



PETRONAS GAS BERHAD

Analyst Briefing for Quarter Ended 30 September 2022

**Tuesday, 15 November 2022
9:00 – 10:00 a.m. (GMT+8)**

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PGB Management



Abdul Aziz Othman
Managing Director/
Chief Executive
Officer



**Shahrul Azham
Sukaiman**
Chief Financial
Officer



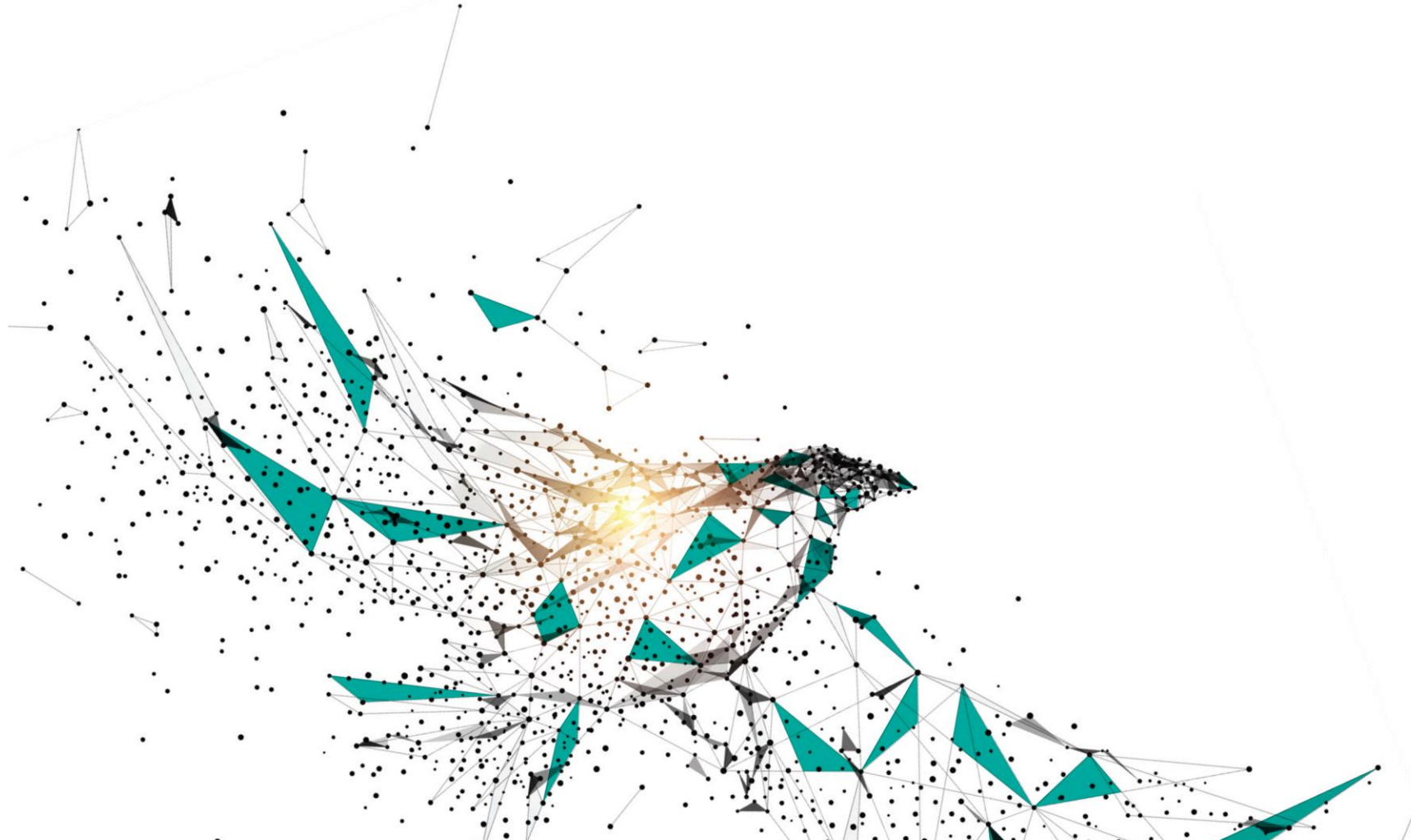
Hisham Maaulot
Head, Business
Development &
Commercial



Izan Hajar Ishak
Head, Investor
Relations

Presentation Outline

- 01 **KEY HIGHLIGHTS**
- 02 **BUSINESS UPDATES**
- 03 **FINANCIAL PERFORMANCE**
- 04 **Q&A**



KEY HIGHLIGHTS

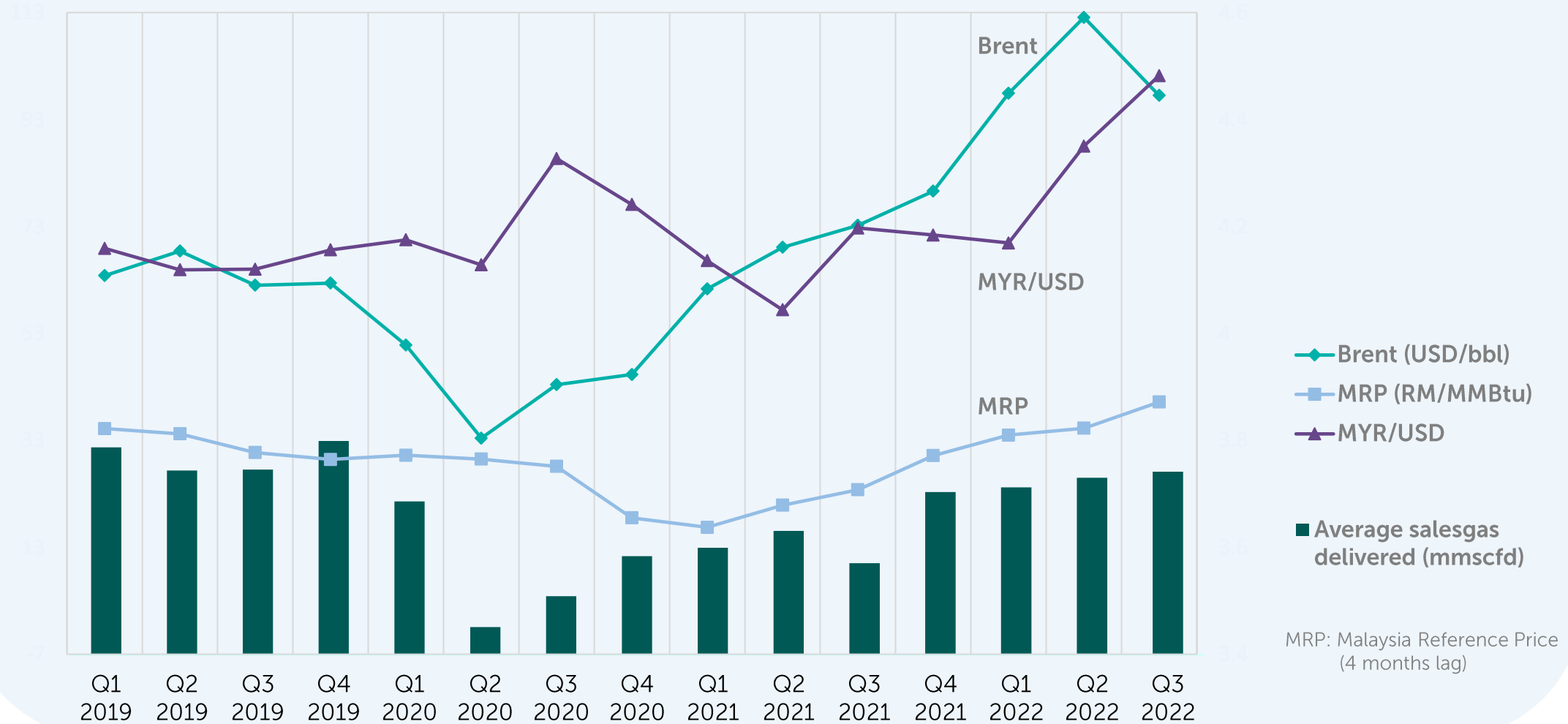


KEY HIGHLIGHTS

- **Steady revenue streams** on the back of **world class operational performance**
- Financial performance affected by **fuel gas price, unfavourable foreign exchange movement and Prosperity Tax**
- Trend of **high fuel gas price** and **further weakening of Ringgit** expected to continue in Q4
- Interim **dividend of 18 sen** per share

Prices and forex volatility affecting operating cost

COMMODITY PRICES, FOREIGN EXCHANGE MOVEMENT AND SALESGAS DELIVERED

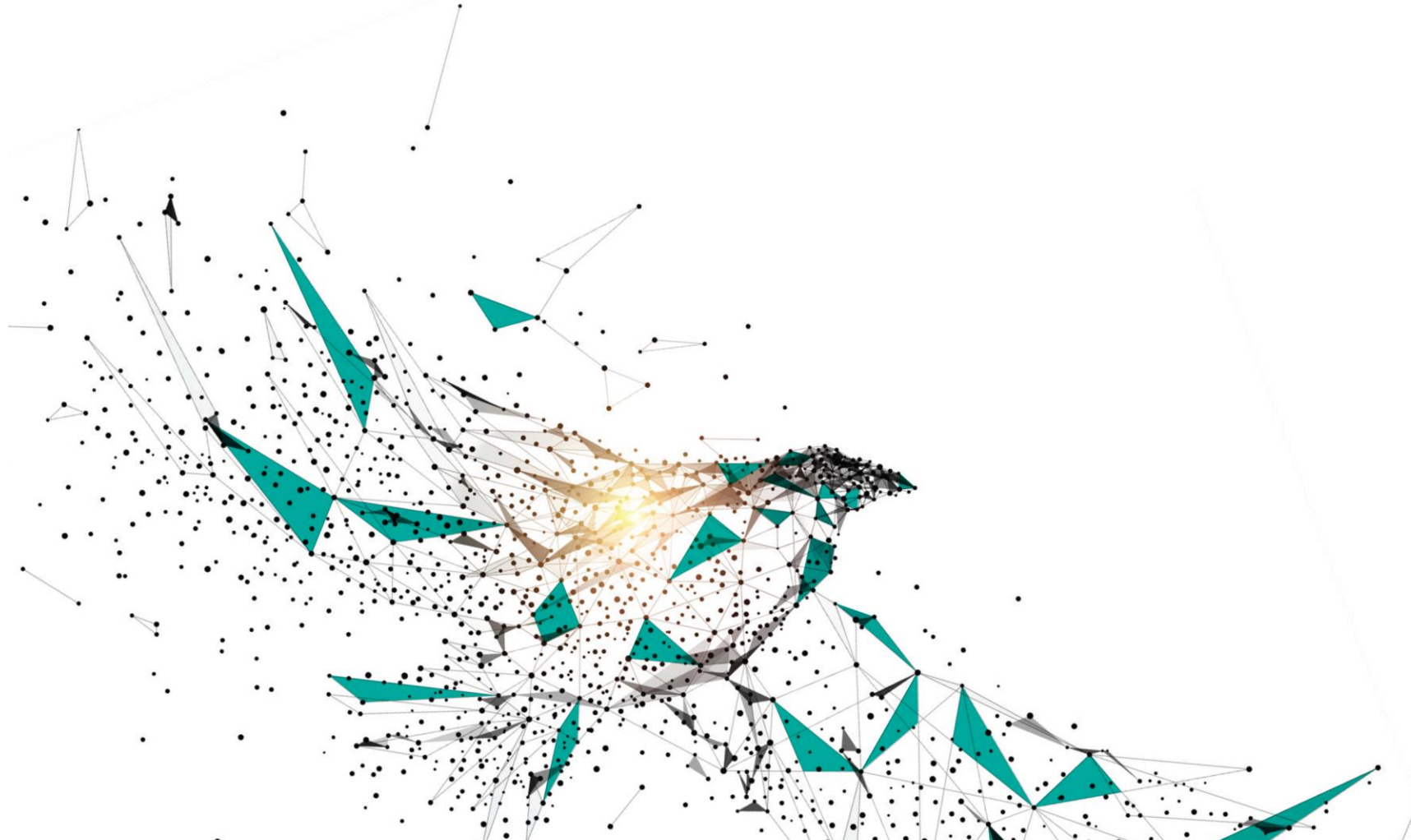


MRP: Malaysia Reference Price (4 months lag)

Financial Snapshot

Performance (RM Mil)	9M 2022		9M 2021
Revenue	4,527	▲ 9%	4,152
Gross Profit	1,879	▼ 11%	2,105
Profit After Tax	1,296	▼ 20%	1,623
EBITDA	2,454	▼ 11%	2,742
Earnings per share (sen)	62.31	▼ 20%	77.64
Dividend per share (sen)	50.00		50.00

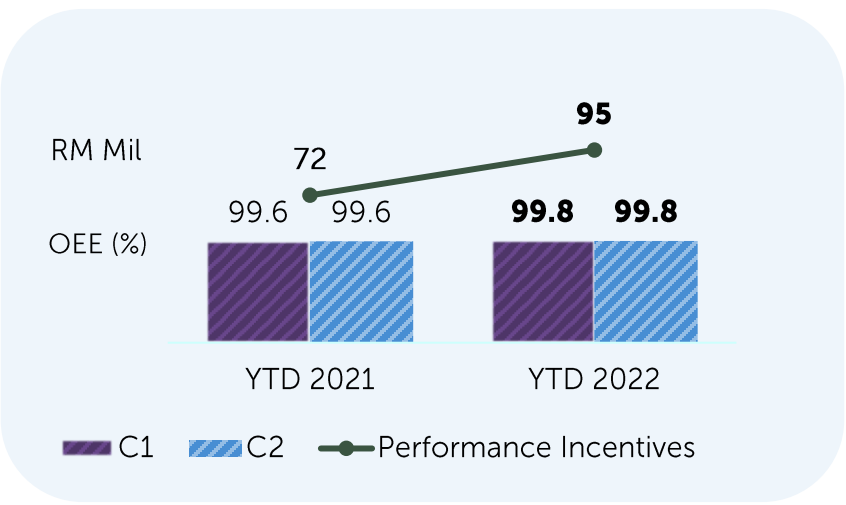
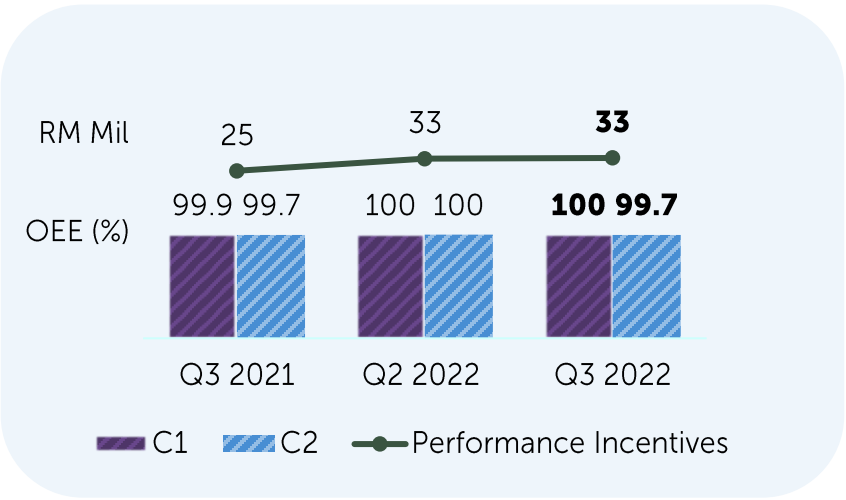




BUSINESS UPDATES

Gas Processing

Sustained strong OEE, demonstrating commitment in ensuring security of product supply to customer



OEE: Overall Equipment Effectiveness



Operational Excellence

≈100% OEE

Stable for both C1 (Salesgas) and C2 (Ethane)

100% Reliability

Ensure steady delivery to customers

Higher level efficiency corresponds to higher incentives

9M Performance incentives at RM95 million

Segment Updates



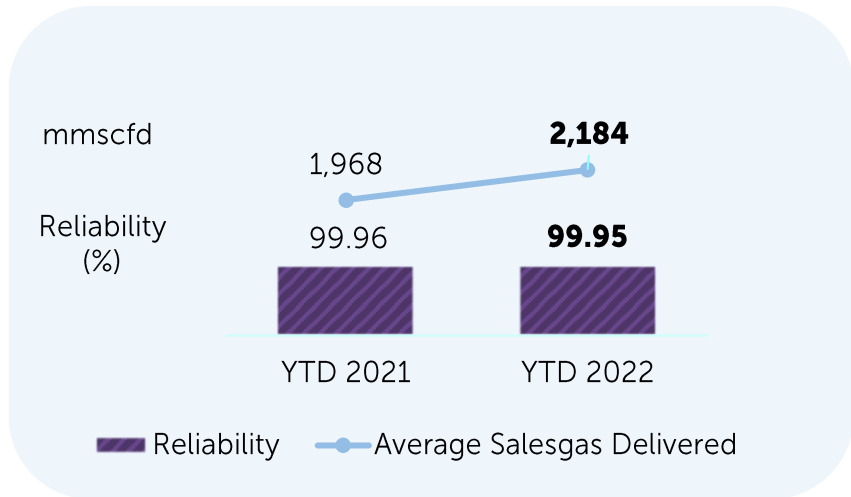
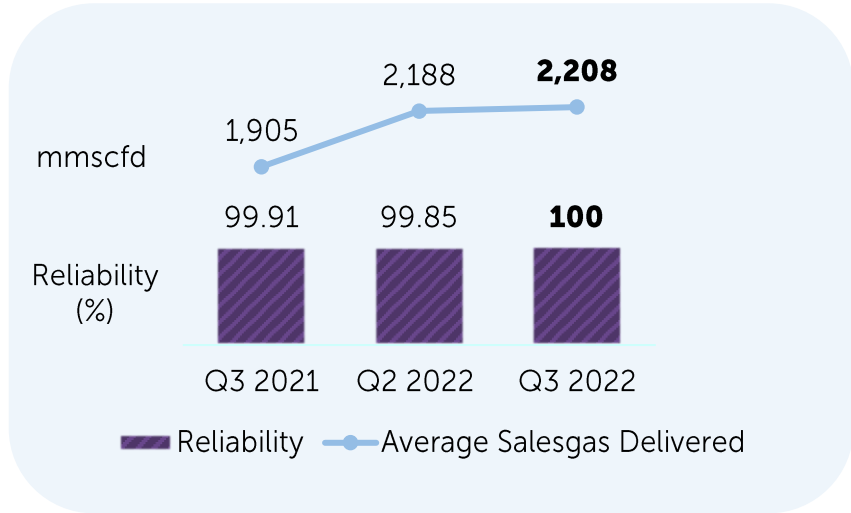
TCOT Off-Gas Rerouting Project

Progressing within schedule

TCOT: Terengganu Crude Oil Terminal

Gas Transportation

Sustained 100% reliability to ensure security of gas supply to the nation



Operational Excellence

100% Reliability
Sustained reliability

2,208 mmscfd
Average salesgas delivered in the quarter

Segment Updates



42km pipeline extension to Pulau Indah, Selangor
Timeline shifted to accommodate requirement from local authority, aligned to customer delivery date

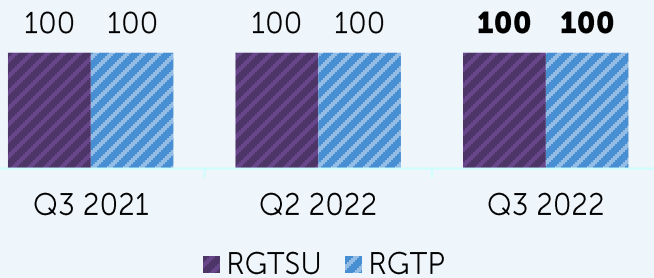


New gas compressor station in Kluang, Johor
Progressing within schedule

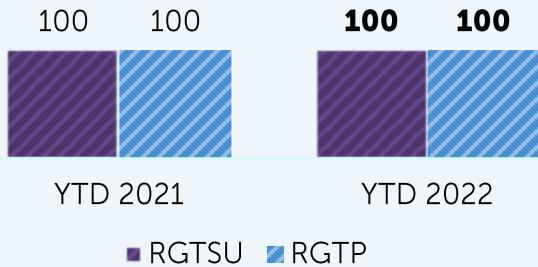


10 km pipeline extension to Banting, Selangor
Progressing within schedule

OEE (%)



OEE (%)



OEE: Overall Equipment Effectiveness



Operational Excellence

100% OEE

Sustained at both RGTSU and RGTP

41 Cargoes received in 9M 2022

10 Cargoes at RGTSU and 31 Cargoes at RGTP

Ancillary services offering

858 truck loading delivered for YTD 2022

Segment Updates



Potential third LNG storage tank at Pengerang

Strategizing project execution approach following high-cost environment

RGTSU : LNG Regasification Sungai Udang

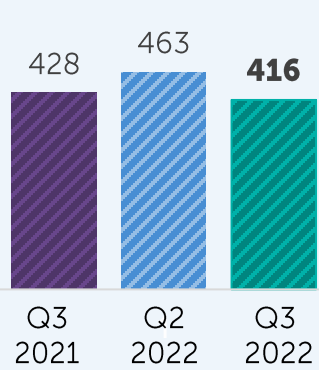
RGTP : LNG Regasification Pengerang

GUCD : Gassing Up Cooling Down

100% Product Delivery Reliability on the back of higher demand for Electricity and Steam

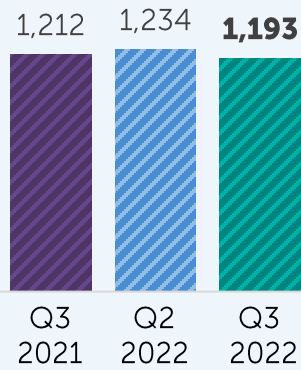
ELECTRICITY

GWh



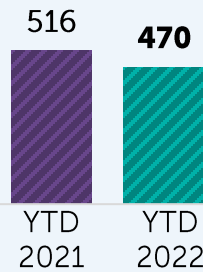
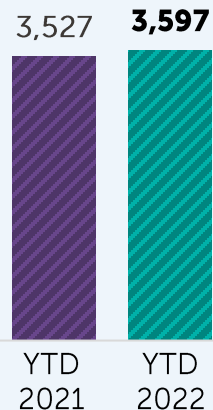
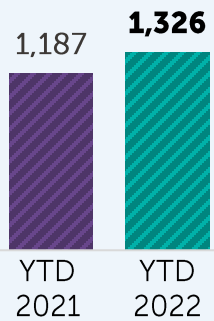
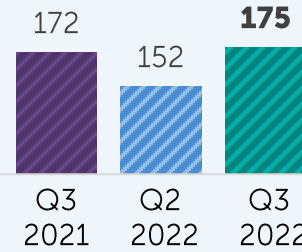
STEAM

kMt



INDUSTRIAL GASES

Mil Nm³



Operational Excellence

100% Product Delivery Reliability for Electricity and Steam

Higher electricity and steam volumes year-on-year

Higher offtake from customers

Segment Updates



Electricity and Utilities Contract Renewals

Improved pricing structure to allow more balanced pass-through cost of gas



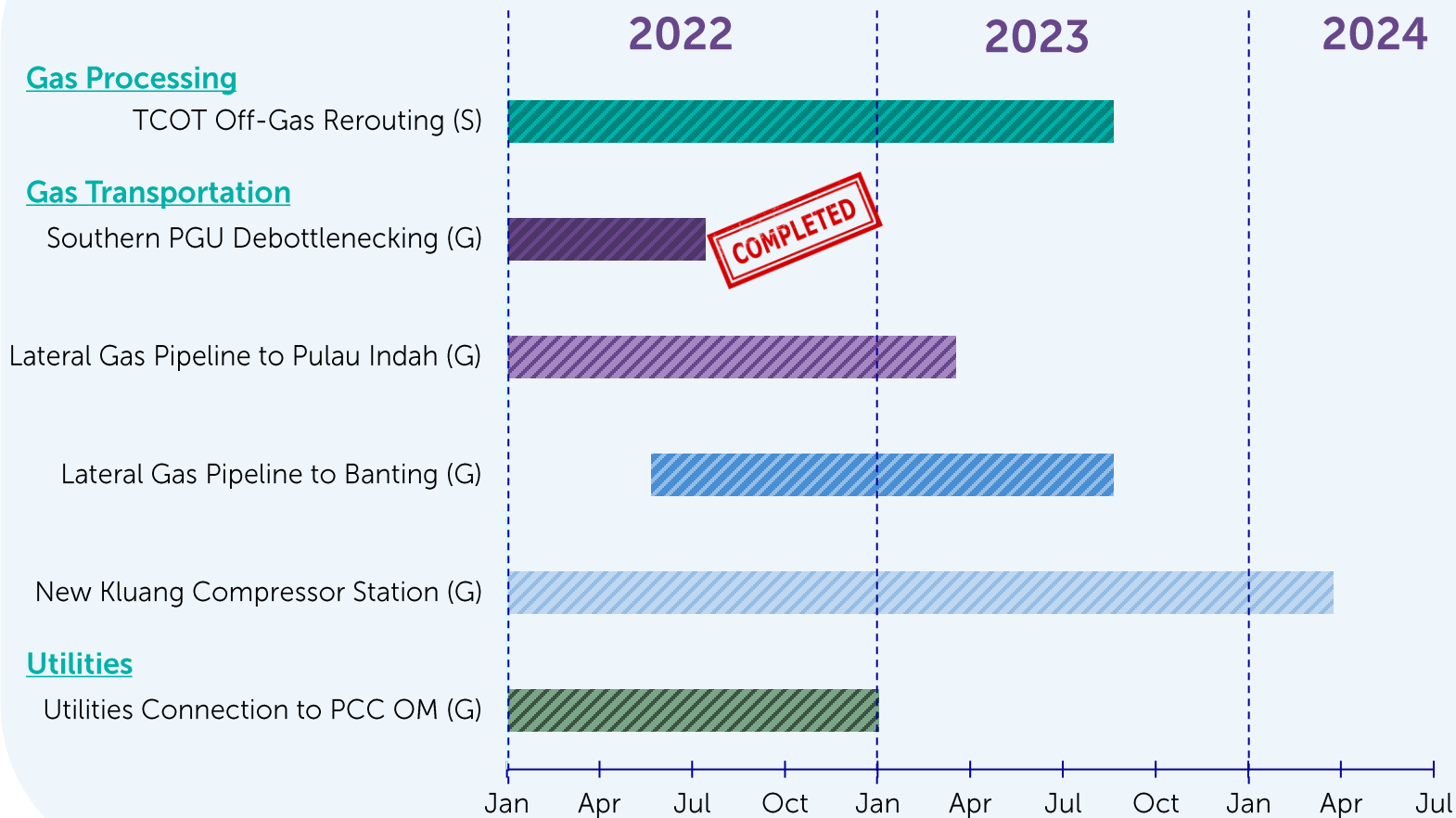
Utilities Connection to PCC OM

Final stages of completion

Projects

Continuously investing in growth with 6 projects worth ≈RM 1.4 billion sanctioned since 2021

PLANNED TIMELINE



Projects in Pipeline



Potential third LNG storage tank at Pengerang



Power generation opportunities in Sabah



Integrated utilities solution in industrial parks



(G) Growth project
(S) Sustenance project

TCOT : Terengganu Crude Oil Terminal
PGU : Peninsular Gas Utilisation
PCC OM : PCC Oxyalkylates Malaysia



Continued Value Creation

Stable profit generation and active portfolio management

- **Long-term contracts** under Gas Processing Agreement, Gas Transportation Agreement, Terminal Usage Agreements, Utilities agreements
- **Sustained returns** to shareholders



Safeguard the Environment

Deploy innovative operations and technologies and pursue lower carbon solutions

- Published **PGB Net Zero Carbon Emission (NZCE) Pathway** as part of Climate Change Risk Management Framework
- **Improved disclosure – FTSE4Good** constituent



Positive Social Impact

Protect and add value to the well-being of employees, partners and communities

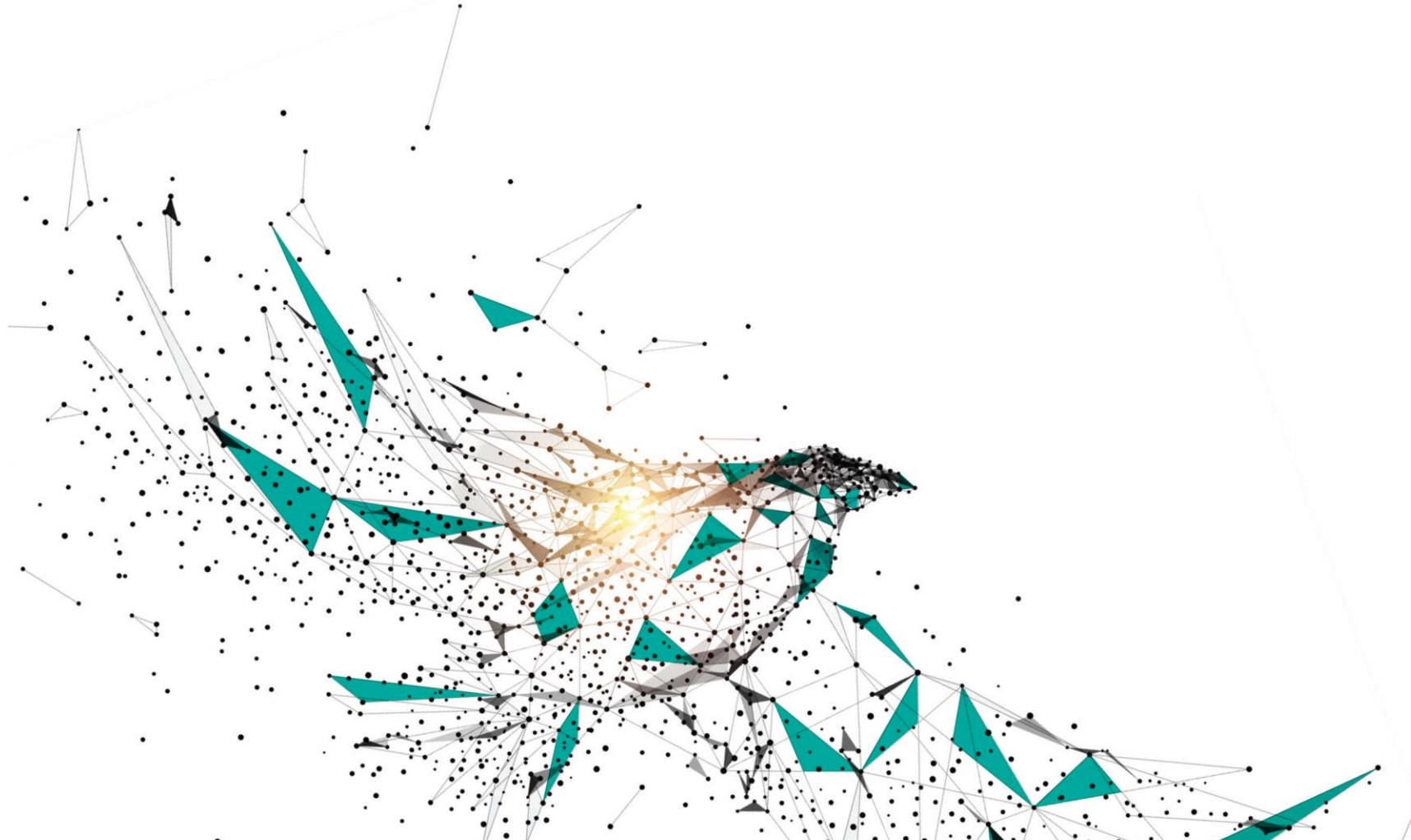
- **Safe and reliable operations (HSE)** involving staff and contractors
- Spin-off service industries from **O&M contracts**
- **Sponsorship** of 15 INSTEP trainees in 2021/22



Responsible Governance

Uphold strong governance mechanisms and ethical business practice

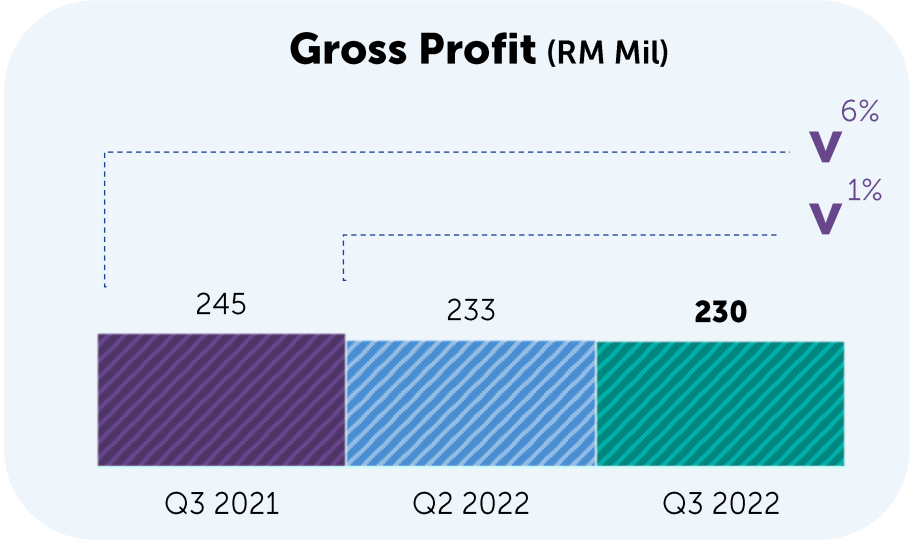
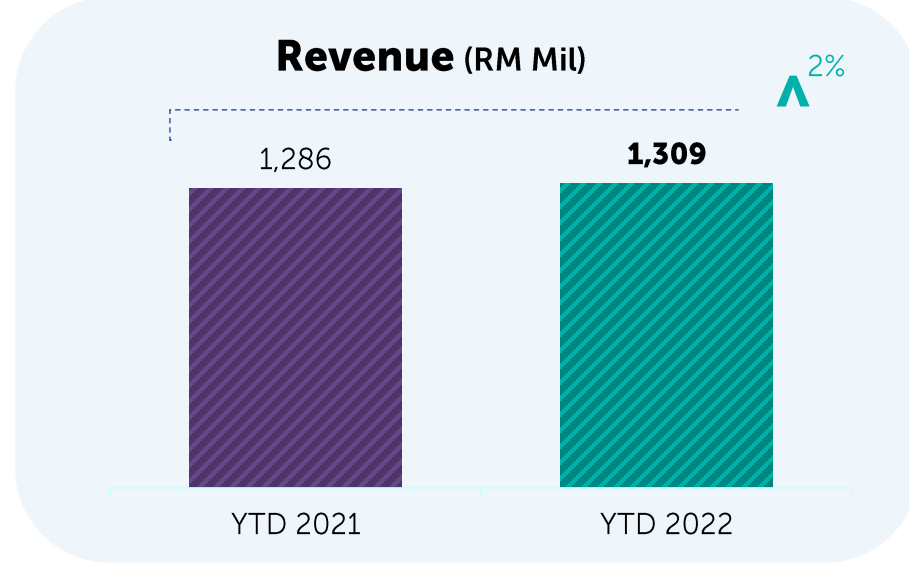
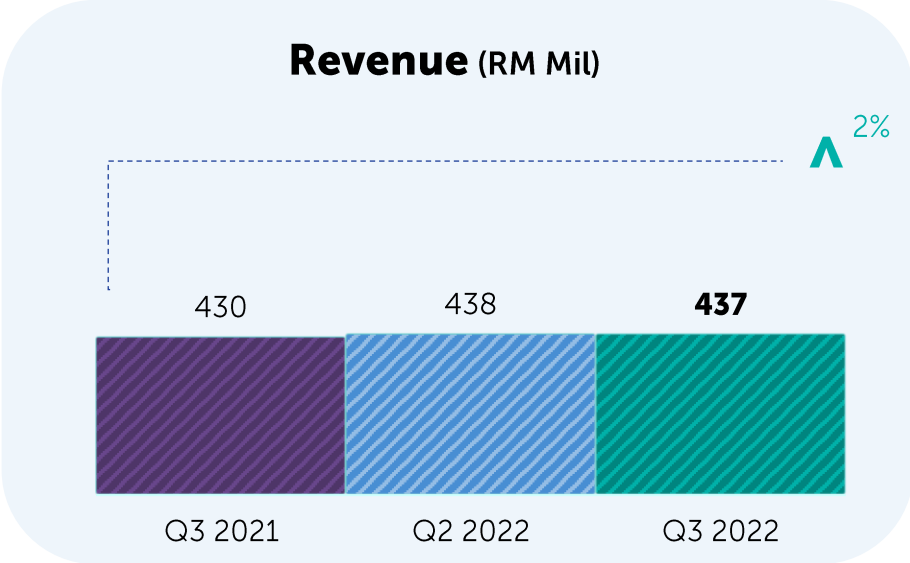
- **MSWG-ASEAN Corporate Governance Award 2021**
 - Excellence Award for Corporate Governance Disclosure
 - Industry Excellence Award for CG Disclosure – Utilities



FINANCIAL PERFORMANCE

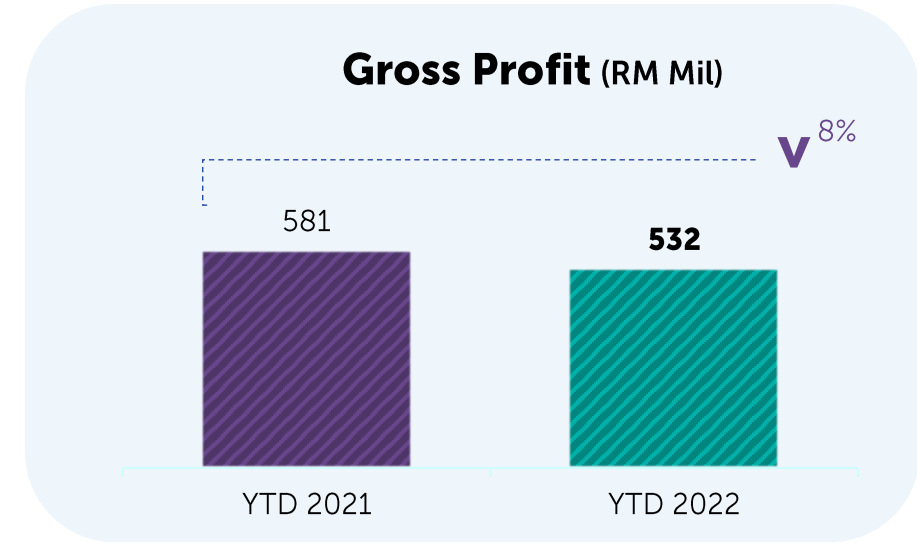
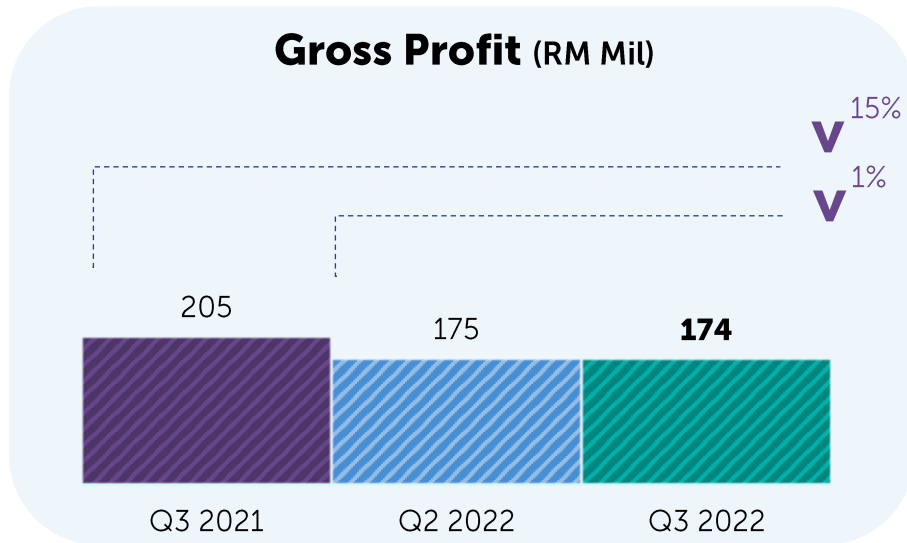
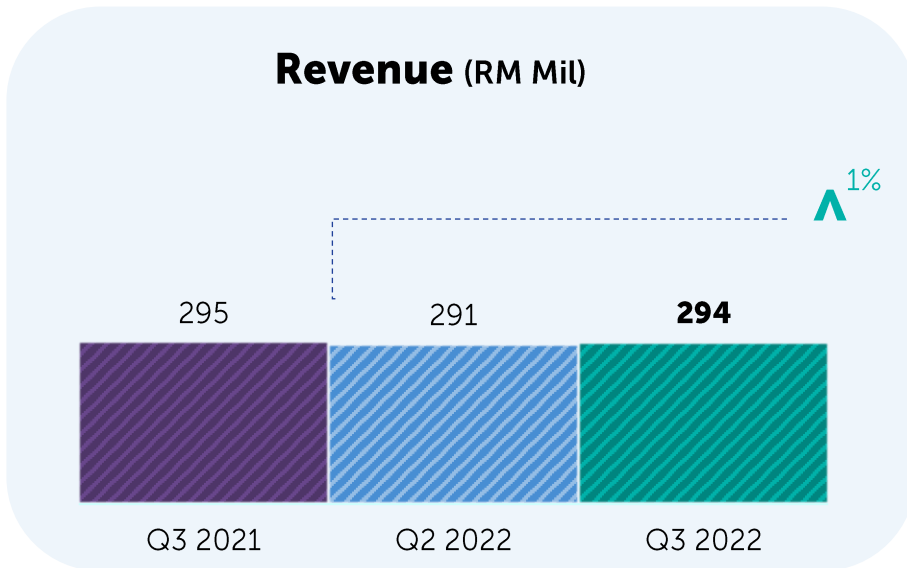
Gas Processing

Steady year-on-year performance with higher internal gas consumption incentive achieved



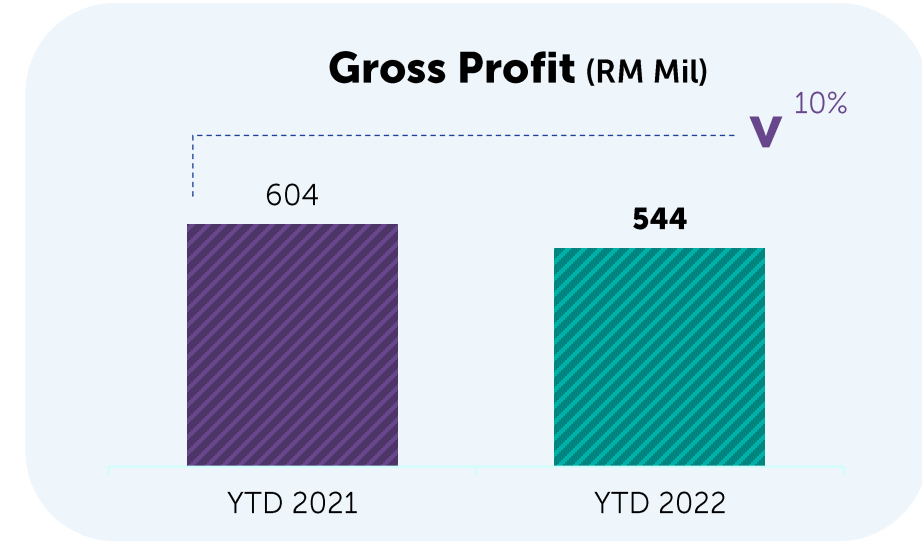
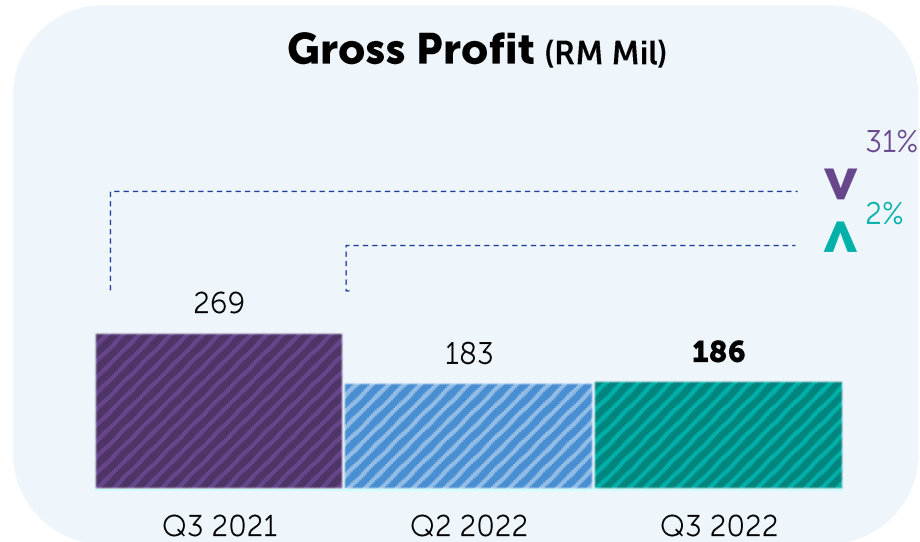
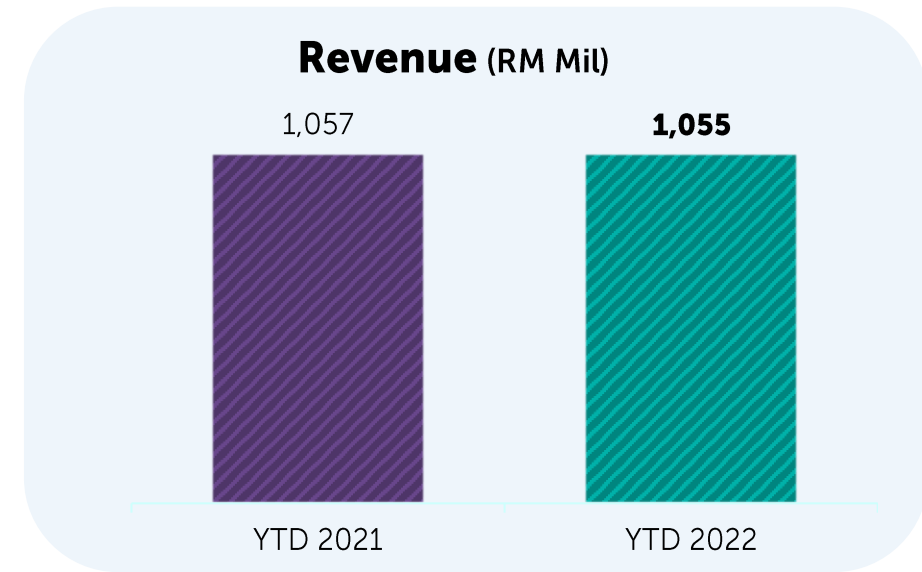
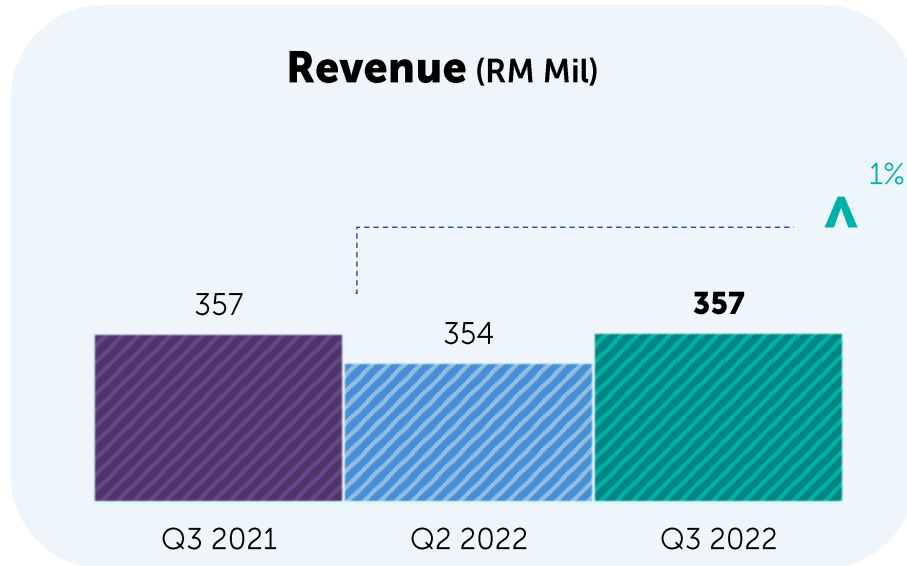
Gas Transportation

Lower gross profit on the back of higher IGC cost

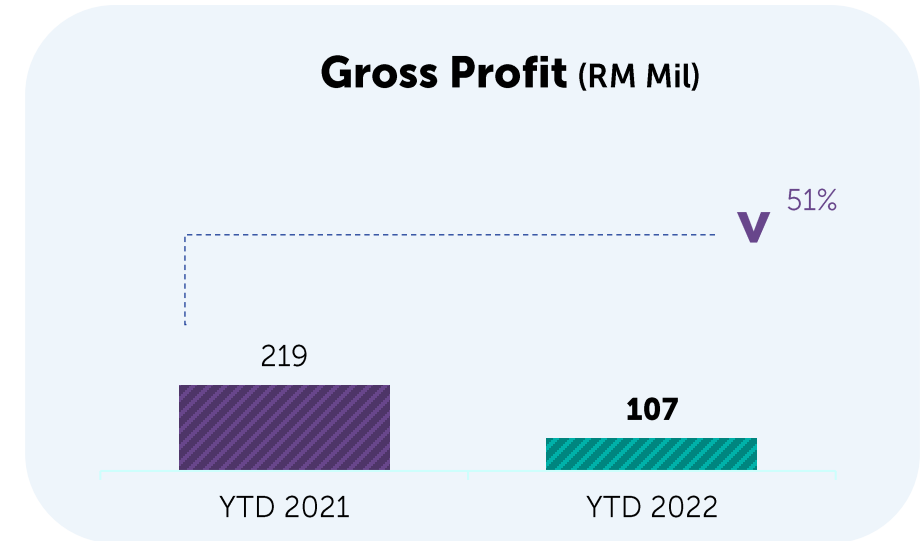
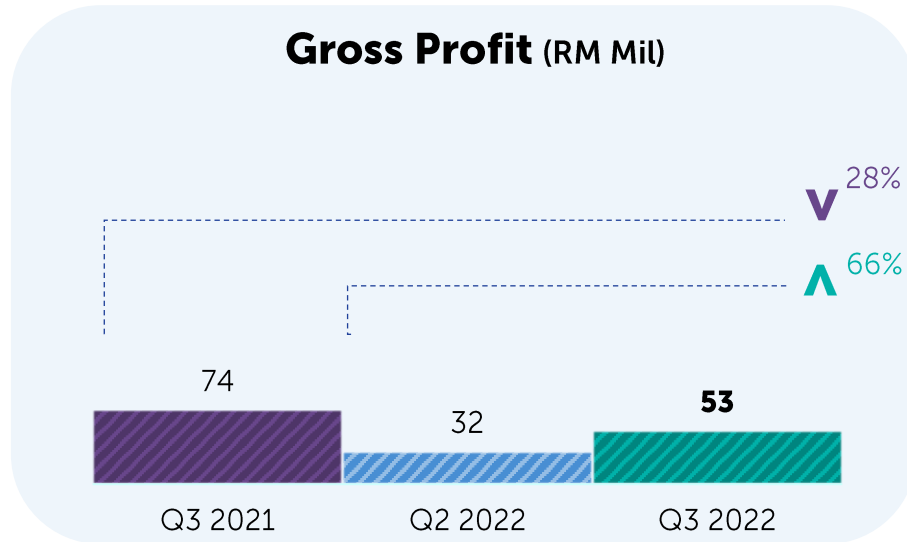
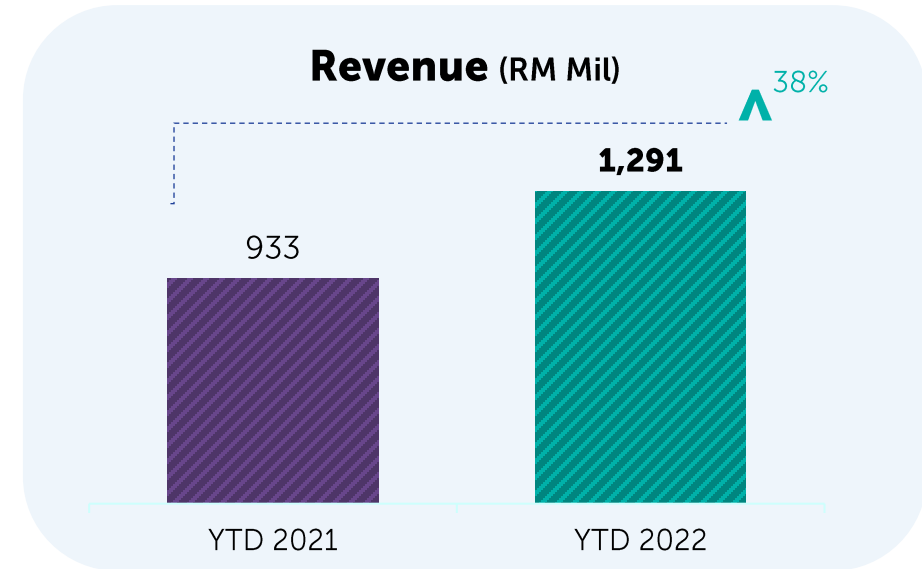
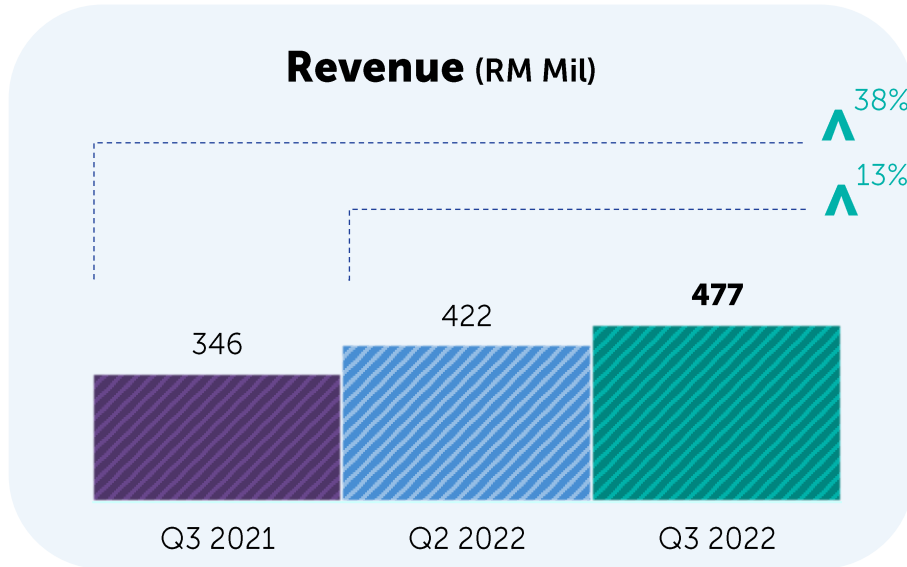


Regasification

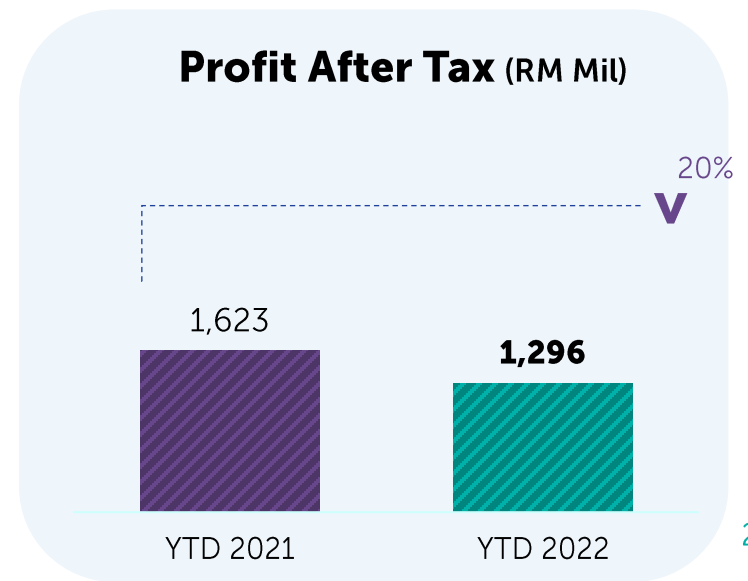
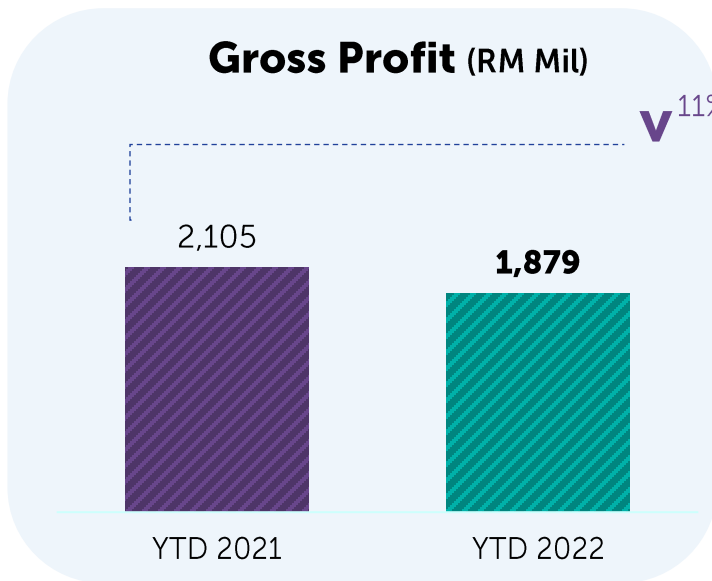
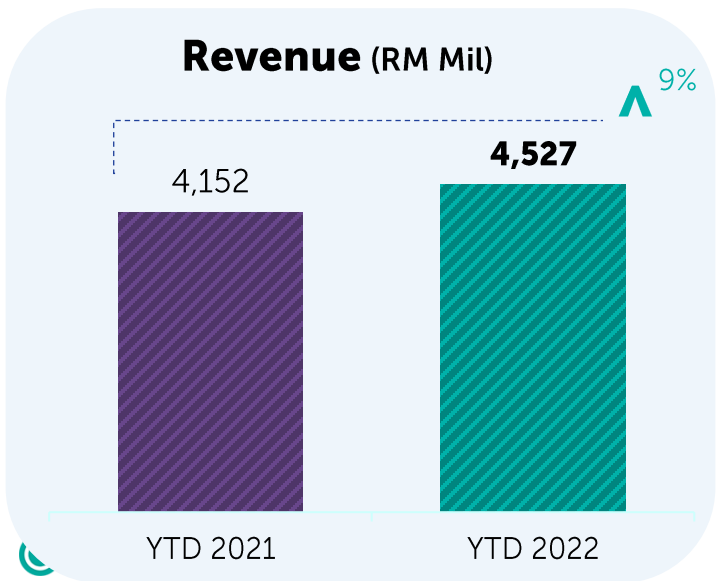
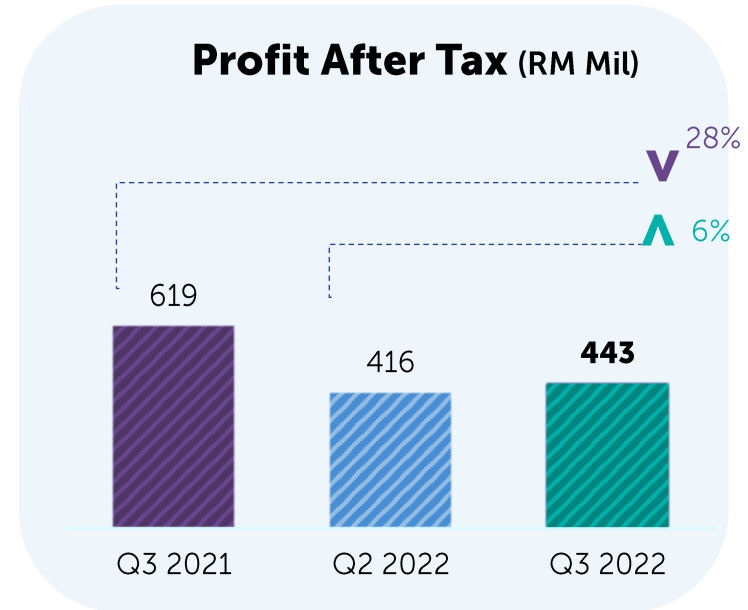
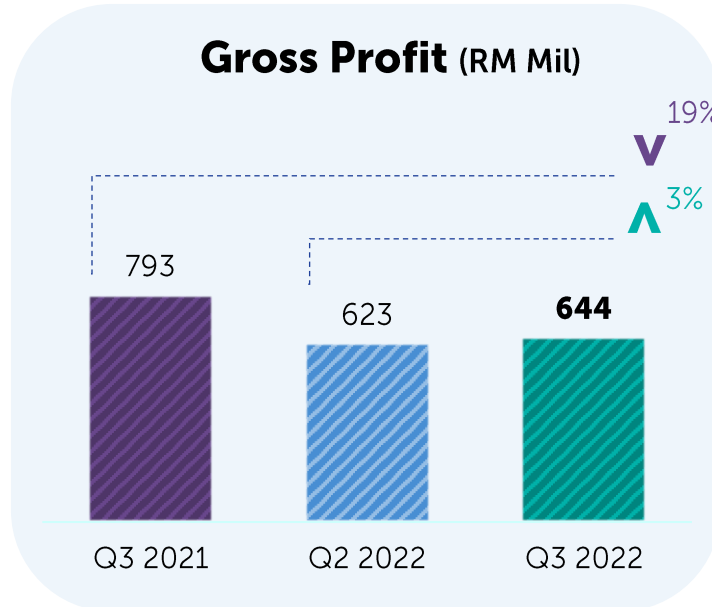
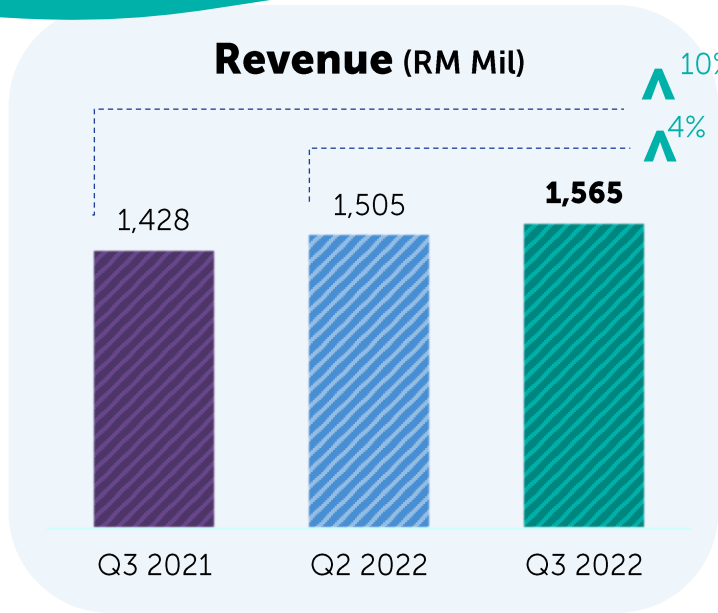
Lower gross profit on the back of higher IGC cost



Lower gross profit due to higher fuel gas cost, improved margin q-o-q on renewed commercial terms



Profit affected by higher fuel gas price, stronger dollar and imposition of Prosperity Tax

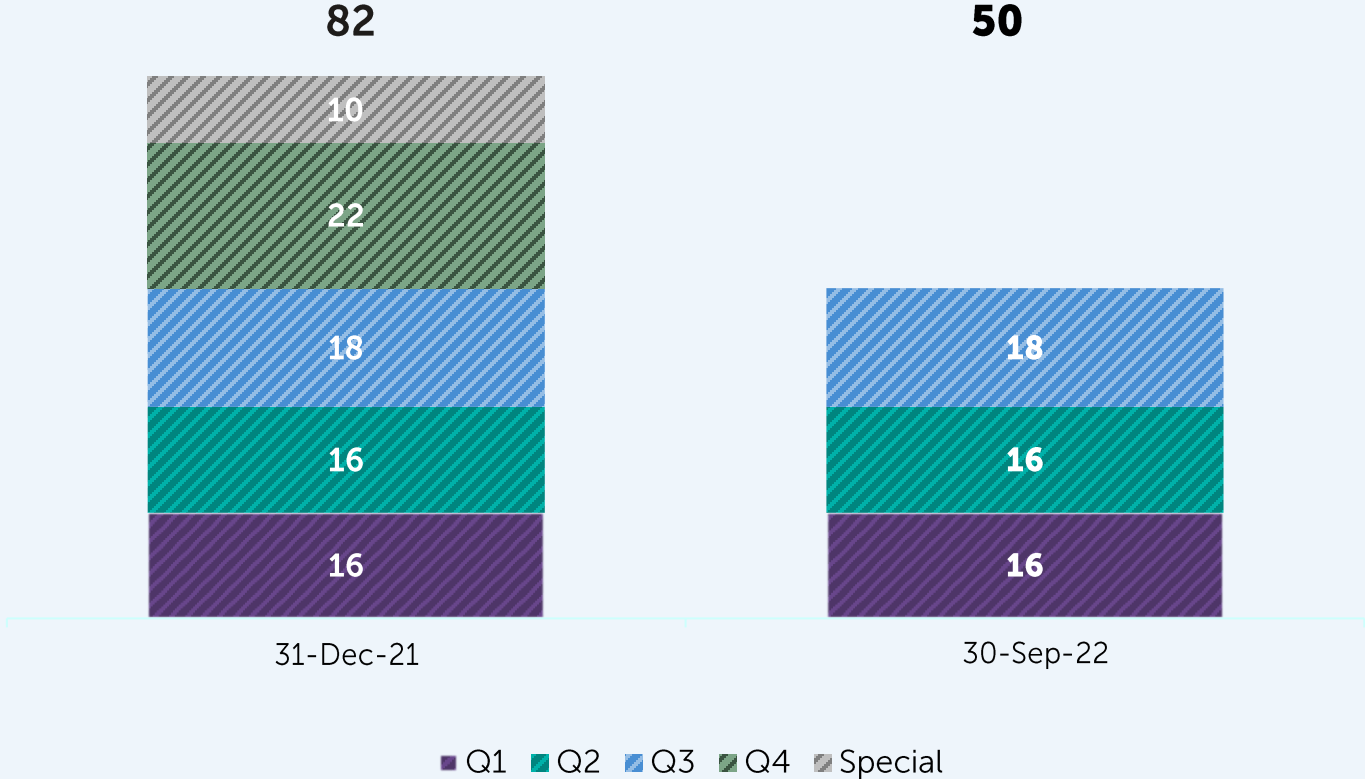


Dividend

Maximising shareholders return through sustained dividend payments

Quarterly Dividend

Dividend per share (sen)



Delivering products and growth amidst challenging times



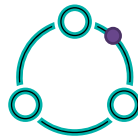
Decision on Regulatory Period 2 (RP2) tariffs



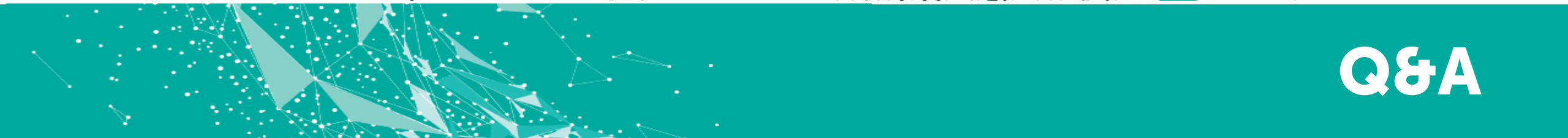
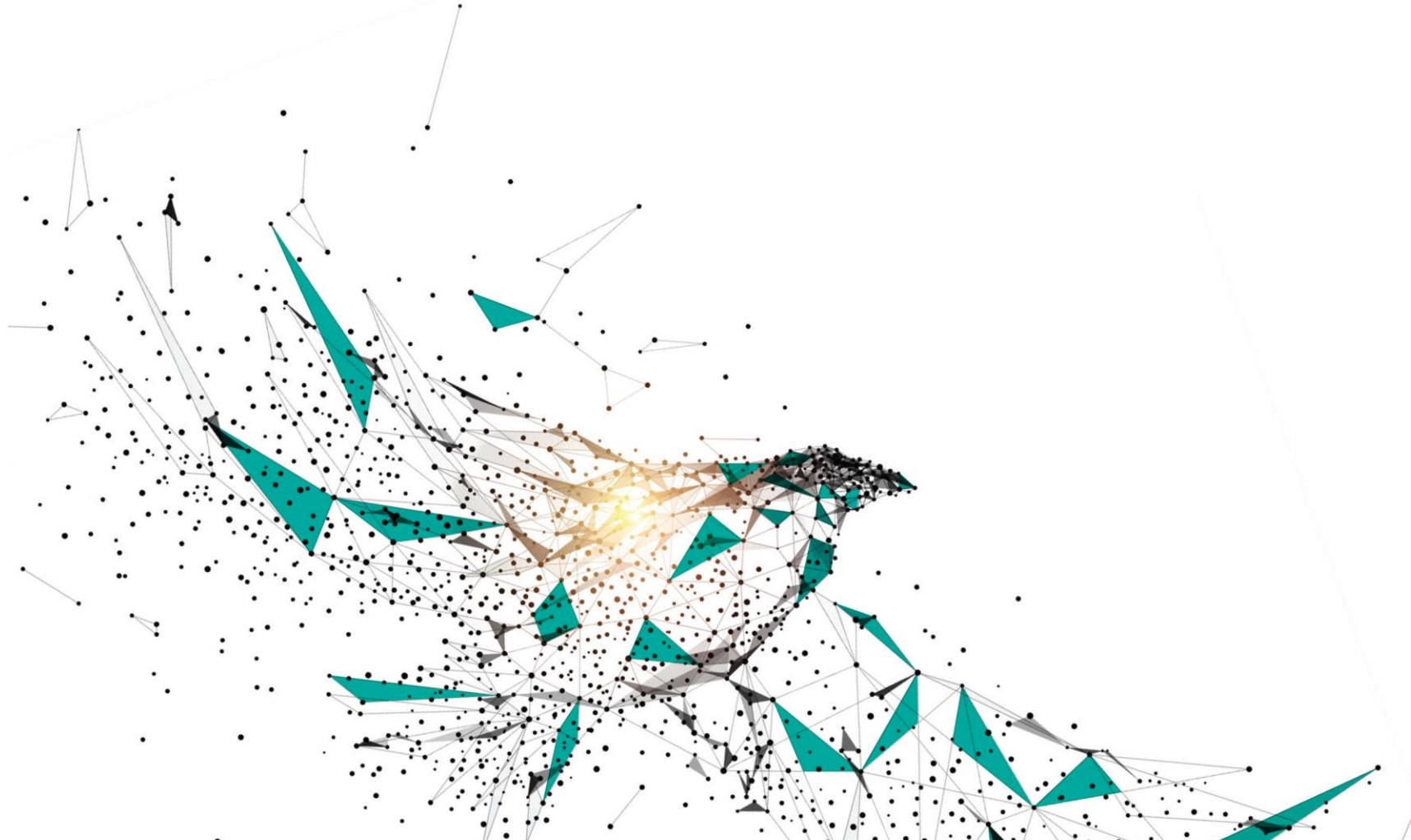
Updates on growth projects: third LNG storage tank in Pengerang, power generation opportunities in Sabah, integrated utilities solution in industrial parks



Continued impact from higher fuel gas price and unfavourable foreign exchange movement



Sustainability effort continues as part of operations, commercial and all within the business



Q&A

Contact Us



Izan Hajar Ishak
(Head, Investor Relations)



+6 03 2331 9366



ir.petronasgas@petronas.com



www.petronasgas.com