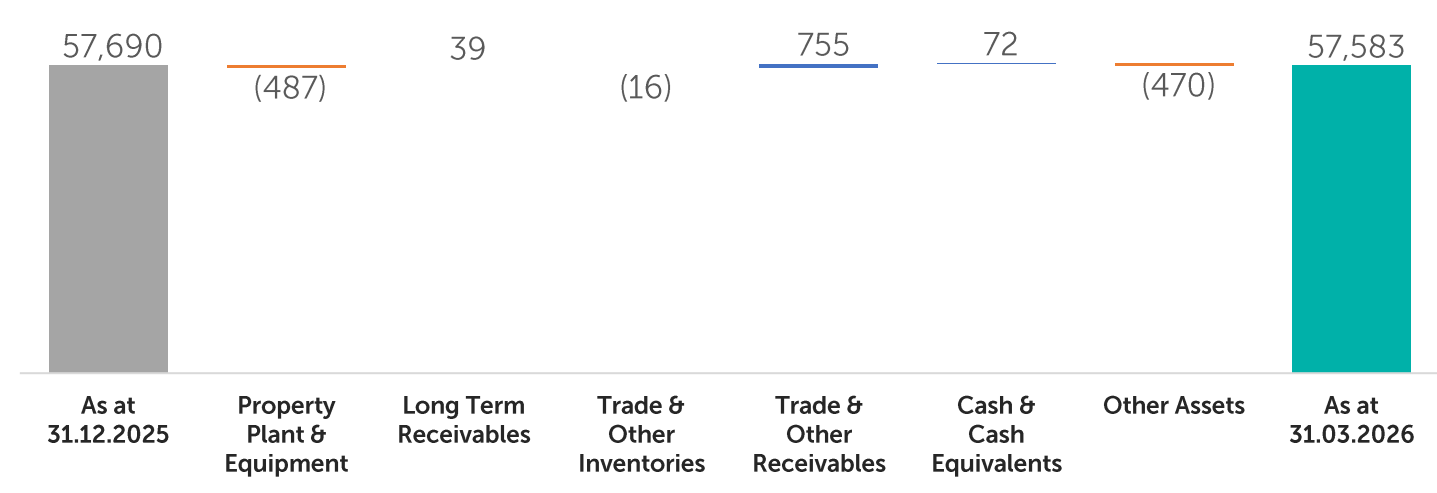


- Net cash generated from operating activities in line with profit generated for the period.
- Net cash used in investing activities mainly comprise of investment in existing growth projects and operational CAPEX, partially offset by proceed from disposal of investments.
- Net cash used in financing activities mainly for dividend payment to shareholders.

Slightly lower Total Assets mainly due to depreciation and strengthening of MYR against Swedish Krona

Total Assets

(RM Million)



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

- Depreciation of property, plant and equipment
- Lower Intangible Assets due to strengthening of Ringgit Malaysia against Swedish Krona

partially offset by higher Trade Receivables, in line with higher revenue

Total Equity & Liabilities

(RM Million)

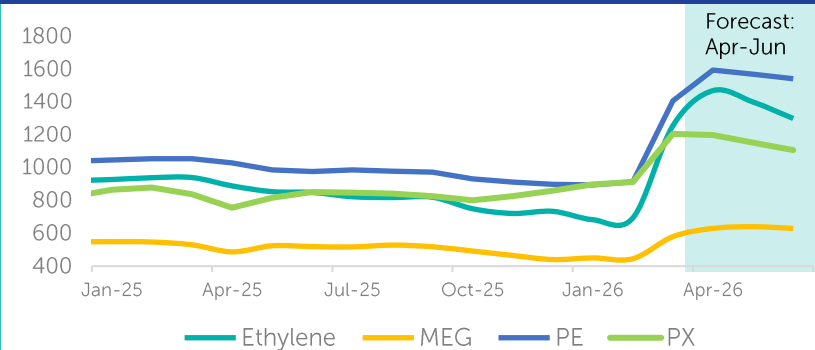


Lower equity mainly attributable to lower foreign currency translation reserves and payments of dividend, despite profit generated during the period

Higher trade and other payables due to higher feedstock and utilities costs

O&D and F&M prices supported by tighter supply and logistics constraints due to West Asia conflict. Demand remains broadly weak across Specialties

O&D: Softening as affordability constraints dampen demand from downstream manufacturers



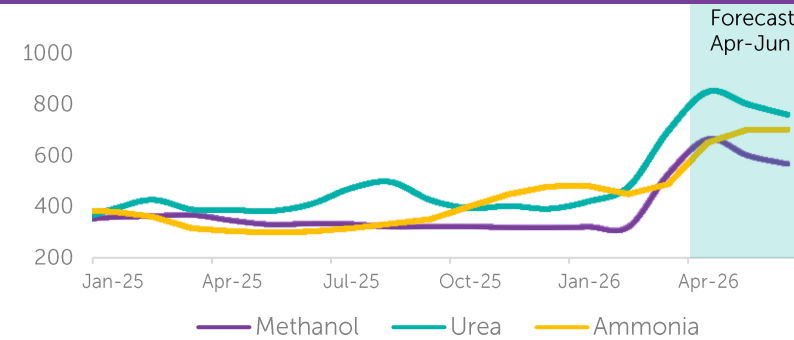
Ethylene: Balanced ethylene market amid feedstock uncertainty and weak demand recovery

Ethylene Glycols: Firm, on supply tightness but demand remains fragile

Polyethylene: Moderating, as supply instability is offset by easing demand

Paraxylene: Softening downstream demand and PTA operating rate cuts weigh on price

F&M: Fertiliser to stay tight on food security concerns and export restrictions; Methanol limited due to plant turnarounds in SEA



Urea: Urea market remains tight and volatile as West Asia conflict disrupts roughly one-third of global fertiliser trade

Ammonia: Firm, on limited supply as markets struggle to meet import needs

Methanol: Prices to moderate, although supply constraints due to plant turnarounds in Southeast Asia continue to provide support

Specialties: Demand remains broadly weak across all end-sectors



Construction activity remains soft, amid broad cyclical and structural pressures. Pockets of growth observed in India and ASEAN

Automotive production seeing modest decline, weighed by affordability constraints and changing policies. China maintains export strength, while the rest of Asia records growth.

Consumer goods demand remains concentrated in everyday essentials and resilient in personal care

2026 Key Highlights and Focus Areas

Portfolio Rationalisation

- Portfolio high-grading focusing on asset optimisation and cost competitiveness

Operational Excellence

- Safe and smooth execution of turnaround activities at Kertih Integrated Petrochemical Complex and ASEAN Bintulu Fertilizer

Commercial Excellence

- Unlock market upside opportunities
- Deeper customer collaboration and product co-creation opportunities

Value Creation and Cost Optimisation

- More than RM150 Million Realised for 1Q 2026

PETRONAS Chemicals Group Berhad

Thank you

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