



PETRONAS GAS BERHAD

Analyst Briefing for Quarter Ended 30 September 2023

**Monday, 20 November 2023
4:00 - 5:00 p.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**



**Suriyanti
Nordin**

**Head
Investor Relations**

Presentation Outline



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



KEY HIGHLIGHTS

A complex and challenging external environment impacting our business operation

Geopolitical Tension



- Middle east tension leads to possible supply chain disruption
- Overlap with Russia-Ukraine conflict
- Resulting in volatile commodity price:
 - Escalated Brent, JCC – higher MRP
 - Volatile energy (e.g. coal) prices – higher ICPT

Forex fluctuation



- Weakened MYR – lowest in 25 years due to rising risk aversion amid escalating Middle East turmoil
- MYR expected in the range of 4.70 to 4.82 against the USD in the next quarter

Sustainability evolution



- Heightened sustainability requirement related to growing stakeholder expectations:
 - Regulatory bodies e.g. BNM, ISSB
 - Shareholder's requirement e.g. PNB and EPF

Cybersecurity regulation



- Cybersecurity Bill to be tabled at the Parliament to enhance Malaysia's resilience, potentially to regulate and enforce related Cybersecurity laws

Volatile forex, commodity and energy prices resulting in high ICPT with continued uptrend of SPPI

Average Coal Price Delivered, USD/MT

91.80

Brent, (USD/bbl)

63.80

MRP (RM/MMBtu)

35.20

MYR/USD (Closing rate)

4.16

Service Producer Index, (SPPI)

109.40

Imbalance Cost Pass-Through (ICPT), sen/kWh

1.35

137.30

87.00

47.40

4.70

115.40

17.00

Q1 2019 Q2 2019 Q3 2019 Q4 2019 Q1 2020 Q2 2020 Q3 2020 Q4 2020 Q1 2021 Q2 2021 Q3 2021 Q4 2021 Q1 2022 Q2 2022 Q3 2022 Q4 2022 Q1 2023 Q2 2023 Q3 2023 Q4 2023

Despite the challenging market conditions, PGB delivered strong performance with sustainable dividend to shareholders

Business Highlights



Pipeline extension to Banting



LNG Storage expansion in Pengerang



Third Term GPA negotiation with PETRONAS



Financial Highlights

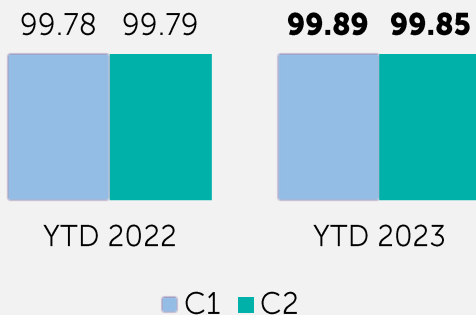
(RM Mil)	9M 2023		9M 2022
Revenue	4,863	▲ 7%	4,527
Gross Profit	1,780	▼ 5%	1,879
Profit After Tax	1,435	▲ 11%	1,296
EBITDA	2,481	▲ 1%	2,454
Earnings per share (sen)	69.64	▲ 12%	62.30
Dividend per share (sen)	50.00		50.00



BUSINESS UPDATES

GAS PROCESSING

OEE (%)



TCOT Off-Gas Rerouting Project

Progressing slightly behind schedule, with minimal impact to business

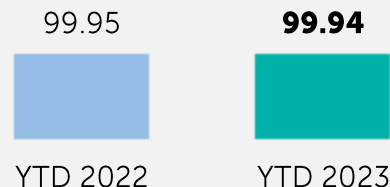
Third Term GPA negotiation with PETRONAS

Negotiation with PETRONAS concluded.



GAS TRANSPORTATION

Reliability (%)



Pipeline extension to Pulau Indah

Progressing slightly behind schedule, with minimal impact to business

New gas compressor station in Kluang

Progressing behind schedule, with minimal impact to business

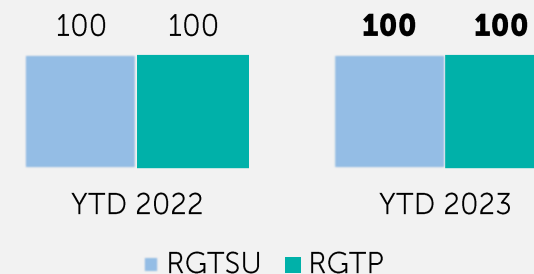
Pipeline extension to Banting

Project completed. Successfully achieved Gas-In in August 2023.



REGASIFICATION

OEE (%)



LNG Storage expansion in Pengerang

FID achieved in Sep 2023
COD expected mid-2025

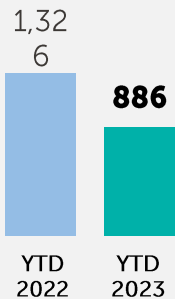
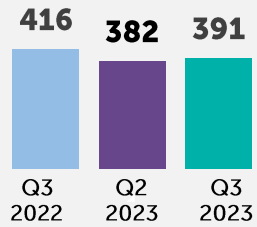
Note:

OEE : Overall Equipment Effectiveness
RGTSU : LNG Regasification Terminal Sungai Udang
RGTP : LNG Regasification Terminal Pengerang

UTILITIES

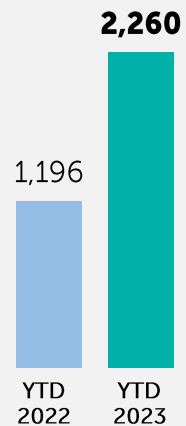
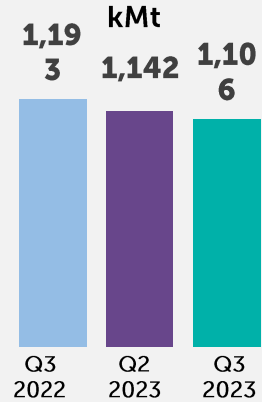
ELECTRICITY

GWh



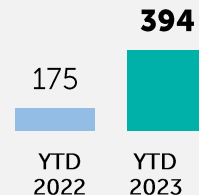
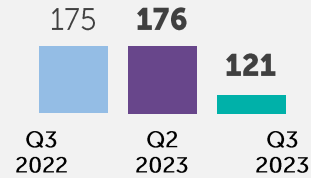
STEAM

kMt



INDUSTRIAL GASES

Mil Nm³



Imbalance Cost Pass Through (ICPT)

ICPT surcharge extended:

H2 2023: 17 sen/kWh vs H1 2023: 20 sen/kWh



Sipitang Power Plant

EPCC progressing within schedule



ASU Cold Energy Harnessing

Currently at FEL2. FID expected by end Q4 2023.

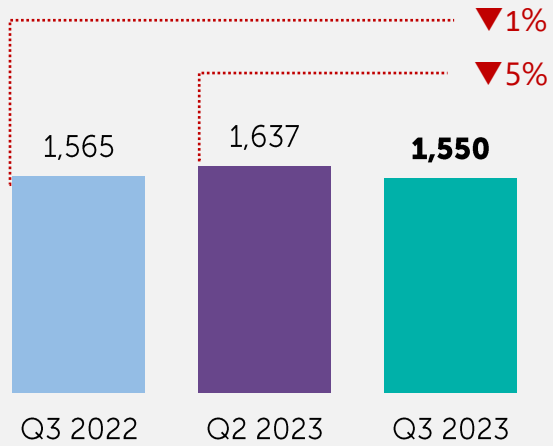


FINANCIAL PERFORMANCE

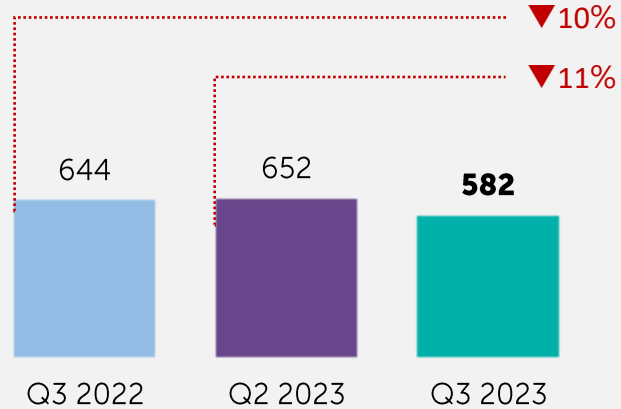
Group

Strong performance demonstrates PGB's resilience amidst challenging market conditions

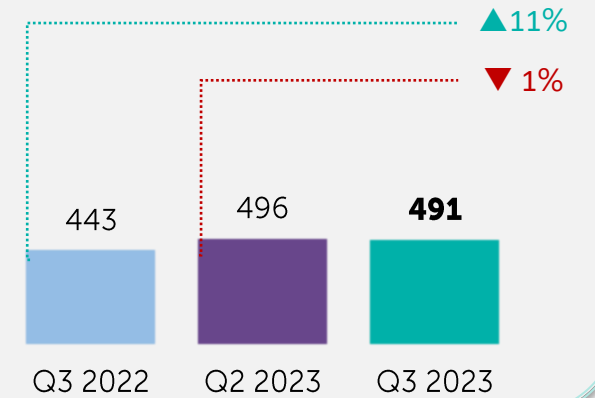
Revenue (RM Mil)



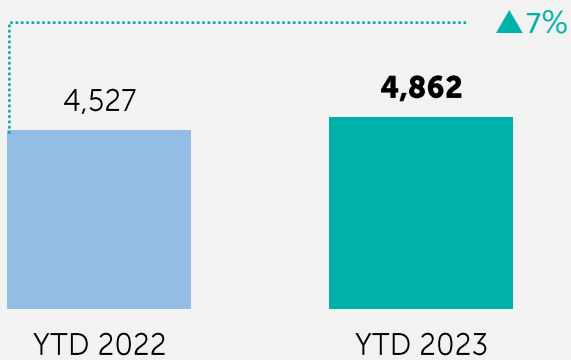
Gross Profit (RM Mil)



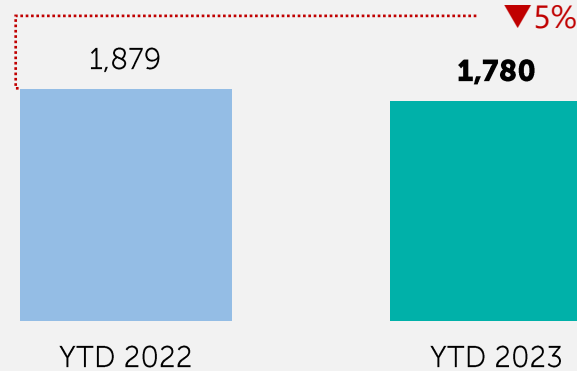
Profit After Tax (RM Mil)



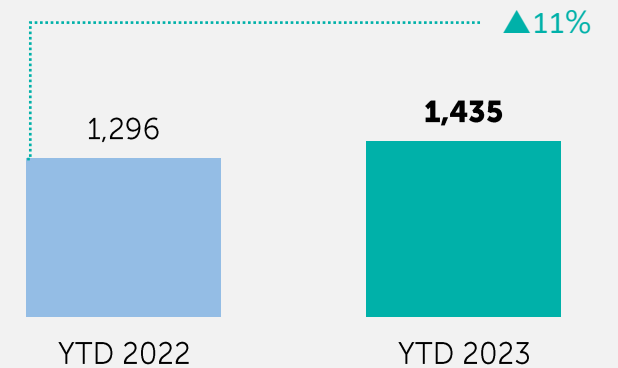
Revenue (RM Mil)



Gross Profit (RM Mil)



Profit After Tax (RM Mil)

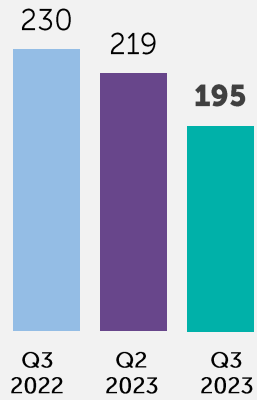


Segment

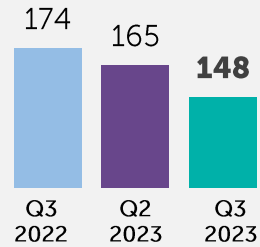
Reduced Gross Profit across most Segments due to higher operating expenses.
Higher Gross Profit for Utilities following higher ICPT surcharge

Gross Profit (RM Mil)

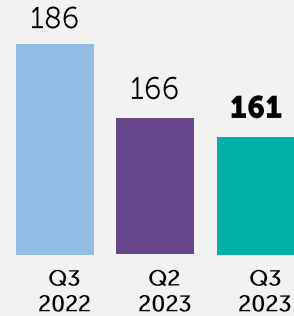
GAS PROCESSING



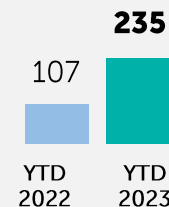
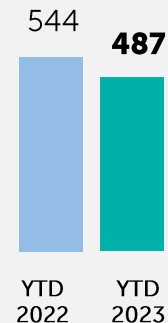
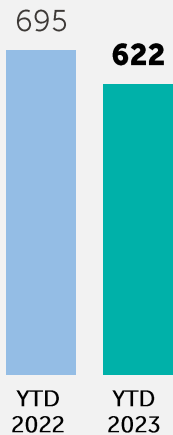
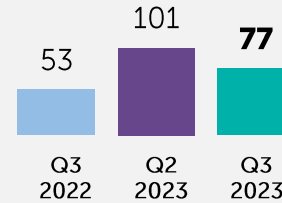
GAS TRANSPORTATION



REGASIFICATION

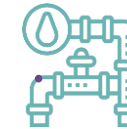


UTILITIES



GAS PROCESSING

Lower gross profit due to higher operating expenses



GAS TRANSPORTATION

Lower gross profit in line with lower revenue coupled with higher operating expenses



REGASIFICATION

Lower gross profit due to lower RP2 tariff for RGTP, coupled with higher operating expenses



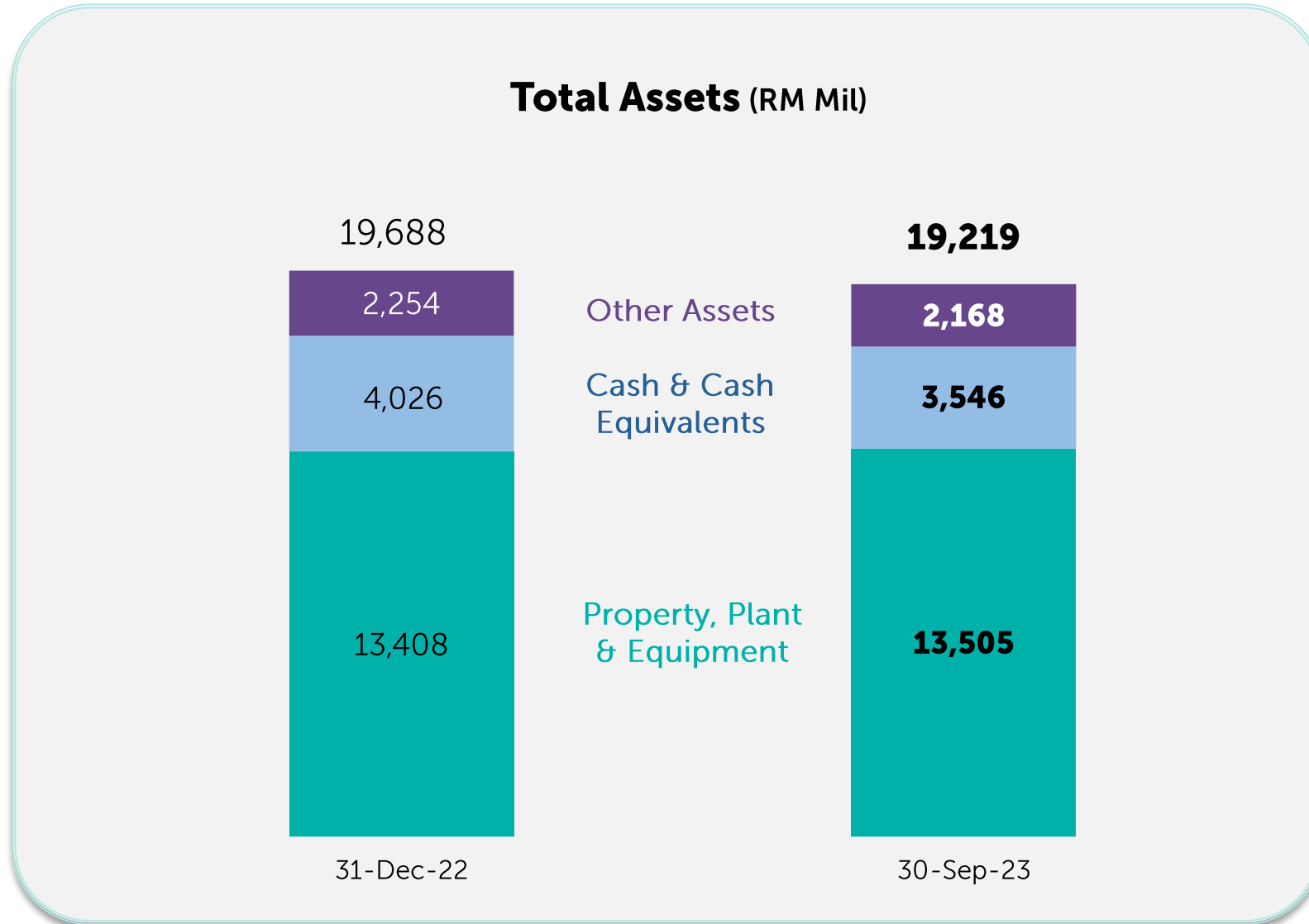
UTILITIES

Gross profit surged in tandem with higher revenue and improved margins following favourable impact of improved terms in contract renewals.

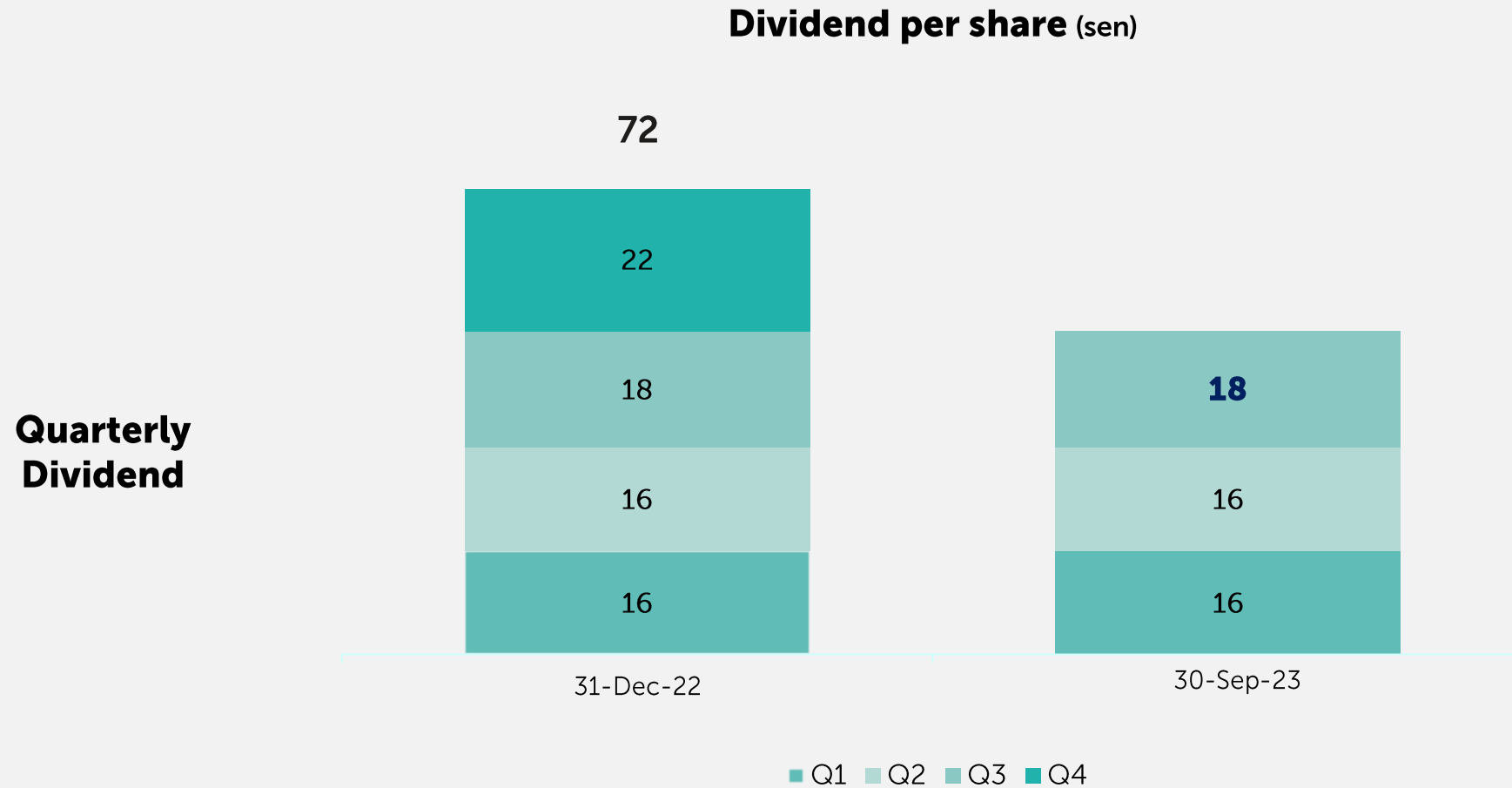
Total Assets

Robust asset base supported by healthy cash balance

WIP
(Main Topic need to change)



WIP (Waiting Dividend)



In Summary...

- **Sustained world class operational performance** leveraging on digitalisation and talent.
- **Higher revenue and gross profit** mainly contributed by **higher revenue from Utilities segment**.
- **Higher profit for the period** on the back of **higher profit contribution** from joint venture companies coupled with **lower tax expense**.
- **Healthy cash balance** to support growth projects.
- Interim **dividend** of **18 sen** per share.



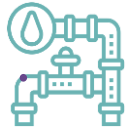


MOVING FORWARD

PROJECT EXECUTION



ON TIME
ON BUDGET
ON SCOPE



New Kluang Compressor Station



LNG Storage expansion in Pengerang



Sipitang Power Plant

GREENING OUR PORTFOLIO



Carbon Capture and Storage in Kertih



40 MW Mini Hydro Power Plant



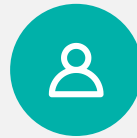
150 MW Solar Power Generation



Q&A



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