



PETRONAS

PETRONAS CHEMICALS GROUP BERHAD

28th Annual General Meeting



Unanswered Online Questions

No.	Question
1.	<p>What's the outlook for 2026?</p> <p>Any actions to improve performance? Thanks.</p>
Answer	
<p>We expect the operating environment in 2026 to remain challenging and volatile, with continued global oversupply, geopolitical uncertainty and uneven demand recovery.</p> <p>While recent geopolitical developments have provided some near-term support to product prices, overall market conditions are expected to stay uncertain.</p> <p>We remain focused on disciplined execution, plant reliability improvement, cost optimisation, and commercial excellence, while continuing to strengthen portfolio resilience and long-term value creation.</p>	
No.	Question
2.	<p>Why the persistent problems with Pengerang Petrochemical Company (PPC) adding heavy depreciation and interest cost which is earnings drag and so impact on shareholder dividends.</p> <p>Who are the experts tasked to solve this problem (internal or external?) and do they have performance metric targets to achieve (resolve this issue?).</p>
Answer	
<p>PPC has long-term strategic value, with potential to expand downstream into derivatives and specialty chemicals. Its world-scale capacity and proximity to key Asian markets remain advantageous as markets recover.</p> <p>PPC is currently in shutdown mode due to the unavailability of feedstock. PPC is expected to resume operations following the planned resumption of feedstock supply from the refinery in June 2026.</p> <p>Moving forward, operations are being managed pragmatically, considering market conditions and economic viability. We are fully committed to ensure the success of PPC.</p>	

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Unanswered Online Questions

No.	Question
3.	a) What are management's short-term action plans to improve the Company's financial performance over the next 6 to 12 months?
	b) If the Company fails to achieve its short-term targets or KPIs, what corrective actions will be taken, and are there any consequences or accountability mechanisms for management?
	c) What key performance indicators (KPIs) will be used to measure the success of these initiatives?
Answer	
<p>a) Over the next 6 to 12 months, our focus is on disciplined execution to strengthen financial performance amid a challenging market environment.</p> <p>Key actions include improving asset reliability and plant utilisation, optimising production based on economic viability, and continuing cost optimisation and operational efficiency initiatives.</p> <p>We are also reinforcing commercial excellence through market prioritisation, customer engagement and portfolio optimisation, while maintaining strict capital and cash discipline.</p>	
<p>b) In the event that performance falls short, the matter will be addressed through formal performance reviews and the implementation of appropriate corrective measures. This approach reinforces management accountability, supports disciplined decision-making, and ensures that actions remain aligned with shareholders' long-term interests and sound governance principles.</p>	
<p>c) The progress and effectiveness of these initiatives will be monitored and measured through a balanced set of KPIs across safety, financial performance, operations, commercial and talent development.</p>	
No.	Question
4.	a) What will be the utilisation rate for both plants on Q1 2026 and YTD Q2 2026.
	b) What will be gross profit margin increase for Urea Q1 2026 and YTD Q2 2026.
Answer	
<p>a) For Q1 2026, plant utilisation for the Group, excluding PPC, was in line with our target utilisation rate at a minimum of 90%. For Q2 2026, we continue to operate the plants at optimum levels to capture potential market opportunities.</p>	
<p>b) From 1 January to 31 March 2026, urea prices have increased by more than 20% following the West Asia crisis, ongoing China export controls, and continued demand from India tenders. Realised margins for our Fertilisers segment will reflect a combination of selling prices, feedstock costs, plant utilisation, and product mix, and will be addressed in our quarterly disclosures.</p>	

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Unanswered Online Questions

No.	Question
5.	How much cash on hand now, how much bank borrowing now?
Answer	
<p>The cash balance as at 31 December 2025 was RM9.6 billion as disclosed under Note 13 on Cash and Cash Equivalents, and the bank borrowings were RM3.5 billion as disclosed under Note 17 on Borrowings in the Group's Audited Financial Statements for FY2025.</p> <p>The Group cash balance and borrowings as at 31 March 2026 will be announced in our Bursa Quarterly Report on 21 May 2026.</p>	
No.	Question
6.	<p>With the ongoing Kertih plant turnaround and the Pengerang plant shut down, does that mean there's currently no production of Olefins & Derivatives (O&D) at all?</p> <p>If so, any opportunities would be based on your existing stock-in-hand. When are you expecting this stock to last until?</p>
Answer	
<p>Despite the planned turnaround exercise (involving PC Olefins, PC Glycols, PC Derivatives, PC LDPE and PC Ammonia) and the shutdown of PPC, our other O&D assets in Kertih and Gebeng are operating as per normal capacity.</p> <p>At the same time, we are actively managing our inventory as part of disciplined commercial planning, with priority given to ensuring the fulfilment of contractual obligations to customers during the current period of supply constraint.</p>	
No.	Question
7.	Our dividend payout has been one of the reasons for holding the shares. Given the current squeeze on margins in the Olefins segment, what is the 'minimum' Brent oil price or plant utilisation rate required for the Company to maintain its current dividend policy through 2026?
Answer	
<p>Dividend payment will be guided by PCG's Dividend Policy of around 50% of Group Profit After Tax and Non-Controlling Interest (PATANCI).</p> <p>The consideration will be based on the Company's earnings, working capital & growth requirements, and other factors to ensure prudent cash management.</p>	

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Unanswered Online Questions

No.	Question
8.	a) Management has highlighted a cost optimisation approach. Has a dedicated task force been established to monitor and evaluate plant and/or Group performance? The Group has been performing badly.
	b) How is China's competitiveness in the petrochemical industry impacting the Group's market share, and what mitigation strategies have been implemented?
Answer	
a) In FY2025, PCG realised RM574 million in value creation and cost optimisation through various initiatives, which include logistics optimisation, review of sales against best netback, contract renegotiation, as well as reduction in controllable costs.	
We will continue to pursue these initiatives in 2026 focusing on operational, commercial and growth delivery excellence.	
b) We will continue to diversify our customer base to reduce reliance on China. Our focus is on high-growth markets in Southeast Asia and India leveraging on PCG's strategic location and diversified products offering within our commodity and specialty portfolios.	
No.	Question
9.	Fertiliser from Middle East cannot come over to Asia, can we promote our Company's fertiliser to Asia now?
Answer	
Asia remains our core market for our products, including fertiliser. PCG will meet domestic requirements, uphold long-term contractual commitments, and continue to provide customers with a reliable supply through disciplined commercial execution.	
No.	Question
10.	What are the key strategic priorities for the Company in upcoming year to increase profit and dividend?
Answer	
Our key strategic priorities are to strengthen earnings through disciplined execution of operational and commercial excellence initiatives, prudent cost management and pursuing selective value accretive growth projects.	

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Unanswered Online Questions

No.	Question
11.	We understand Pengerang refinery feedstock is largely sourced from Saudi Arabia, and the Iran war affects the Strait of Hormuz.
	a) Have Pengerang sites experienced, or are they expected to experience, supply disruptions?
	b) Does management expect higher losses or margin pressure from this?
Answer	
	a) PPC is currently in shutdown mode due to the unavailability of feedstock. PPC is expected to resume operations following the planned resumption of feedstock supply from the refinery in June 2026.
	b) In managing operations, under the current market conditions, the plant utilisation rate will be optimised based on market dynamics and economic viability.
No.	Question
12.	Does PCG plants obtain its feedstock like gas and naphtha at a fixed price or lock in price under the supplies contract terms?
Answer	
	PCG does not procure gas or naphtha at a fixed price. Feedstock is secured under competitive, long-term and market-indexed contracts at arm's-length basis.
No.	Question
13.	Does PCG allocate and sell your products at spot market price in view of higher price now?
Answer	
	PCG sells its products both on term contracts and spot markets. Our primary objective is to fulfill our commitment to customers while balancing our volume to capture emerging opportunities and potential margin upside, where possible.
No.	Question
14.	a) Given the persistent global oversupply & China-led capacity expansion, does the Directors view the current downturn as cyclical or structural?
	b) What strategic positioning if margins remain structurally lower over the next 3-5 years?
	c) In a prolonged downcycle, how does the Company balance between growth investments & preserving shareholder value through cashflow protection?
Answer	
	a) The current downturn is primarily structural, with the industry experiencing compressed margins arising from persistent overcapacity, subdued demand and heightened geopolitical uncertainties.
	b) In this environment of lower margins, PCG is positioning itself to remain resilient through plant reliability improvement, cost optimisation, and commercial excellence. This will enable PCG to remain competitive even if industry margins remain subdued for an extended period.
	c) PCG applies disciplined capital allocation. Growth investments are pursued selectively, focusing on value-accretive growth projects.

Unanswered Online Questions

No.	Question
15.	The Iran war has raised costs for oil/naphtha-based players. Do coal-based producers (e.g.: China) now have a cost advantage, and how is PCG positioned?
16.	Can management quantify how much of current production is exposed to Hormuz-linked supply risk, and what percentage reduction target you have over the next 3 years?
17.	What % of feedstock for local plants depends on outside of country feeds.
Answer to question number 15 to 17	
<p>PCG's operations are predominantly based on gas feedstock whereby the security of supply is anchored on an integrated supply model via competitive supply contracts with PETRONAS which provides a high level of resilience against global supply disruption.</p> <p>Only a small portion of PCG's operation is based on liquid or oil-based feedstock. PCG manages this exposure via close coordination with upstream partners, feedstock and utilities provider.</p>	
No.	Question
18.	<p>What will be the impact of Middle East crisis to Group financial performance (e.g.: Revenue/Profit)</p> <p>Short term (within 3 months): Contribute positively/ Moderate/ negatively on Profit.</p> <p>Midterm (within 3 months-12months): Contribute positively/ Moderate/ negatively on Profit.</p>
19.	<p>May I know the impact of US-Iran war towards the Company? I want to know your forecasting on profit for the next 6 months to 1 year ahead.</p> <p>Any contingency plans if the war keeps on fire.</p>
20.	How is the prospective prediction of the Company in this energy crisis?
Answer to question number 18 to 20	
<p>The geopolitical tensions in West Asia have caused global supply disruptions which have led to increase in feedstock and product prices.</p> <p>In the short term, we expect the increase in product prices will improve PCG's revenue. However, we are mindful about the impact of increased feedstock and logistics costs on our earnings.</p>	
No.	Question
21.	Will there be further rightsizing initiatives being implemented to maximise the financial position of PCG?
Answer	
<p>Against a challenging market environment, we are focused on keeping our workforce lean, efficient and aligned to our business needs and performance.</p> <p>Our workforce planning is continuously reviewed to match business priorities, operational demands, and productivity goals ensuring we stay fit-for-purpose through market cycles. This is supported by ongoing efforts to improve efficiency across our operations and value chain.</p>	

Pre-AGM Questions from Shareholders

No.	Question
1.	Please give us some e vouchers/e wallet for attending this AGM as a token of appreciation. Thanks.
2.	This time AGM have give any door gift?
3.	Kindly distribute door gift to delight the shareholders. Thanks.
4.	Is there any door gift will be given for the upcoming AGM?
5.	Appreciate can advise if virtual participant for Petronas Chemicals Group Berhad AGM 2026 can also receive the door gift (e.g.: Setel voucher)? Thanks.
6.	I am a shareholder of Petronas Chemicals Group Berhad and with regards to the coming AGM 2026 at KLCC convention centre and understand the meeting will be conducted physically and hybrid. If I register for the hybrid, am I entitled to have the gift like those shareholders who attend the physical AGM meeting? I read the administrative guide, it doesn't mention any door gift i.e.: SETEL for those who attend the hybrid.
Answer to question number 1 to 6	
Shareholders or their appointed proxies who attend PCG's 28th Annual General Meeting whether in person or virtually, are entitled to receive a RM100 SETEL voucher. Physical attendees have received a physical SETEL voucher upon registration, while virtual attendees will receive an e-SETEL voucher by email within five (5) working days following the date of the PCG's 28 th AGM.	
No.	Question
7.	As a means to facilitate my participation effectively in the coming shareholders' meeting, kindly assist to mail me the hard copy of the latest integrated report to my home address.
8.	Please send a copy AR2025 as soon as possible. Thank you.
Answer to question number 7 to 8	
Shareholders who wish to obtain a printed copy of the Annual Report may do so by logging in to investor.boardroomlimited.com and selecting "Request for Annual Report" under "Investor Services".	
No.	Question
9.	Is parking at the meeting venue free/will be reimbursed? Thank you.
10.	I would like to enquire about the Parking for attending Petronas Chemicals 28th Annual General Meeting held on 22 April 2026. Will your Company provide Complimentary Parking for shareholder to attend the AGM meeting in person?
Answer to question 9 to 10	
Parking at the meeting venue is subject to the rates set by the venue operator. PCG has provided a RM20 incidental voucher for physical attendees.	

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Pre-AGM Questions from Shareholders

No.	Question
11.	Geopolitical Impact: Considering the global "extended geopolitical upheaval" cited in the 2026 outlook, how is PCG insulating its margins from the volatility in energy prices and supply chain disruptions affecting feedstocks?
12.	What are the effects of the war in Middle East on the revenues of PCHEM in the longer run? If the situation persists for more than 6 months will PCHEM stand to gain?
13.	How sustainable is the recent commodity price increase and product pricing advantage that PCHEM enjoyed due to the unfortunate closure of Hormuz Strait will be? Does the overcapacity issue in the region now taking back line?
14.	Is the current Straits of Hormuz situation an opportunity or threat to PCG?
15.	Recent news suggests that petrochemical and fertiliser prices are rising again due to supply disruptions in the Middle East. Does management see this as a sustainable 're-rating' catalyst for our 2026 earnings, and how is PCG positioned to capture this price upswing compared to our regional competitors who might be facing feedstock shortages?
16.	How does the Iran-US/Israel war affect the outlook strategy and business profit of Petronas Chemicals Group Berhad?
Answer to question 11 to 16	
<p>The geopolitical tensions in West Asia have caused global supply disruptions which has led to increase in feedstock and product prices.</p> <p>In the short term, we expect an increase in product prices will improve PCG's revenue. However, we are mindful about the impact of increased feedstock and logistics costs on our earnings.</p> <p>On the market front, our primary objective is to deliver commitments to customers to ensure long lasting relationship. At the same time, we are realising emerging opportunities capture potential margin upside, where possible.</p> <p>PCG maintains a cautious market outlook and is sustaining disciplined execution and focusing on long term value creation. At the same time, we continue to focus on plant reliability improvement, cost optimisation and commercial excellence to sustain our competitiveness.</p>	
No.	Question
17.	Portfolio Diversification: PCG has identified "expansion of higher-value segments" as a priority. Which specialty chemical sectors are being prioritised for capital allocation in the 2026-2028 window?
Answer	
<p>PCG is constantly evaluating its portfolio to search for higher value and attractive specialty segments.</p> <p>Currently, our focus segments are Coatings, Engineered Fluids, Personal Care, and Advanced Polymer solutions.</p>	

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Pre-AGM Questions from Shareholders

No.	Question
18.	We have diesel, we have palm oil, why don't we venture into biodiesel to make profit?
Answer	
<p>We are primarily involved in manufacturing, marketing and selling a diversified range of chemical products including derivatives and specialty chemicals.</p> <p>Currently, we do not intend to venture into Biodiesel business.</p>	
No.	Question
19.	Year-end capital commitments total RM2.8 billion for property, plant and equipment; what are the expected payback periods, hurdle rates and cancellation triggers for the committed projects, and how will the Board monitor returns while the Group remains loss-making?
Answer	
<p>The RM2.8 billion capital commitments largely relate to previously approved capital expenditure that are critical to maintaining safe and reliable operations and to fund selective value-accretive projects.</p> <p>PCG continues to apply a disciplined capital allocation framework where projects are approved based on stringent investment criteria.</p> <p>PCG actively monitors projects execution and anticipated returns throughout the project lifecycle. Projects may be paused, rescope or cancelled if its economics deteriorate or risks escalate.</p>	
No.	Question
20.	How is PCHEM venture into specialty chemicals doing with the elevated energy price in European region.
Answer	
<p>In addressing the elevated energy prices in Europe, PCG actively optimises energy usage and diversifies energy mix across its operations. At the same time, we continue to focus on plant reliability improvement, cost optimisation and commercial excellence to sustain our competitiveness.</p> <p>PCG maintains a cautious market outlook in specialty chemicals and is reinforcing disciplined execution to maximise earnings and resilience.</p>	
No.	Question
21.	Why don't PCHEM venture into semiconductor precursor to support national semiconductor upskilling agenda.
Answer	
<p>We acknowledge Malaysia's national agenda in semiconductor industry. At the moment, PCG remains focused on advancing specialty chemicals where we have established capabilities and synergies, and clearer path to sustainable competitive advantage.</p> <p>In relation to semiconductor industry, PCG produces Synmerse™ DC which is a high-performance, biodegradable synthetic cooling fluid, designed specifically for immersion-cooling applications for data centers. We expect demand for advanced and efficient thermal-management solutions like Synmerse™ DC continues to grow with advancement of digitalisation.</p>	

Pre-AGM Questions from Shareholders

No.	Question
22.	To my understanding, Malaysia does not have a strategic oil reserve like some of the Western countries and we are heavily dependent on the storage capacity of the private oil and gas entities, would a GLC like Petronas Chemicals Group Berhad plan to have larger storage capacity in the future to absorb future short fall in the market supply?
Answer	
<p>PCG's operations are predominantly based on gas feedstock whereby the security of supply is anchored on an integrated supply model via supply contracts with PETRONAS which provides a high level of resilience against global supply disruption.</p> <p>Only a small portion of PCG's operation is based on liquid or oil-based feedstock. PCG manages this exposure via close coordination with our upstream partners, feedstock and utilities providers.</p>	
No.	Question
23.	Note 11 on page 64 shows an amount due from the holding company of RM38 million at the Company level, compared to RM2 million at the PCG Group level. As the (ultimate) holding company is not within the PCG Group, such balances would typically not be eliminated on consolidation. Could management clarify the nature of the adjustments or eliminations that resulted in lower Group level figure compared to the Company level figure?
Answer	
<p>The balance primarily relates to intercompany receivables back charging from PETRONAS to the Company and PCG subsidiaries relating to operational expenses on normal course of business.</p> <p>At PCG Group level, these receivables are expected to be offset against payables owed by PCG subsidiaries to PETRONAS. As a result, the number at PCG Group is significantly lower than at the Company level.</p>	
No.	Question
24.	Revenue pressures: Following a year where revenue was impacted by softer average realised prices (particularly in the LNG and broader petrochemical space), what specific "cost compression" measures are being implemented to protect Profit After Tax (PAT) in 2026?
25.	<p>In FY2025, PCG recorded a significant net loss of over RM2.1 billion, largely due to external factors like unfavourable forex and lower product spreads.</p> <p>While I understand these are market-driven, can management clarify what internal 'cost compression' or efficiency measures are being taken in 2026 to ensure we return to profitability even if global demand remains subdued?</p>
Answer to question 24 to 25	
<p>In FY2025, PCG realised RM574 million in value creation and cost optimisation through various initiatives, which include logistics optimisation, review of sales against best netback, contract renegotiation, as well as reduction in controllable costs.</p> <p>We will continue to pursue these initiatives in 2026 focusing on operational, commercial and growth delivery excellence.</p>	

Pre-AGM Questions from Shareholders

No.	Question
26.	Revenue declined 10.4% to RM27.5 billion and the Group shifted from a RM1.3 billion profit to a RM2.1 billion loss, with operating loss widening to RM1.4 billion; which specific operating, pricing or mix factors drove the deterioration, and what measurable turnaround steps will management deliver in the next 12 months?
Answer	
<p>In FY2025, the global chemicals industry continued to face intense headwinds, including persistent overcapacity, subdued demand and heightened geopolitical uncertainties. These factors weighed on prices and compressed margins, particularly in the O&D and Intermediate products.</p> <p>In addition, the following factors also impacted our earnings in FY2025:</p> <ul style="list-style-type: none"> i. Utilities interruption at the Kertih Integrated Petrochemical Complex; ii. Feedstock interruptions linked to the Putra Heights incident; iii. Recognition of assets impairment at Perstorp; and iv. Unrealised foreign exchange losses. <p>PCG will continue to enhance the resilience of its portfolio through plant reliability improvement, cost optimisation and commercial excellence to sustain competitiveness. To mitigate potential disruptions in feedstock and utilities, we are also working closely with our suppliers to ensure reliable supply.</p>	
No.	Question
27.	The financial statements show impairment losses on property, plant and equipment, a large foreign exchange loss and weaker gross profit; how much of the FY2025 earnings decline is structural versus transitory, and what portion is already addressed in the 2026 operating plan?
Answer	
<p>The earnings decline in FY2025 was due to:</p> <ul style="list-style-type: none"> i. The cyclical conditions in the petrochemicals market, particularly compressed margins arising from persistent overcapacity, subdued demand and heightened geopolitical uncertainties; and ii. Exceptional and non-cash items such as assets impairment and unrealised foreign exchange losses. <p>Actions to navigate these challenges have been embedded in our 2026 operating plan, including plant reliability improvement, cost optimisation and commercial excellence to sustain competitiveness.</p>	

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Pre-AGM Questions from Shareholders

No.	Question
28.	<p>On specialty chemicals Perstorp seems to have a lot of technological advanced and innovative products however this doesn't seem to translate to financial numbers as Perstorp suffered a huge asset impairment in 2025</p> <p>a) CFO review mention about funding strategy for Perstorp and debt restructuring for Perstorp US. How much savings in in terms of finance charges has been realised by the debt restructuring</p> <p>b) In terms of the asset impairment is this a result of weak product prices, weaker demand from customers, or stiff competition from other producers especially from China in terms of pricing? Has the current geopolitical situation improved the product prices or it is still subject to tough market competition from other producers</p>
Answer	
<p>a) Following the acquisition, PCG rationalised Perstorp's funding structure to align with the Group's capital and liquidity framework. This includes refinancing Perstorp's existing debt facilities.</p> <p>Although PCG does not disclose specific savings, the above exercise enabled Perstorp to attract more competitive financing terms, mitigated foreign exchange exposure and strengthened its financial position.</p>	
<p>b) The asset impairment in 2025 mainly reflects challenging market environment, driven by weaker demand, margin pressure, and continued pricing competition across the global chemicals market.</p> <p>While recent geopolitical developments have provided some upside opportunities, overall market conditions remain challenging, and recovery continues to vary across end markets.</p>	
No.	Question
29.	<p>Asset Performance: With the Group focusing on "machine efficiency revival" and rejuvenating assets, which specific chemical plants are currently underperforming, and what is the timeline for their operational recovery?</p>
Answer	
<p>Asset rejuvenation projects are periodically implemented to sustain and enhance plant reliability performance, and we have seen evidence for higher utilisation rate.</p> <p>As an example, at PC Aromatics, plant utilisation improved from 71% to above 95% following its rejuvenation activities in Q3 2025, subsequently contributed to Group plant utilisation rate of 88% in 2025.</p>	
No.	Question
30.	<p>Why the share price went up after the Iran war, why the fertiliser price cannot compete with those from the Ukraine or the Middle East?</p>
Answer	
<p>PCG's share price rose on improved investors sentiment towards the Company underpinned by its secure and domestically sourced gas feedstock as well as resilient cost structure.</p> <p>While our urea price is largely tied to the published Middle East and Southeast Asia market indices, Malaysia fertiliser price is also influenced by other fertiliser components such as Phosphate and Potassium both of which are imported into Malaysia.</p>	

Pre-AGM Questions from Shareholders

No.	Question
31.	<p>On joint operation entity, The CFO review mention about lower contribution from joint operation entity and forex revaluation loss of shareholder loan at a joint operation entity.</p> <p>a) Are PCG portion of these losses reflected in the share of losses of equity accounted associates and JV? How much is the amount as there seems to be no breakdown of the RM174 million share of loss?</p> <p>b) In last year AGM, it was mentioned that PPC full ramp up is expected by end of 2025 and this should be able to partially offset the hefty RM680 million annual depreciation and amortisation. Has the plant utilisation rate increased, and is the current geopolitical situation expected to benefit PPC? Is there any feedstock concern since PPC partner is Aramco?</p>
Answer	
a)	In accordance with the accounting standards, PCG considers PPC as a joint operating entity. PCG recognises its 50% share of PPC's assets, liabilities, income, and expenses directly in the Group consolidated financial statements. As such, the losses arising from PPC do not form part of the share of losses of associates and joint ventures.
b)	<p>Weak market conditions in FY2025 did not support the proposed ramp up of PPC. Nonetheless, our plants remained operational, in alignment with market dynamics and economic viability.</p> <p>The management team at Pengerang Integrated Complex is fully committed to secure sufficient feedstock and ensure optimum plant operations.</p>
No.	Question
32.	If higher profit, any 'special bonus dividend'?
33.	<p>The total dividend for FY2025 was 7 sen, which is a drop from previous years.</p> <p>Given that we are currently in a loss-making position and face high capital expenditure for projects like the Pengerang Integrated Complex (PIC), what is the Board's commitment to maintaining a consistent dividend payout for FY2026?</p> <p>Should shareholders expect a 'floor' or minimum dividend level during this recovery phase?</p>
34.	The Company paid RM480 million of dividends during FY2025 and approved a further RM320 million after year end despite the loss for the year; what free cash flow and balance sheet criteria were used to support the dividend decision, and what is the minimum earnings recovery required before future distributions are considered?
Answer to question 32 to 34	
<p>Dividend payment (including special distributions, if any) will be guided by PCG's Dividend Policy of around 50% of Group Profit After Tax and Non-Controlling Interest (PATANCI).</p> <p>The consideration will be based on the Company's earnings, working capital & growth requirements, and other factors to ensure prudent cash management.</p>	

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Pre-AGM Questions from Shareholders

No.	Question
35.	The Sustainability Report says PCG is pursuing the NZCE 2050 roadmap and reports more than 310 kilotonnes of CO ₂ e of emissions reductions in 2025; what are the next three quantified milestones for 2026 to 2030, and how much capex is specifically allocated to decarbonisation and process efficiency?
Answer	
<p>PCG's NZCE 2050 ambition will be delivered through a phased transition pathway, anchored on gross emissions reductions from our operations.</p> <p>Building on more than 310 kilotonnes of CO₂e reduced in 2025, our focus from 2026 to 2030 is on executing identified asset-level decarbonisation initiatives, primarily through energy efficiency, process optimisation, reduction of flaring and venting, and increased use of renewable energy sources.</p>	
No.	Question
36.	The Company disclosed at least RM1.6 billion of related party purchases and service costs, plus RM11.4 billion of related party financial guarantee exposure; what independent approval, benchmarking and conflict-management safeguards govern these exposures, and will the Board consider tighter shareholder approval thresholds for material related-party dealings?
Answer	
<p>The Board Audit Committee (BAC) exercises oversight over all related party transactions (RPTs) across PCG Group in accordance with PCG's established guidelines and procedures.</p> <p>Quarterly reports of all RPTs are provided to the BAC. The BAC concluded that all such transactions were conducted on a commercial basis, aligned with market norms, and on fair and reasonable terms, without detriment to the Group, the Company, or its minority shareholders.</p> <p>The BAC also reviewed the annual declarations of interest submitted by the Directors and key senior management. Based on the review, the BAC concluded that no actual or potential conflicts relating to personal direct or indirect interests in competing businesses were identified during the financial year</p>	

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Pre-AGM Questions from Shareholders

No.	Question
37.	The Board comprises a Non-Independent Non-Executive Chairman, the MD/CEO, three INEDs and two NINEDs, with Non-Independent Directors forming a majority; what formal safeguards ensure independent challenge and decision-making when matters involve PETRONAS-linked counterparties, guarantees or capital allocation?
Answer	
<p>The Board employs the following measures to provide independent judgement and views during Board deliberations:</p> <ol style="list-style-type: none">i. The Senior Independent Non-Executive Director provides guidance to the Chairman and represents Independent Non-Executive Directors, fostering effective communication within the Board when necessary.ii. All Board Committees are chaired by Independent Non-Executive Director.iii. The Board Sustainability and Risk Committee (BSRC) comprises solely Independent Non-Executive Directors, whilst the Nomination and Remuneration Committee (NRC) and the BAC comprise a majority of Independent Non-Executive Directors.iv. The BAC reviews all RPTs, conflict of interest situations prior to Board deliberations, ensuring transparency. Directors with vested interests abstain from participation in discussions and voting on such matters and, in some instance, recuse themselves from the meeting. <p>None of the Company's Independent Non-Executive Directors have exceeded a tenure of more than nine (9) years on the Board, as per the Company's policy, ensuring continual fresh perspectives.</p>	

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