



PETRONAS

PETRONAS CHEMICALS GROUP BERHAD
Quarterly Report

For Third Quarter Ended 30 September 2025



QUARTERLY REPORT

FOR THIRD QUARTER ENDED 30 SEPTEMBER 2025

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 30 September 2025 which should be read in conjunction with the accompanying explanatory notes on pages 8 to 24.

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS

<i>In RM Mil</i>	Note	Individual quarter ended 30 September		Cumulative quarter ended 30 September	
		2025	2024	2025	2024
Revenue	A9.1	6,787	7,986	20,880	23,213
Cost of revenue		(6,107)	(6,705)	(18,466)	(19,088)
Gross profit		680	1,281	2,414	4,125
Selling and distribution expenses		(524)	(542)	(1,537)	(1,572)
Administration expenses		(389)	(340)	(1,002)	(1,106)
Other expenses		(88)	(1,102)	(1,303)	(947)
Other income		175	137	552	817
Operating (loss)/profit	B4	(146)	(566)	(876)	1,317
Financing costs		(81)	(92)	(257)	(165)
Share of (loss)/profit after tax of equity-accounted associates and joint ventures		(69)	1	(124)	(64)
(Loss)/Profit before taxation		(296)	(657)	(1,257)	1,088
Tax expense	B5	5	(105)	(63)	(338)
(LOSS)/PROFIT FOR THE PERIOD		(291)	(762)	(1,320)	750
(Loss)/Profit attributable to:					
Shareholders of the Company		(289)	(789)	(1,388)	656
Non-controlling interests		(2)	27	68	94
(LOSS)/PROFIT FOR THE PERIOD		(291)	(762)	(1,320)	750
Basic (loss)/earnings per share attributable to shareholders of the Company:					
Based on ordinary shares issued (sen)	B12	(4)	(10)	(17)	8

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.

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FOR THIRD QUARTER ENDED 30 SEPTEMBER 2025

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF OTHER COMPREHENSIVE INCOME

<i>In RM Mil</i>	Individual quarter ended 30 September		Cumulative quarter ended 30 September	
	2025	2024	2025	2024
(LOSS)/PROFIT FOR THE PERIOD	(291)	(762)	(1,320)	750
Other comprehensive (loss)/income				
<i>Items that will not be reclassified subsequently to profit or loss</i>				
Remeasurement of defined benefit liability	—	(2)	2	(3)
<i>Items that may be reclassified subsequently to profit or loss</i>				
Foreign currency translation differences	(13)	(2,188)	666	(2,481)
Share of other comprehensive loss of equity-accounted associates and joint ventures	(1)	(189)	(73)	(150)
Total other comprehensive (loss)/income for the period	(14)	(2,379)	595	(2,634)
TOTAL COMPREHENSIVE LOSS FOR THE PERIOD	(305)	(3,141)	(725)	(1,884)
Total comprehensive (loss)/income attributable to:				
Shareholders of the Company	(304)	(3,168)	(793)	(1,978)
Non-controlling interests	(1)	27	68	94
TOTAL COMPREHENSIVE LOSS FOR THE PERIOD	(305)	(3,141)	(725)	(1,884)

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.

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FOR THIRD QUARTER ENDED 30 SEPTEMBER 2025

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

<i>In RM Mil</i>	Note	As at 30 September 2025	As at 31 December 2024
ASSETS			
Property, plant and equipment		28,079	29,338
Investments in associates and joint ventures		1,197	1,339
Intangible assets		9,694	8,898
Long-term receivables	A15	976	951
Retirement benefits		110	103
Deferred tax assets		724	632
TOTAL NON-CURRENT ASSETS		40,780	41,261
Trade and other inventories		4,265	4,086
Trade and other receivables	B7	4,166	4,705
Tax recoverable		66	37
Cash and cash equivalents		9,689	9,931
TOTAL CURRENT ASSETS		18,186	18,759
TOTAL ASSETS		58,966	60,020
EQUITY			
Share capital		8,871	8,871
Reserves		28,413	29,686
Total equity attributable to shareholders of the Company		37,284	38,557
Non-controlling interests		1,391	1,422
TOTAL EQUITY		38,675	39,979
LIABILITIES			
Borrowings	B8	2,119	2,419
Lease liabilities		1,656	1,874
Provisions		318	303
Trade payables	A16	928	745
Retirement benefits		279	255
Other long-term liabilities		985	1,056
Deferred tax liabilities		2,264	2,198
TOTAL NON-CURRENT LIABILITIES		8,549	8,850
Borrowings	B8	1,503	795
Lease liabilities		252	224
Trade and other payables	A16	9,910	10,054
Taxation		77	118
TOTAL CURRENT LIABILITIES		11,742	11,191
TOTAL LIABILITIES		20,291	20,041
TOTAL EQUITY AND LIABILITIES		58,966	60,020
Net assets per share attributable to shareholders of the Company (RM)		4.66	4.82

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 THIRD QUARTER ENDED 30 SEPTEMBER 2025

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Attributable to shareholders of the Company			
	Non-distributable			
<i>In RM Mil</i>	Share Capital	Foreign Currency Translation Reserve	Merger Reserve	Other Reserves
Cumulative quarter ended 30 September 2025				
At 1 January 2025	8,871	1,295	(204)	1,525
Foreign currency translation differences	—	666	—	—
Share of other comprehensive loss of equity-accounted associates and joint ventures	—	—	—	(73)
Remeasurement of defined benefit liability	—	—	—	2
Total other comprehensive income/(loss) for the period	—	666	—	(71)
(Loss)/Profit for the period	—	—	—	—
Total comprehensive income/(loss) for the period	—	666	—	(71)
Transfer from retained profits upon redemption of redeemable preference shares of a subsidiary	—	—	—	298
Dividends to shareholders of the Company (note A8)	—	—	—	—
Total transactions with owners of the Group	—	—	—	298
Balance at 30 September 2025	8,871	1,961	(204)	1,752
				<i>continue to next page</i>
Cumulative quarter ended 30 September 2024				
At 1 January 2024	8,871	3,195	(204)	1,517
Foreign currency translation differences	—	(2,481)	—	—
Share of other comprehensive loss of equity-accounted associates and joint ventures	—	—	—	(150)
Remeasurement of defined benefit liability	—	—	—	(3)
Total other comprehensive loss for the period	—	(2,481)	—	(153)
Profit for the period	—	—	—	—
Total comprehensive (loss)/income for the period	—	(2,481)	—	(153)
Redemption of redeemable preference shares of a subsidiary	—	—	—	—
Dividends to shareholders of the Company	—	—	—	—
Dividends to non-controlling interests	—	—	—	—
Acquisition of a non-controlling interest	—	—	—	—
Total transactions with owners of the Group	—	—	—	—
Balance at 30 September 2024	8,871	714	(204)	1,364
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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 THIRD QUARTER ENDED 30 SEPTEMBER 2025

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

<i>In RM Mil</i>	Cumulative quarter ended	
	2025	30 September 2024
CASH FLOWS FROM OPERATING ACTIVITIES		
(Loss)/Profit before taxation	(1,257)	1,088
<i>Adjustments for:</i>		
- Amortisation of deferred income	(66)	(66)
- Depreciation and amortisation	1,846	1,680
- Financing costs	257	165
- Finance expense/(income)	98	(372)
- Interest income	(260)	(279)
- Share of loss after tax of equity-accounted associates and joint ventures	124	64
- Impairment losses on property, plant and equipment	433	—
- Unrealised loss on foreign exchange	616	874
- Other non-cash items	53	49
Operating profit before changes in working capital	1,844	3,203
Change in trade and other inventories	(205)	(247)
Change in trade and other receivables	544	(836)
Change in trade and other payables	(31)	995
Cash generated from operations	2,152	3,115
Interest income received	260	279
Taxation paid	(281)	(295)
Net cash generated from operating activities	2,131	3,099
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisition of a non-controlling interest	—	(67)
Investment in an associate	(88)	—
Dividend received from joint ventures	31	16
Payment of earn out for a subsidiary	(95)	(96)
Proceeds from disposal of property, plant and equipment	1	—
Proceeds from partial disposal of investment in a joint venture	—	4
Purchase of property, plant and equipment	(1,415)	(1,679)
Redemption of preference shares in a joint venture	—	2
Redemption of preference shares to a non-controlling interest	(99)	(55)
Net cash used in investing activities	(1,665)	(1,875)
CASH FLOWS FROM FINANCING ACTIVITIES		
Dividends paid to:		
- PETRONAS	(309)	(772)
- others (third parties)	(171)	(428)
- non-controlling interests	—	(32)
Drawdown of:		
- term loan	151	13
- revolving credit	5,220	3,320
Payment of lease liabilities:		
- principal	(137)	(105)
- interest	(102)	(72)
Repayment of revolving credit	(4,708)	(2,846)
Repayment of term loans:		
- principal	(224)	(83)
- interest	(107)	(114)
Net cash used in financing activities	(387)	(1,119)

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QUARTERLY REPORT

FOR THIRD QUARTER ENDED 30 SEPTEMBER 2025

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS (continued)

<i>In RM Mil</i>	Cumulative quarter ended 30 September	
	2025	2024
Net cash flows from operating, investing and financing activities	79	105
Effect of foreign currency translation differences	(31)	(170)
Net increase/(decrease) in cash and cash equivalents	48	(65)
Net foreign exchange differences on cash held	(285)	(463)
Cash and cash equivalents at beginning of the period	9,926	9,268
Cash and cash equivalents at end of the period	9,689	8,740

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QUARTERLY REPORT

FOR THIRD QUARTER ENDED 30 SEPTEMBER 2025

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 2024. 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 2024.

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 30 September 2025.

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 2024.

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

Effective for annual periods beginning on or after 1 January 2025

Amendments to MFRS 121 *The Effects of Changes in Foreign Exchange Rates (Lack of Exchangeability)*

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 2024 were not subject to any audit qualification.

QUARTERLY REPORT

FOR THIRD QUARTER ENDED 30 SEPTEMBER 2025

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 cyclical 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 2024 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:

- i) A second interim single tier dividend of 3 sen per ordinary share, amounting to RM240 million in respect of the financial year ended 31 December 2024 to shareholders on 20 March 2025; and
- ii) A first interim single tier dividend of 3 sen per ordinary share, amounting to RM240 million in respect of the financial year ending 31 December 2025 to shareholders on 10 September 2025.

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.

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FOR THIRD QUARTER ENDED 30 SEPTEMBER 2025

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

A9. OPERATING SEGMENTS (continued)

9.1 Revenue

<i>In RM Mil</i>	2025		2024		Cumulative quarter ended 30 September	
	Third-parties	Inter-segment	2025	2024	2025	2024
Olefins and Derivatives	9,364	—	11,743	—	9,364	11,743
Fertilisers and Methanol	6,979	—	6,250	—	6,979	6,250
Specialties	4,492	—	5,171	—	4,492	5,171
Others	45	33	49	42	78	91
Total	20,880	33	23,213	42	20,913	23,255

9.2 Segment (loss)/profit for the period ¹

<i>In RM Mil</i>	Cumulative quarter ended 30 September	
	2025	2024
Olefins and Derivatives	(1,497)	203
Fertilisers and Methanol	1,289	1,271
Specialties	(531)	69
Others ²	(581)	(793)
Total	(1,320)	750

During the period, the Group's investment holding company has provided for depreciation & amortisation of the tangible & intangible assets impact amounting to RM178 million (2024: RM184 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 RM207 million (2024: RM398 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 30 September 2025, 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 2024.

A12. CHANGES IN COMPOSITION OF THE GROUP

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

¹ Included within profit for the period for Olefins and Derivatives, Fertilisers and Methanol, Specialties and Others segments are depreciation and amortisation expenses amounting to RM657 million (2024: RM494 million), RM725 million (2024: RM739 million), RM266 million (2024: RM242 million) and RM198 million (2024: RM205 million) respectively.

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

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FOR THIRD QUARTER ENDED 30 SEPTEMBER 2025

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

A13. CAPITAL COMMITMENTS

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

<i>In RM Mil</i>	As at 30 September 2025	As at 31 December 2024
Property, plant and equipment:		
Approved and contracted for	794	1,058
Approved but not contracted for	1,562	2,594
	<u>2,356</u>	<u>3,652</u>
Lease contracts yet to commence:		
Plant and equipment	—	4
Total	<u>2,356</u>	<u>3,656</u>

A14. GOODWILL

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

<i>In RM Mil</i>	As at 1 January 2025	Foreign currency translation	As at 30 September 2025
Goodwill	3,106	319	3,425

A15. LONG-TERM RECEIVABLES

<i>In RM Mil</i>	As at 30 September 2025	As at 31 December 2024
Trade receivable	15	16
Other receivables and prepayments	961	935
	<u>976</u>	<u>951</u>

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.

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FOR THIRD QUARTER ENDED 30 SEPTEMBER 2025

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

A16. TRADE AND OTHER PAYABLES

<i>In RM Mil</i>	As at 30 September 2025	As at 31 December 2024
Non-current liabilities		
Trade payables	<u>928</u>	<u>745</u>
Current liabilities		
Trade and other payables	<u>9,910</u>	<u>10,054</u>

The Group and the Company via its joint operation entity has arrangements on trade payables amounting to RM1,561 million (2024: RM1,651 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.

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

A17. FAIR VALUE INFORMATION (continued)

As at 30 September 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>
Financial assets					
Forward foreign exchange contracts - within 1 year	—	4	—	4	318
Financial liabilities					
Forward foreign exchange contracts - within 1 year	—	(1)	—	(1)	171

As at 31 December 2024

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>
Financial assets					
Forward foreign exchange contracts - within 1 year	—	4	—	4	118
Financial liabilities					
Forward foreign exchange contracts - within 1 year	—	(6)	—	(6)	548

QUARTERLY REPORT

FOR THIRD QUARTER ENDED 30 SEPTEMBER 2025

PART B – OTHER EXPLANATORY NOTES

B1. REVIEW OF GROUP PERFORMANCE

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

							Individual quarter ended 30 September	
	2025	2024	2025	2024	2025	2024	2025	2024
<i>In RM Mil</i>	Group		Olefins and Derivatives		Fertilisers and Methanol		Specialties	
Revenue	6,787	7,986	3,206	4,230	2,219	2,130	1,345	1,610
(Loss)/Profit after tax	(291)	(762)	(471)	(493)	355	350	(87)	(61)
EBITDA ³	497	554	(110)	(137)	577	606	49	79

PCG Group recorded slightly lower plant utilisation rate of 90% as compared to 92% in the corresponding quarter due to higher statutory turnaround and plant maintenance activities during the quarter resulting in lower production volume.

Revenue declined by RM1.2 billion or 15% at RM6.8 billion mainly due to lower sales volume and product prices as well as strengthening of Ringgit Malaysia against US Dollar.

EBITDA reduced by RM57 million or 10% at RM497 million mainly contributed by weaker product spreads, partially offset by lower unrealised foreign exchange loss on revaluation of payables at a joint operation entity.

Loss after tax improved by RM471 million or 62% at RM291 million due to lower unrealised foreign exchange loss on revaluation of shareholders loan to a joint operation entity.

Olefins and Derivatives

The segment's operational performance recorded lower plant utilisation rate of 90% as compared to 95% in the corresponding quarter mainly due to higher plant maintenance activities during the quarter resulting in lower production.

Revenue declined by RM1.0 billion or 24% at RM3.2 billion, primarily attributed to lower sales volume and product prices as well as strengthening of Ringgit Malaysia against US Dollar.

The segment recorded lower negative EBITDA by RM27 million or 20% at RM110 million mainly due to reduced unrealised foreign exchange loss on revaluation of payables at a joint operation entity, partially offset by weaker product spreads.

Loss after tax improved by RM22 million or 5% at RM471 million, mainly contributed by lower negative EBITDA.

³ 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 THIRD QUARTER ENDED 30 SEPTEMBER 2025

PART B – OTHER EXPLANATORY NOTES (continued)

B1. REVIEW OF GROUP PERFORMANCE (continued)

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

Fertilisers and Methanol

The segment recorded lower plant utilisation rate of 89% as compared to 90% in the corresponding quarter mainly due to higher statutory turnaround activities during the current quarter.

Revenue was higher by RM89 million or 4% at RM2.2 billion, primarily driven by higher product prices.

EBITDA, however, was lower by RM29 million or 5% at RM577 million mainly due to weaker product spreads. Profit after tax was comparable at RM355 million.

Specialties

The segment's revenue declined by RM265 million or 17% at RM1.3 billion primarily driven by lower sales volume and product prices.

EBITDA reduced by RM30 million or 38% at RM49 million mainly due to weaker contribution margins. Loss after tax of RM87 million in line with lower EBITDA.

(b) Performance of the current year against the corresponding period

	2025		2024		2025		2024		Cumulative quarter ended 30 September	
	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024
<i>In RM Mil</i>										
		Group	Olefins and Derivatives		Fertilisers and Methanol		Specialties			
Revenue	20,880	23,213	9,364	11,743	6,979	6,250	4,492	5,171		
(Loss)/Profit after tax	(1,320)	750	(1,497)	203	1,289	1,271	(531)	69		
EBITDA ⁴	1,784	2,824	(404)	591	2,025	2,045	254	317		

PCG Group recorded lower plant utilisation rate of 86% as compared to 89% in the corresponding period mainly due to utilities supply disruption in Kertih, feedstock supply disruption at PC Fertiliser Kedah as well as higher statutory turnaround and plant maintenance activities during the current period, resulting in lower production volume.

Revenue declined by RM2.3 billion or 10% at RM20.9 billion due to lower product prices and strengthening of Ringgit Malaysia against US Dollar.

EBITDA reduced by RM1.0 billion or 37% at RM1.8 billion mainly due to weaker product spreads, partially offset by lower unrealised foreign exchange loss on revaluation of payables at a joint operation entity.

The Group recorded loss after tax of RM1.3 billion as compared to profit after tax of RM750 million in the corresponding period. This was mainly attributed by lower EBITDA, remeasurement loss arising from adjustment of timing for payment of trade payables at a joint operation entity and impairment of assets at Perstorp.

⁴ 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.

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FOR THIRD QUARTER ENDED 30 SEPTEMBER 2025

PART B – OTHER EXPLANATORY NOTES (continued)

B1. REVIEW OF GROUP PERFORMANCE (continued)

(b) Performance of the current year against the corresponding period (continued)

Olefins and Derivatives

The segment recorded lower plant utilisation rate of 87% as compared to 92% in the corresponding period mainly due to utilities supply disruption in Kertih as well as higher plant repair and maintenance activities during the period, resulting in lower production volumes.

Revenue declined by RM2.4 billion or 20% at RM9.4 billion primarily driven by lower product prices and sales volume as well as strengthening of Ringgit Malaysia against US Dollar.

EBITDA reduced by RM1.0 billion mainly contributed by weaker product spreads, partially offset by lower unrealised foreign exchange loss on revaluation of payables at a joint operation entity.

The segment recorded loss after tax of RM1.5 billion as compared to profit after tax of RM203 million in the corresponding period. This was mainly due to lower EBITDA and remeasurement loss arising from adjustment of timing for payment of trade payables at a joint operation entity.

Fertilisers and Methanol

The segment's operational performance recorded lower plant utilisation rate of 86% as compared to 88% in corresponding period mainly due to feedstock supply disruption at PC Fertiliser Kedah in current period as well as higher statutory turnaround and plant maintenance activities during the current period.

The segment recorded higher revenue by RM729 million or 12% at RM7.0 billion mainly due to higher product prices and sales volume, partially offset by strengthening of Ringgit Malaysia against US Dollar.

EBITDA and profit after tax were comparable at RM2.0 billion and RM1.3 billion respectively.

Specialties

The segment's revenue declined by RM679 million or 13% at RM4.5 billion mainly due to lower sales volume.

EBITDA was lower by RM63 million or 20% at RM254 million driven by weaker contribution margins. The segment recorded loss after tax of RM531 million as compared to profit after tax in the corresponding period of RM69 million in line with lower EBITDA, impairment of assets at Perstorp and unfavourable net foreign exchange impact.

QUARTERLY REPORT

FOR THIRD QUARTER ENDED 30 SEPTEMBER 2025

PART B – OTHER EXPLANATORY NOTES (continued)

B1. REVIEW OF GROUP PERFORMANCE (continued)

(c) Variation of results against the preceding quarter

<i>In RM Mil</i>	Individual quarter ended	
	30 September 2025	30 June 2025
Revenue	6,787	6,437
Loss after tax	(291)	(1,047)
EBITDA ⁵	497	395

PCG Group recorded higher plant utilisation rate of 90% as compared to 77% in preceding quarter resulting in higher production volume.

Revenue increased by RM350 million or 5% at RM6.8 billion mainly due to higher sales volume and contribution from a joint operation entity.

EBITDA was higher by RM102 million or 26% at RM497 million mainly due to better product spreads and lower unrealised foreign exchange loss on revaluation of payables at a joint operation entity.

Loss after tax improved by RM756 million or 72% at RM291 million in line with higher EBITDA, lower unrealised foreign exchange loss and impairment of assets at Perstorp recorded in the preceding quarter.

(d) Highlight on consolidated statement of financial position

<i>In RM Mil</i>	As at 30 September 2025	As at 31 December 2024
Total assets	58,966	60,020
Total equity	38,675	39,979
ROE (%)	(2.2)	2.9

The Group's total assets were lower by RM1.1 billion or 2% at RM59 billion mainly due to lower property, plant and equipment following the strengthening of Ringgit Malaysia against US Dollar and impairment of assets.

⁵ 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 THIRD QUARTER ENDED 30 SEPTEMBER 2025

PART B – OTHER EXPLANATORY NOTES (continued)

B1. REVIEW OF GROUP PERFORMANCE (continued)

(e) Highlight on consolidated statement of cash flows

<i>In RM Mil</i>	Cumulative quarter ended 30 September	
	2025	2024
Net cash generated from operating activities	2,131	3,099
Net cash used in investing activities	(1,665)	(1,875)
Net cash used in financing activities	(387)	(1,119)

Net cash generated from operating activities reduced by RM968 million or 31% at RM2.1 billion in line with lower profit before tax and movement in working capital.

Net cash used in investing activities for the period declined by RM210 million or 11% at RM1.7 billion as compared to corresponding period primarily due to lower purchase of property, plant and equipment.

Net cash used in financing activities for the period was lower by RM732 million or 65% at RM387 million as compared to corresponding period mainly due to lower dividend payment to shareholders.

B2. COMMENTARY ON PROSPECTS

The Group anticipates that overall market sentiment for olefins and derivatives will remain bearish amidst oversupply, weak demand, and unfavourable margins in downstream segments. Fertiliser prices are anticipated to remain firm due to China's export restrictions and the upcoming India's planting season, while methanol prices will be supported by tight supply arising from energy prioritisation during the winter period. The Group remains cautious in the Specialties segment as end markets such as construction and automotive are facing headwinds due to soft demand.

B3. PROFIT FORECAST OR PROFIT GUARANTEE

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

QUARTERLY REPORT

FOR THIRD QUARTER ENDED 30 SEPTEMBER 2025

PART B – OTHER EXPLANATORY NOTES (continued)

B4. OPERATING (LOSS)/PROFIT

<i>In RM Mil</i>	Individual quarter ended 30 September		Cumulative quarter ended 30 September	
	2025	2024	2025	2024
Included in (loss)/profit for the period are the following charges:				
Depreciation and amortisation	627	619	1,846	1,680
Finance expense	—	14	127	—
Impairment losses on property, plant and equipment	2	—	433	—
Inventories:				
- write-down to net realisable value	—	122	—	136
- written off	—	—	22	—
Net loss on foreign exchange	74	1,114	712	908
Write off of investment in a joint venture	—	—	—	24
and credits:				
Interest income	86	95	260	279
Finance income	1	—	—	339
Reversal of write-down of inventory to net realisable value	80	—	76	—
Amortisation of deferred income	22	22	66	66

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 THIRD QUARTER ENDED 30 SEPTEMBER 2025

PART B – OTHER EXPLANATORY NOTES (continued)

B5. TAX EXPENSE

<i>In RM Mil</i>	Individual quarter ended 30 September		Cumulative quarter ended 30 September	
	2025	2024	2025	2024
Current tax expenses				
Current period tax	78	82	200	219
(Over)/under provision in respect of prior period	(1)	5	(1)	5
	<u>77</u>	<u>87</u>	<u>199</u>	<u>224</u>
Deferred tax expenses				
Origination and reversal of temporary differences	(66)	20	(120)	116
Overprovision in respect of prior period	(16)	(2)	(16)	(2)
	<u>(82)</u>	<u>18</u>	<u>(136)</u>	<u>114</u>
	<u>(5)</u>	<u>105</u>	<u>63</u>	<u>338</u>

The Group's effective tax rates for the individual and cumulative quarter ended 30 September 2025 are 2% and -5% 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 lower effective tax rate for the individual quarter ended 30 September 2025 against the Malaysian income tax rate of 24% due to loss before tax for the quarter and lower non-deductible expenses in relation to unrealised foreign exchange losses. Cumulative quarter's effective tax rate was lower than Malaysian income tax rate of 24% due to lower tax rate benefited from GIFT incentive.

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 2024.

QUARTERLY REPORT

FOR THIRD QUARTER ENDED 30 SEPTEMBER 2025

PART B – OTHER EXPLANATORY NOTES (continued)

B7. TRADE AND OTHER RECEIVABLES

(a) Details of Group trade and other receivables

<i>In RM Mil</i>	As at 30 September 2025	As at 31 December 2024
Trade receivables:		
– Third party	2,804	3,011
– Associates and joint ventures	64	127
– Related companies	66	149
Other receivables	1,232	1,418
Total	4,166	4,705

Average credit term for trade receivables granted to related parties and non-related parties is 51 days.

(b) Ageing analysis of trade receivables

<i>In RM Mil</i>	As at 30 September 2025	As at 31 December 2024
Current	2,863	3,168
Past due 1 to 30 days	77	122
Past due 31 to 60 days	6	7
Past due more than 60 days	3	6
Total	2,949	3,303

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 THIRD QUARTER ENDED 30 SEPTEMBER 2025

PART B – OTHER EXPLANATORY NOTES (continued)

B8. BORROWINGS

	Denominated currency	<i>In denominated currency</i>		<i>In presentation currency</i>	
		As at 30 September 2025 Mil	As at 31 December 2024 Mil	As at 30 September 2025 RM Mil	As at 31 December 2024 RM Mil
Non-current					
Term loans - secured	USD	299	313	1,260	1,396
Term loan - unsecured	USD	168	165	709	736
Term loans - unsecured	EUR	30	1	150	4
Revolving credit - unsecured	SEK	—	700	—	283
				2,119	2,419
Current					
Term loans - secured	USD	31	30	130	134
Term loans - unsecured	CNY	10	20	6	13
Term loans - unsecured	EUR	1	31	4	143
Revolving credit - unsecured	SEK	2,675	800	1,196	323
Revolving credit - unsecured	USD	38	38	159	168
Revolving credit - unsecured	EUR	2	2	8	9
Bank overdraft - unsecured	SEK	—	14	—	5
				1,503	795

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 USD SOFR 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") was extended from 31 December 2023 to 31 December 2025.

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 EURIBOR of 0.85% per annum and interest margin above EURIBOR of 1.15% per annum respectively. These loans are repayable on various dates between 2027 and 2030 respectively.

The CNY unsecured term loan bears interest rate of 2.60% per annum.

The SEK unsecured revolving credits bear interests ranging from 2.73% to 3.16% per annum.

The USD unsecured revolving credits bear interests ranging from 4.63% to 5.10% per annum.

The EUR unsecured revolving credit bears interest rate of 2.99% per annum.

QUARTERLY REPORT

FOR THIRD QUARTER ENDED 30 SEPTEMBER 2025

PART B – OTHER EXPLANATORY NOTES (continued)

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 2024, 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 2024.

B12. BASIC (LOSS)/EARNINGS PER SHARE

Basic (loss)/earnings 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>	Individual quarter ended 30 September		Cumulative quarter ended 30 September	
	2025	2024	2025	2024
(Loss)/Profit for the period attributable to shareholders of the Company	(289)	(789)	(1,388)	656
<i>In millions of shares</i>				
Number of ordinary shares issued	8,000	8,000	8,000	8,000
<i>In sen</i>				
Basic (loss)/earnings per share	(4)	(10)	(17)	8

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 THIRD QUARTER ENDED 30 SEPTEMBER 2025

PART B – OTHER EXPLANATORY NOTES (continued)

B13. EXCHANGE RATES

	30 September 2025	Individual quarter ended		30 September 2025	Cumulative quarter ended	
		30 June 2025	30 September 2024		31 December 2024	30 September 2024
USD/MYR						
Average rate	4.2240	4.3089	4.4566	4.3277	4.5768	4.6374
Closing rate	4.2145	4.2290	4.1065	4.2145	4.4600	4.1065
EUR/MYR						
Average rate	4.9376	4.8857	4.8939	4.8344	4.9520	5.0394
Closing rate	4.9398	4.9555	4.5874	4.9398	4.6402	4.5874
SEK/MYR						
Average rate	0.4440	0.4457	0.4273	0.4355	0.4333	0.4418
Closing rate	0.4471	0.4458	0.4073	0.4471	0.4043	0.4073

By order of the Board

Azira Marini Binti Ab Rahim (SSM Practising Certificate No. 201908001107)
 Mek Yam @ Mariam Hassan (SSM Practising Certificate No. 201908000788)
 Company Secretaries

Kuala Lumpur
 21 November 2025