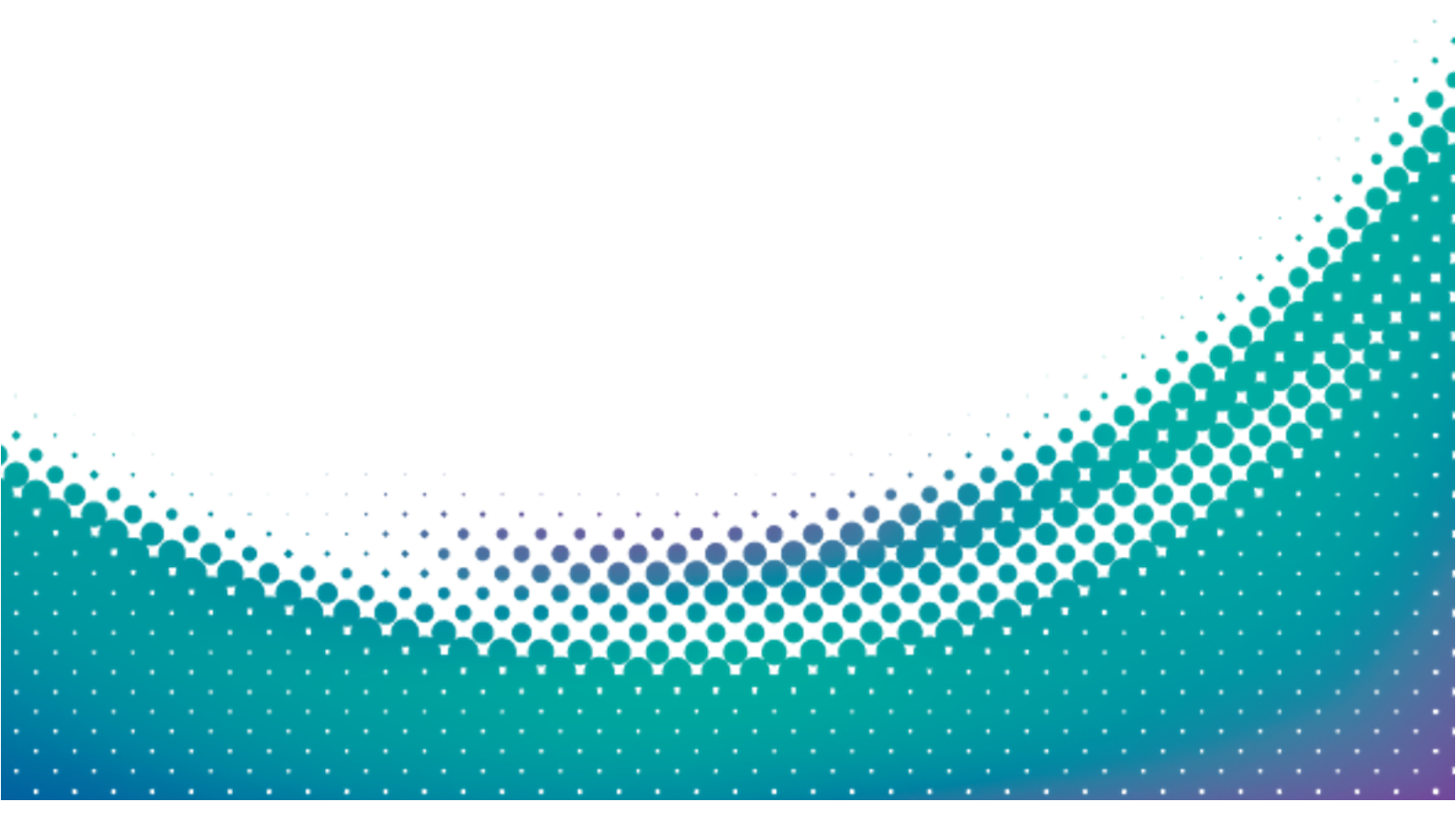




**PETRONAS**

**PETRONAS CHEMICALS GROUP BERHAD**  
**Quarterly Report**

**For First Quarter Ended 31 March 2026**



# QUARTERLY REPORT

## FOR FIRST QUARTER ENDED 31 MARCH 2026

The Board of Directors of PETRONAS Chemicals Group Berhad ("PCG" or the "Company") hereby announce the following unaudited condensed consolidated financial statements for the quarter ended 31 March 2026 which should be read in conjunction with the accompanying explanatory notes on pages 8 to 22.

### UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS

<i>In RM Mil</i>	Note	Individual quarter ended 31 March	
		2026	2025
Revenue	A9.1	7,015	7,656
Cost of revenue		(5,863)	(6,602)
<b>Gross profit</b>		<b>1,152</b>	1,054
Selling and distribution expenses		(500)	(519)
Administration expenses		(311)	(265)
Other expenses		(27)	(192)
Other income		336	125
<b>Operating profit</b>	<b>B4</b>	<b>650</b>	203
Financing costs		(80)	(88)
Share of loss after tax of equity-accounted associates and joint ventures		(5)	(28)
<b>Profit before taxation</b>		<b>565</b>	87
Tax expense	B5	(138)	(69)
<b>PROFIT FOR THE PERIOD</b>		<b>427</b>	18
<b>Profit/(Loss) attributable to:</b>			
Shareholders of the Company		401	(18)
Non-controlling interests		26	36
<b>PROFIT FOR THE PERIOD</b>		<b>427</b>	18
<b>Basic earnings/(loss) per share attributable to shareholders of the Company:</b>			
Based on ordinary shares issued (sen)	B12	5	—

The unaudited condensed consolidated statement of profit or loss should be read in conjunction with the accompanying explanatory notes attached to these condensed consolidated financial statements.

# QUARTERLY REPORT

## FOR FIRST QUARTER ENDED 31 MARCH 2026

### UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF OTHER COMPREHENSIVE INCOME

<i>In RM Mil</i>	<b>Individual quarter ended 31 March</b>	
	<b>2026</b>	<b>2025</b>
<b>PROFIT FOR THE PERIOD</b>	<b>427</b>	18
<b>Other comprehensive (loss)/income</b>		
<i>Items that will not be reclassified subsequently to profit or loss</i>		
Remeasurement of defined benefit liability	<b>(2)</b>	3
<i>Items that may be reclassified subsequently to profit or loss</i>		
Foreign currency translation differences	<b>(481)</b>	975
Share of other comprehensive loss of equity-accounted associates and joint ventures	<b>(3)</b>	(3)
<b>Total other comprehensive (loss)/income for the period</b>	<b>(484)</b>	972
<b>TOTAL COMPREHENSIVE (LOSS)/INCOME FOR THE PERIOD</b>	<b>(59)</b>	993
<b>Total comprehensive (loss)/income attributable to:</b>		
Shareholders of the Company	<b>(85)</b>	957
Non-controlling interests	<b>26</b>	36
<b>TOTAL COMPREHENSIVE (LOSS)/INCOME FOR THE PERIOD</b>	<b>(59)</b>	993

The unaudited condensed consolidated statement of other comprehensive income should be read in conjunction with the accompanying explanatory notes attached to these condensed consolidated financial statements.

# QUARTERLY REPORT

## FOR FIRST QUARTER ENDED 31 MARCH 2026

### UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

<i>In RM Mil</i>	Note	As at 31 March 2026	As at 31 December 2025
<b>ASSETS</b>			
Property, plant and equipment		27,619	28,106
Investments in associates and joint ventures		1,123	1,114
Intangible assets		9,077	9,492
Long-term receivables	A15	941	902
Retirement benefits		20	20
Deferred tax assets		644	704
<b>TOTAL NON-CURRENT ASSETS</b>		<b>39,424</b>	40,338
Trade and other inventories		3,977	3,993
Trade and other receivables	B7	4,410	3,655
Tax recoverable		79	83
Cash and cash equivalents		9,693	9,621
<b>TOTAL CURRENT ASSETS</b>		<b>18,159</b>	17,352
<b>TOTAL ASSETS</b>		<b>57,583</b>	57,690
<b>EQUITY</b>			
Share capital		8,871	8,871
Reserves		26,739	27,144
<b>Total equity attributable to shareholders of the Company</b>		<b>35,610</b>	36,015
Non-controlling interests		1,391	1,365
<b>TOTAL EQUITY</b>		<b>37,001</b>	37,380
<b>LIABILITIES</b>			
Borrowings	B8	1,999	2,004
Lease liabilities		1,653	1,692
Provisions		352	350
Trade payables	A16	828	815
Retirement benefits		166	172
Deferred tax liabilities		2,196	2,253
Other long-term liabilities		944	970
<b>TOTAL NON-CURRENT LIABILITIES</b>		<b>8,138</b>	8,256
Trade and other payables	A16	10,640	10,222
Borrowings	B8	1,394	1,460
Lease liabilities		288	293
Taxation		122	79
<b>TOTAL CURRENT LIABILITIES</b>		<b>12,444</b>	12,054
<b>TOTAL LIABILITIES</b>		<b>20,582</b>	20,310
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>57,583</b>	57,690
Net assets per share attributable to shareholders of the Company (RM)		4.45	4.50

The unaudited condensed consolidated statement of financial position should be read in conjunction with the accompanying explanatory notes attached to these condensed consolidated financial statements.

# QUARTERLY REPORT

## FOR FIRST QUARTER ENDED 31 MARCH 2026

### UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	<i>Attributable to shareholders of the Company</i>			
	<i>Non-distributable</i>			
<i>In RM Mil</i>	<b>Share Capital</b>	<b>Foreign Currency Translation Reserve</b>	<b>Merger Reserve</b>	<b>Other Reserves</b>
<b>Individual quarter ended 31 March 2026</b>				
At 1 January 2026	8,871	1,477	(204)	1,865
Foreign currency translation differences	—	(481)	—	—
Share of other comprehensive loss of equity-accounted associates and joint ventures	—	—	—	(3)
Remeasurement of defined benefit liability	—	—	—	(2)
Total other comprehensive loss the period	—	(481)	—	(5)
Profit for the period	—	—	—	—
<b>Total comprehensive (loss)/ income for the period</b>	—	<b>(481)</b>	—	<b>(5)</b>
Dividends to shareholders of the Company (Note A8)	—	—	—	—
<b>Total transactions with owners of the Group</b>	—	—	—	—
Balance at 31 March 2026	<b>8,871</b>	<b>996</b>	<b>(204)</b>	<b>1,860</b>

*continue to next page*

<b>Individual quarter ended 31 March 2025</b>				
At 1 January 2025	8,871	1,295	(204)	1,525
Foreign currency translation differences	—	975	—	—
Share of other comprehensive loss of equity-accounted associates and joint ventures	—	—	—	(3)
Remeasurement of defined benefit liability	—	—	—	3
Total other comprehensive income for the period	—	975	—	—
(Loss)/Profit for the period	—	—	—	—
<b>Total comprehensive income/(loss) for the period</b>	—	<b>975</b>	—	—
Dividends to shareholders of the Company	—	—	—	—
<b>Total transactions with owners of the Group</b>	—	—	—	—
Balance at 31 March 2025	<b>8,871</b>	<b>2,270</b>	<b>(204)</b>	<b>1,525</b>

*continue to next page*

The unaudited condensed consolidated statement of changes in equity should be read in conjunction with the accompanying explanatory notes attached to these condensed consolidated financial statements.



# QUARTERLY REPORT

## FOR FIRST QUARTER ENDED 31 MARCH 2026

### UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

<i>In RM Mil</i>	<b>Individual quarter ended</b>	
	<b>2026</b>	<b>31 March 2025</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit before taxation	565	87
<i>Adjustments for:</i>		
- Amortisation of deferred income	(22)	(22)
- Amortisation of intangible assets	43	43
- Depreciation of property, plant and equipment	590	568
- Financing costs	80	88
- Gain on disposal of investment in an associate	(15)	
- Gain on disposal of investment in a subsidiary	(48)	—
- Interest income	(74)	(87)
- Share of loss after tax of equity-accounted associates and joint ventures	5	28
- Unrealised loss on foreign exchange	33	148
- Other non-cash items	(103)	(82)
Operating profit before changes in working capital	1,054	771
Change in trade and other inventories	110	29
Change in trade and other receivables	(752)	(102)
Change in trade and other payables	511	56
Cash generated from operations	923	754
Interest income received	74	87
Taxation paid	(58)	(63)
<b>Net cash generated from operating activities</b>	<b>939</b>	<b>778</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Acquisition of a non-controlling interest	(11)	—
Investment in an associate	(19)	(44)
Payment of earn out for a subsidiary	—	(92)
Proceeds from disposal of property, plant and equipment	—	1
Proceeds from disposal of investment in an associate	15	—
Proceeds from disposal of investment in a subsidiary	46	—
Purchase of property, plant and equipment	(440)	(587)
<b>Net cash used in investing activities</b>	<b>(409)</b>	<b>(722)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Dividends paid to:		
- PETRONAS	(206)	(154)
- others (third parties)	(114)	(86)
Drawdown of revolving credit	2,742	1,669
Payment of lease liabilities:		
- principal	(48)	(45)
- interest	(18)	(17)
Repayment of revolving credit	(2,798)	(1,357)
Repayment of term loans:		
- principal	(1)	(1)
- interest	(29)	(37)
<b>Net cash used in financing activities</b>	<b>(472)</b>	<b>(28)</b>

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# QUARTERLY REPORT

## FOR FIRST QUARTER ENDED 31 MARCH 2026

### UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS (continued)

	<b>Individual quarter ended</b>	
	<b>2026</b>	<b>31 March 2025</b>
<i>In RM Mil</i>		
Net cash flows from operating, investing and financing activities	58	28
Effect of foreign currency translation differences	9	(328)
Net increase/(decrease) in cash and cash equivalents	67	(300)
Net foreign exchange differences on cash held	(33)	(17)
Cash and cash equivalents at beginning of the period	9,621	9,926
<b>Cash and cash equivalents at end of the period</b>	<b>9,655</b>	<b>9,609</b>
<b>Cash and cash equivalents</b>		
Cash and bank balances	9,693	9,609
Bank overdrafts (Note B8)	(38)	—
	<b>9,655</b>	<b>9,609</b>

*continued from previous page*

The unaudited condensed consolidated statement of cash flows should be read in conjunction with the accompanying explanatory notes attached to these condensed consolidated financial statements.

# QUARTERLY REPORT

## FOR FIRST QUARTER ENDED 31 MARCH 2026

### PART A – EXPLANATORY NOTES PURSUANT TO MFRS 134

#### A1. BASIS OF PREPARATION

The condensed consolidated financial statements are unaudited and have been prepared in accordance with IAS 34, MFRS 134 *Interim Financial Reporting* and paragraph 9.22 of Bursa Malaysia Securities Berhad's Main Market Listing Requirements. They should also be read in conjunction with the audited financial statements of the Group for the year ended 31 December 2025. The explanatory notes attached to the condensed consolidated financial statements provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group since the year ended 31 December 2025.

Within the context of these unaudited condensed consolidated financial statements, the Group comprises the Company, its subsidiaries and a joint operation, as well as the Group's interest in associates and joint ventures as at and for the quarter ended 31 March 2026.

#### A2. ADOPTION OF REVISED PRONOUNCEMENTS AND SIGNIFICANT ACCOUNTING POLICIES

Except as described below, the same accounting policies and methods of computation are followed in the condensed consolidated financial statements as compared with the audited consolidated financial statements for the year ended 31 December 2025.

During the period, the Group has adopted the following Amendments to MFRSs ("pronouncements") that have been issued by the Malaysian Accounting Standards Board ("MASB").

##### **Effective for annual periods beginning on or after 1 January 2026**

Amendments to MFRS 9 *Financial Instruments* and MFRS 7 *Financial Instruments: Disclosures (Classification and Measurement of Financial Instruments)*

Amendments to MFRS 1 *First-time Adoption of Malaysian Financial Reporting Standards*, MFRS 7 *Financial Instruments: Disclosures*, MFRS 9 *Financial Instruments*, MFRS 10 *Consolidated Financial Statements* and MFRS 107 *Statement of Cash Flows (Annual Improvements to MFRS Accounting Standards - Volume 11)*

The initial application of the above pronouncement did not have any material impact to the consolidated financial statements of the Group.

#### A3. AUDIT REPORT OF PRECEDING ANNUAL FINANCIAL STATEMENTS

The audited financial statements of PCG and its subsidiaries for the year ended 31 December 2025 were not subject to any audit qualification.

# QUARTERLY REPORT

## FOR FIRST QUARTER ENDED 31 MARCH 2026

### PART A – EXPLANATORY NOTES PURSUANT TO MFRS 134 (continued)

#### A4. SEASONALITY OR CYCLICALITY OF OPERATIONS

The prices of petrochemical products and their underlying feedstock are subject to significant fluctuations as they are influenced both by global supply and demand as well as movements in the prices of key commodities such as crude oil and natural gas. Consequently, margins have historically been cyclical and are sensitive to supply and demand imbalances both domestically and internationally. Supply is affected by significant capacity expansions by producers, and if such additions are not matched by corresponding growth in demand, which is generally linked to the level of economic activity, average industry operating margins will face downward pressures. As a result, the petrochemical cycle is characterised by years of tight supply, leading to high capacity utilisation rates and margins, followed by years of oversupply, primarily resulting from significant capacity additions, leading to reduced capacity utilisation rates and margins. Specialties segment generally experience less cyclicality due to the higher customised requirements of the products and more barriers for substitution.

#### A5. EXCEPTIONAL ITEMS

There were no exceptional items during the period under review.

#### A6. MATERIAL CHANGES IN ESTIMATES

There were no material changes in estimates of the amounts reported in the most recent annual financial statements of PCG and its subsidiaries for the year ended 31 December 2025 that may have a material effect in the results of the period under review.

#### A7. DEBT AND EQUITY SECURITIES

There were no material issuances, cancellations, repurchases, resale and repayments of debt and equity securities for the period under review, other than as disclosed in Note B8.

#### A8. DIVIDENDS PAID

During the period under review, the Company paid a second interim single tier dividend of 4 sen per ordinary share, amounting to RM320 million in respect of the financial year ended 31 December 2025 to shareholders on 18 March 2026.

#### A9. OPERATING SEGMENTS

The Group reportable segments comprise Olefins and Derivatives, Fertilisers and Methanol, Specialties and Others. The strategic business units offer different products and services, and are managed separately because they require different technology and marketing strategies.

The following summary describes the operations in each of the Group's reportable segments:

- Olefins and Derivatives – activities include manufacturing and marketing of a wide range of olefin and polymer products, which are used as basic feedstock for other products, to intermediate products including basic and high performance chemicals.
- Fertilisers and Methanol – activities include manufacturing and marketing of methanol and a range of nitrogen, phosphate and compound fertilisers.
- Specialties – activities include manufacturing and marketing of advanced chemicals & solutions, animal nutrition, silicones and lube oil additives & chemicals.
- Others – other non reportable segments comprise operations related to investment holding and port services which provide product distribution infrastructure to the Group.

# QUARTERLY REPORT

## FOR FIRST QUARTER ENDED 31 MARCH 2026

### PART A – EXPLANATORY NOTES PURSUANT TO MFRS 134 (continued)

#### A9. OPERATING SEGMENTS (continued)

##### 9.1 Revenue

<i>In RM Mil</i>	2026		2025		Individual quarter ended 31 March	
	Third-parties	Inter-segment	2026	2025	2026	2025
Olefins and Derivatives	2,944	—	3,513	—	2,944	3,513
Fertilisers and Methanol	2,649	—	2,498	—	2,649	2,498
Specialties	1,405	—	1,632	—	1,405	1,632
Others	17	12	13	11	29	24
<b>Total</b>	<b>7,015</b>	<b>12</b>	<b>7,656</b>	<b>11</b>	<b>7,027</b>	<b>7,667</b>

##### 9.2 Segment (loss)/profit for the period <sup>1</sup>

<i>In RM Mil</i>	Individual quarter ended 31 March	
	2026	2025
Olefins and Derivatives	(401)	(356)
Fertilisers and Methanol	794	627
Specialties	121	(142)
Others <sup>2</sup>	(87)	(111)
<b>Total</b>	<b>427</b>	<b>18</b>

During the period, the Group's investment holding company has provided for depreciation & amortisation of the tangible & intangible assets impact amounting to RM56 million (2025: RM58 million) arising from finalisation of the purchase price allocation for the acquisition of Perstorp in 2022 and has also recorded an unrealised foreign exchange loss on revaluation of shareholders loan to a joint operation entity amounting to RM12 million (2025: RM23 million), in which both have been included in Others.

#### A10. VALUATIONS OF PROPERTY, PLANT AND EQUIPMENT

There were no revaluations of property, plant and equipment for the period under review. As at 31 March 2026, all property, plant and equipment other than freehold land and projects-in-progress were stated at cost less accumulated depreciation and impairment losses. Freehold land and projects-in-progress were stated at cost less accumulated impairment losses, if any.

#### A11. CONTINGENCIES

There were no material contingent liabilities or contingent assets since the last audited consolidated financial statements for the year ended 31 December 2025.

#### A12. CHANGES IN COMPOSITION OF THE GROUP

There were no material changes in the composition of the Group for the period under review.

<sup>1</sup> Included within (loss)/profit for the period for Olefins and Derivatives, Fertilisers and Methanol, Specialties and Others segments are depreciation and amortisation expenses amounting to RM230 million (2025: RM222 million), RM260 million (2025: RM236 million), RM79 million (2025: RM88 million) and RM64 million (2025: RM65 million) respectively.

<sup>2</sup> Includes profit/(loss) from non-reportable segments and unallocated assets.

# QUARTERLY REPORT

## FOR FIRST QUARTER ENDED 31 MARCH 2026

### PART A – EXPLANATORY NOTES PURSUANT TO MFRS 134 (continued)

#### A13. COMMITMENTS

Capital expenditures which have not been provided for at the end of each reporting period are as follows:

<i>In RM Mil</i>	<b>As at 31 March 2026</b>	<b>As at 31 December 2025</b>
Property, plant and equipment:		
Approved and contracted for	702	912
Approved but not contracted for	3,032	1,905
<b>Total</b>	<b>3,734</b>	<b>2,817</b>

#### A14. GOODWILL

Below is the movement of goodwill during the period under review:

<i>In RM Mil</i>	<b>As at 1 January 2026</b>	<b>Foreign currency translation</b>	<b>As at 31 March 2026</b>
Goodwill	3,370	(133)	3,237

#### A15. LONG-TERM RECEIVABLES

<i>In RM Mil</i>	<b>As at 31 March 2026</b>	<b>As at 31 December 2025</b>
Trade receivable	14	14
Other receivables and prepayments	927	888
	<b>941</b>	<b>902</b>

The Group via its subsidiary has entered into an arrangement on trade receivable which resulted in adjustment of timing for payments of the balances. The receivable was fair valued on initial measurement and is subjected to periodic accretion of interest income over the period of the arrangement.

Included in other receivables and prepayments is consideration on a deferred payment arrangement in relation to a partial divestment of a subsidiary in 2023.

# QUARTERLY REPORT

## FOR FIRST QUARTER ENDED 31 MARCH 2026

### PART A – EXPLANATORY NOTES PURSUANT TO MFRS 134 (continued)

#### A16. TRADE AND OTHER PAYABLES

<i>In RM Mil</i>	<b>As at 31 March 2026</b>	<b>As at 31 December 2025</b>
<b>Non-current liabilities</b>		
Trade payables	<b>828</b>	815
<b>Current liabilities</b>		
Trade and other payables	<b>10,640</b>	10,222

The Group and the Company via its joint operation entity has arrangements on trade payables amounting to RM1,496 million (2025: RM1,501 million), which resulted in an adjustment of timing for payments of the balances. The trade payables were fair valued on initial measurement and is subjected to periodic accretion of interest expense over the period of the arrangement.

#### A17. FAIR VALUE INFORMATION

The carrying amounts of cash and cash equivalents, short-term receivables and payables reasonably approximate their fair values due to the relatively short-term nature of these financial instruments.

When measuring the fair value of an asset or a liability, the Group uses observable market data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the input used in the valuation technique as follows:

- Level 1 – Quoted prices (unadjusted) in active markets for identifiable assets or liabilities.
- Level 2 – Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3 – Inputs for the asset or liability that are not based on observable market data (unobservable input).

The Group recognises transfers between levels of fair value hierarchy as of the date of the event or change in circumstances that caused the transfers.

##### *Forward foreign exchange contracts*

The fair value of forward foreign exchange contracts is based on the difference between the contracted forward rates and the mark-to-market rates. If a quoted market price is not available, then fair value is estimated by discounting the difference between the contractual forward price and the current forward price for the residual maturity of the contract.

The following table analyses financial instruments carried at fair value shown in the statement of financial position.

# QUARTERLY REPORT

## FOR FIRST QUARTER ENDED 31 MARCH 2026

### PART A – EXPLANATORY NOTES PURSUANT TO MFRS 134 (continued)

#### A17. FAIR VALUE INFORMATION (continued)

##### As at 31 March 2026

*Fair value of financial instruments carried at fair value*

<i>In RM Mil</i>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>	<u>Nominal value</u>
<b>Financial assets</b>					
Forward foreign exchange contracts - within 1 year	<u>—</u>	<u>17</u>	<u>—</u>	<u>17</u>	<u>263</u>
<b>Financial liabilities</b>					
Forward foreign exchange contracts - within 1 year	<u>—</u>	<u>(4)</u>	<u>—</u>	<u>(4)</u>	<u>575</u>

##### As at 31 December 2025

*Fair value of financial instruments carried at fair value*

<i>In RM Mil</i>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>	<u>Nominal value</u>
<b>Financial assets</b>					
Forward foreign exchange contracts - within 1 year	<u>—</u>	<u>5</u>	<u>—</u>	<u>5</u>	<u>506</u>
<b>Financial liabilities</b>					
Forward foreign exchange contracts - within 1 year	<u>—</u>	<u>(7)</u>	<u>—</u>	<u>(7)</u>	<u>506</u>

# QUARTERLY REPORT

## FOR FIRST QUARTER ENDED 31 MARCH 2026

### PART B – OTHER EXPLANATORY NOTES

#### B1. REVIEW OF GROUP PERFORMANCE

##### (a) Performance of the current quarter against the corresponding quarter

							Individual quarter ended 31 March	
	2026	2025	2026	2025	2026	2025	2026	2025
<i>In RM Mil</i>	Group		Olefins and Derivatives		Fertilisers and Methanol		Specialties	
Revenue	7,015	7,656	2,944	3,513	2,649	2,498	1,405	1,632
Profit/(Loss) after tax	427	18	(401)	(356)	794	627	121	(142)
EBITDA <sup>3</sup>	1,175	892	(91)	(43)	1,088	892	198	52

PCG Group recorded higher plant utilisation rate of 97% as compared to 94% in the corresponding quarter due to better plant performance resulting in higher production and sales volumes.

Revenue declined by RM641 million or 8% at RM7.0 billion mainly due to strengthening of Ringgit Malaysia against US Dollar, and lower revenue contribution from joint operation entity and Specialties segment, partially offset by higher contribution from Fertilisers and Methanol segment.

EBITDA was higher by RM283 million or 32% at RM1.2 billion mainly contributed by higher product spreads, higher contribution from Specialties segment and lower plant operation costs, partially offset by lower contribution from joint operation entity.

The Group recorded higher profit after tax by RM409 million at RM427 million in line with higher EBITDA, favourable foreign exchange movements from Specialties segment and gain on disposal of investments.

#### Olefins and Derivatives

The segment's operational performance recorded comparable plant utilisation rate of 87% against corresponding quarter.

Revenue declined by RM569 million or 16% at RM2.9 billion, primarily attributed to lower revenue contribution from joint operation entity, strengthening of Ringgit Malaysia against US Dollar and lower average product prices, partially offset by higher sales volume.

The segment recorded negative EBITDA of RM91 million mainly due to lower contribution from joint operation entity and lower average product spreads, partially offset by lower plant operation costs.

Loss after tax was higher by RM45 million at RM401 million, mainly contributed by negative EBITDA.

#### Fertilisers and Methanol

The segment recorded higher plant utilisation rate of 103% as compared to 98% in the corresponding quarter mainly due to better plant performance resulting in higher production and sales volumes.

Revenue was higher by RM151 million or 6% at RM2.6 billion, primarily driven by higher sales volume and average product prices, partially offset by strengthening of Ringgit Malaysia against US Dollar.

EBITDA was higher by RM196 million or 22% at RM1.1 billion mainly due to higher average product spreads, partially offset by higher plant operation costs. Profit after tax was higher by RM167 million or 27% at RM794 million in line with higher EBITDA.

<sup>3</sup> EBITDA refers to earnings before interest, taxation, depreciation and amortisation, share of profit after tax of equity accounted associates and joint ventures and other significant non-cash items.

# QUARTERLY REPORT

## FOR FIRST QUARTER ENDED 31 MARCH 2026

### PART B – OTHER EXPLANATORY NOTES (continued)

#### B1. REVIEW OF GROUP PERFORMANCE (continued)

##### (a) Performance of the current quarter against the corresponding quarter (continued)

###### Specialties

The segment's revenue was lower by RM227 million or 14% at RM1.4 billion mainly due to lower sales volume.

EBITDA improved to RM198 million, an increase of RM146 million, mainly attributable to other income arising from the sale of emission rights and lower operating costs.

The segment recorded profit after tax of RM121 million, improved by RM263 million, in line with higher EBITDA, favourable foreign exchange movements and gain on disposal of investment in a subsidiary.

##### (b) Variation of results against the preceding quarter

<i>In RM Mil</i>	Individual quarter ended	
	31 March 2026	31 December 2025
Revenue	7,015	6,600
Profit/(Loss) after tax	427	(730)
EBITDA <sup>4</sup>	1,175	115

PCG Group recorded comparable plant utilisation rate of 97% against preceding quarter.

Revenue improved by RM415 million or 6% at RM7.0 billion mainly due to higher average product prices, higher revenue contribution from Specialties segment and joint operation entity, partially offset by strengthening of Ringgit Malaysia against US Dollar and lower sales volume from Fertilisers and Methanol segment.

EBITDA was higher by RM1.1 billion at RM1.2 billion, mainly due to higher average product spreads, lower plant operation costs and higher contribution from Specialties segment.

The Group recorded profit after tax of RM427 million as compared to loss after tax of RM730 million in the preceding period in line with higher EBITDA, lower unrealised foreign exchange loss on revaluation of shareholders loan to a joint operation entity and gain on disposal of investments.

##### (c) Highlight on consolidated statement of financial position

<i>In RM Mil</i>	As at 31 March 2026	As at 31 December 2025
Total assets	57,583	57,690
Total equity	37,001	37,380
ROE (%)	(4.7)	(5.7)

The Group's total assets were comparable at RM57.6 billion.

<sup>4</sup> EBITDA refers to earnings before interest, taxation, depreciation and amortisation, share of profit after tax of equity accounted associates and joint ventures and other significant non-cash items.

# QUARTERLY REPORT

## FOR FIRST QUARTER ENDED 31 MARCH 2026

### PART B – OTHER EXPLANATORY NOTES (continued)

#### B1. REVIEW OF GROUP PERFORMANCE (continued)

##### (d) Highlight on consolidated statement of cash flows

<i>In RM Mil</i>	Individual quarter ended 31 March	
	2026	2025
Net cash generated from operating activities	939	778
Net cash used in investing activities	(409)	(722)
Net cash used in financing activities	(472)	(28)

Net cash generated from operating activities improved by RM161 million or 21% at RM939 million in line with profit generated during the period.

Net cash used in investing activities for the period declined by RM313 million or 43% at RM409 million primarily due to lower purchase of property, plant and equipment.

Net cash used in financing activities for the period was higher by RM444 million at RM472 million mainly due to higher dividend payment to shareholders.

#### B2. COMMENTARY ON PROSPECTS

The Group expects the operating environment to remain volatile, reflecting ongoing geopolitical tensions, supply chain disruptions, and uneven demand conditions across key markets.

The West Asia conflict has introduced short-term disruption across the global chemicals industry, contributing to temporary price movements and higher logistics costs. The Group is monitoring developments closely and managing its portfolios accordingly.

In the Olefins and Derivatives segment, product prices are expected to soften as affordability constraints dampen demand from downstream manufacturers. The Fertilisers market remains tight, supported by food security priorities and export restrictions in key producing regions, with steady agricultural demand in major markets including India and Australia continuing to underpin consumption. Methanol supply is expected to remain constrained due to scheduled plant turnarounds in Southeast Asia.

The Group remains cautious on the Specialties segment given subdued construction and automotive end markets, while consumer goods demand shows modest growth.

#### B3. PROFIT FORECAST OR PROFIT GUARANTEE

The Group does not publish any profit forecast or profit guarantee.

# QUARTERLY REPORT

## FOR FIRST QUARTER ENDED 31 MARCH 2026

### PART B – OTHER EXPLANATORY NOTES (continued)

#### B4. OPERATING PROFIT

<i>In RM Mil</i>	Individual quarter ended 31 March	
	2026	2025
<b>Included in profit for the period are the following charges:</b>		
Amortisation of intangible assets	43	43
Depreciation of property, plant and equipment	590	568
Net loss on foreign exchange	22	192
<b>and credits:</b>		
Interest income	74	87
Reversal of write-down of inventory to net realisable value	144	95
Amortisation of deferred income	22	22
Gain on disposal of investment in an associate	15	—
Gain on disposal of investment in a subsidiary	48	—

Other disclosure items pursuant to Appendix 9B Note 16 of the Listing Requirements of Bursa Malaysia Securities Berhad are not applicable.

#### *Foreign exchange exposure / hedging policy*

The Group is exposed to varying levels of foreign exchange risk when they enter into transactions that are not denominated in the respective companies' functional currencies and when foreign currency monetary assets & liabilities are retranslated at the reporting date. The main underlying economic currencies of the Group's cash flows are Ringgit Malaysia and US Dollar.

The Group's foreign exchange management policies aim to minimise transactional exposure arising from currency movements. The Group mainly relies on the natural hedge arising from most of its revenue and expenses being denominated in US Dollar. In addition, the Group, where applicable, hedge using derivative instruments in respect of current and forecasted transactions.

# QUARTERLY REPORT

## FOR FIRST QUARTER ENDED 31 MARCH 2026

### PART B – OTHER EXPLANATORY NOTES (continued)

#### B5. TAX EXPENSE

<i>In RM Mil</i>	Individual quarter ended 31 March	
	2026	2025
<b>Current tax expenses</b>		
Current period tax	93	67
	<b>93</b>	<b>67</b>
<b>Deferred tax expenses</b>		
Origination and reversal of temporary differences	45	2
	<b>45</b>	<b>2</b>
	<b>138</b>	<b>69</b>

The Group's effective tax rates for the quarter ended 31 March 2026 and 2025 are 24% and 79% respectively which, are reflective of the various tax legislation within which the Group operates including among others Malaysia Income Tax Act 1967 and Global Incentive for Trading (GIFT) under Labuan Financial Services and Securities Act 2010.

The effective tax rate for the current quarter is comparable to the Malaysian income tax rate of 24%. Corresponding quarter's higher effective tax rate against the Malaysian income tax rate of 24% is due to non-deductible expenses in relation to unrealised foreign exchange losses.

#### B6. STATUS OF CORPORATE PROPOSALS

There were no new corporate proposals during the period under review since the last audited consolidated financial statements for the year ended 31 December 2025.

# QUARTERLY REPORT

## FOR FIRST QUARTER ENDED 31 MARCH 2026

### PART B – OTHER EXPLANATORY NOTES (continued)

#### B7. TRADE AND OTHER RECEIVABLES

##### (a) Details of Group trade and other receivables

<i>In RM Mil</i>	<b>As at 31 March 2026</b>	<b>As at 31 December 2025</b>
Trade receivables:		
– Third party	3,300	2,549
– Associates and joint ventures	84	88
– Related companies	124	94
Other receivables	902	924
<b>Total</b>	<b>4,410</b>	<b>3,655</b>

Average credit term for trade receivables granted to related parties and non-related parties is 44 days.

##### (b) Ageing analysis of trade receivables

<i>In RM Mil</i>	<b>As at 31 March 2026</b>	<b>As at 31 December 2025</b>
Current	3,343	2,624
Past due 1 to 30 days	147	114
Past due 31 to 60 days	19	6
Past due more than 60 days	13	1
<b>Total</b>	<b>3,522</b>	<b>2,745</b>

With respect to the Group's trade receivables, there are no indications as of the reporting date that the debtors will not meet their payment obligations.

# QUARTERLY REPORT

## FOR FIRST QUARTER ENDED 31 MARCH 2026

### PART B – OTHER EXPLANATORY NOTES (continued)

#### B8. BORROWINGS

	Denominated currency	In denominated currency		In presentation currency	
		As at 31 March 2026 Mil	As at 31 December 2025 Mil	As at 31 March 2026 RM Mil	As at 31 December 2025 RM Mil
<b>Non-current</b>					
Term loans - secured	USD	290	290	1,172	1,174
Term loan - unsecured	USD	170	169	688	686
Term loans - unsecured	EUR	30	30	139	144
				<b>1,999</b>	<b>2,004</b>
<b>Current</b>					
Term loans - secured	USD	25	25	101	101
Term loans - unsecured	CNY	15	15	9	9
Term loans - unsecured	EUR	1	1	4	4
Revolving credit - unsecured	SEK	2,561	2,690	1,082	1,185
Revolving credit - unsecured	USD	38	38	152	153
Revolving credit - unsecured	EUR	2	2	8	8
Bank overdraft - unsecured	SEK	90	—	38	—
				<b>1,394</b>	<b>1,460</b>

The USD secured term loans relate to 50% share of project financing facility of a joint operation entity. The loans bear interest margin above 6-month Compounded Reference Rate ranging from 0.80% to 1.74% per annum and is repayable on various dates between 2021 and 2034.

The term loans are secured in the following manner:

- i. Completion guarantee from the ultimate holding company, which is a fully recourse guarantee to the Company, where the ultimate holding company guarantee on several and not joint basis which will be uplifted and terminated upon meeting all project completion requirements;
- ii. Cross-guarantee arrangement under an integrated borrowing structure due to the nature of the project with a related party; and
- iii. Charge over ordinary shares and the land lease rights of the said joint operation entity.

The Guaranteed Project Completion Date ("PCD") has been extended from 31 December 2023 to 31 December 2025 and subsequently further extended to 31 December 2027.

The USD unsecured term loan is pursuant to the co-borrowing agreement between the joint operation entity and a related party under an integrated borrowing structure. The loan which bears nil interest was fair valued as a Level 3 fair value on initial recognition with an effective interest rate ranging from 2.33% to 4.18% per annum and is repayable between 2027 to 2029.

There are two EUR unsecured term loans which bear interest margin above Euro Interbank Offer Rate ("EURIBOR") of 1.15% per annum and interest margin above EURIBOR of 0.85% per annum respectively. These loans are repayable on various dates between 2027 and 2030 respectively.

There are two CNY unsecured term loans which bear interest rates of 2.60% and 3.00% per annum respectively.

# QUARTERLY REPORT

## FOR FIRST QUARTER ENDED 31 MARCH 2026

### PART B – OTHER EXPLANATORY NOTES (continued)

#### B8. BORROWINGS (continued)

The SEK unsecured revolving credits bear interests ranging from 2.68% to 3.04% per annum.

The USD unsecured revolving credits bear interests ranging from 4.49% to 4.72% per annum.

The EUR unsecured revolving credit bears interest rate of 2.90% per annum.

The SEK unsecured bank overdraft bears interest rate of 1.50% above Stockholm Interbank Offered Rate ("STIBOR").

#### B9. DERIVATIVE FINANCIAL INSTRUMENTS

There were no changes to the Group's derivative financial instruments since the last audited consolidated financial statements for the year ended 31 December 2025, other than as disclosed in Note A17.

#### B10. FAIR VALUE CHANGES OF FINANCIAL LIABILITIES

The Group does not have any financial liabilities that are measured at fair value (other than derivative financial instruments) for the period under review.

#### B11. MATERIAL LITIGATION

There was no pending material litigation since the last audited consolidated financial statements for the year ended 31 December 2025.

#### B12. BASIC EARNINGS/(LOSS) PER SHARE

Basic earnings/(loss) per share is derived based on the profit attributable to shareholders of the Company and number of ordinary shares of the Company.

<i>In RM Mil</i>	<b>Individual quarter ended</b>	
	<b>2026</b>	<b>31 March 2025</b>
Profit/(Loss) for the period attributable to shareholders of the Company	<b>401</b>	(18)
<i>In millions of shares</i>		
Number of ordinary shares issued	<b>8,000</b>	8,000
<i>In sen</i>		
Basic earnings/(loss) per share	<b>5</b>	—

As at the date of the statement of financial position, the Company does not have any instruments which may have a dilutive impact on the basic earnings per share.

# QUARTERLY REPORT

## FOR FIRST QUARTER ENDED 31 MARCH 2026

### PART B – OTHER EXPLANATORY NOTES (continued)

#### B13. EXCHANGE RATES

	31 March 2026	Individual quarter ended	
		31 December 2025	31 March 2025
USD/MYR			
Average rate	3.9641	4.1547	4.4501
Closing rate	4.0390	4.0530	4.4325
EUR/MYR			
Average rate	4.6421	4.8347	4.6799
Closing rate	4.6348	4.7615	4.7849
SEK/MYR			
Average rate	0.4342	0.4415	0.4168
Closing rate	0.4228	0.4406	0.4433

#### By order of the Board

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*Company Secretaries*

Kuala Lumpur  
21 May 2026