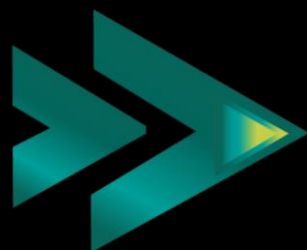




PUSHING FORWARD



GAS PROCESSING > GAS TRANSPORTATION > REGASIFICATION > UTILITIES >



PETRONAS GAS BERHAD
QUARTERLY ANALYST BRIEFING
FOR QUARTER ENDED 30 SEP 2019

20 November 2019

Disclaimer

Warranties and Exclusion of Liability

PETRONAS Gas Berhad (PGB), its subsidiaries and related corporations confirm that reasonable care has been taken in ensuring the accuracy and correctness of information, statements, text, articles, data, images and other materials contained and appearing in this presentation and the associated slides (hereinafter referred to as "the MATERIALS"). Accordingly PGB, its subsidiaries and related corporations and its or their directors, officers, employees, agents and advisers (hereinafter referred to as "We") represent that, to the best of our knowledge and belief that the MATERIALS which are owned and directly related to us therein are accurate, correct and true.

The MATERIALS is not exhaustive. We do not assume any obligation to add, delete or make any changes to the MATERIALS. However, we may do so, if we feel necessary, without prior notice.

We expressly disclaim all liabilities whatsoever for any direct, indirect, special or consequential loss or damages howsoever resulting directly or indirectly from the access to or the use of this MATERIALS and the reliance on the MATERIALS. You should rely on your own evaluation and assessment of the MATERIALS in order to arrive at any decision. Any decision made by you based on the MATERIALS is your sole responsibility.

The MATERIALS may also contain information provided by third parties and we make no representation or warranty regarding the accuracy, reliability, truth and completeness of the said third parties' information.

In no event would the MATERIALS constitute or be deemed to constitute an invitation to invest in PGB, its subsidiaries and related corporations or an invitation by PGB, its subsidiaries and related corporations to enter into a contract with you.

Forward Looking Statements and Associated Risks

The MATERIALS and related discussions today, including but not limited to those regarding the gas processing, gas transportation, utilities and regasification environment, plant turnaround activity and costs, operational risk, increase in turnaround activity and impact on production, future capital expenditures in general, generation of future receivables, sales to customers, cash flows, costs, cost savings, debt, demand, disposals, dividends, earnings, efficiency, gearing, growth, strategy, trends, reserves and productivity together with statements that contain words such as "believe", "plan", "expect" and "anticipate" and similar expressions thereof, may constitute forward looking statements.

Such forward looking statements are subject to certain risks and uncertainties, including but not limited to, the economic situation in Malaysia, increases in regulatory burdens in Malaysia, levies or taxes in Malaysia, and changes in prices or demand for utilities and services provided by us as a result of competitive actions or economic factors. Such forward looking statements are also subject to the risks of increased and performance by third parties in accordance with contractual terms and specifications.

Should one or more of these uncertainties or risks, among others, materialise, actual results may vary materially from those estimated, anticipated or projected. Specifically, but without limitation, capital costs could increase, projects could be delayed, and anticipated improvements in capacity or performance may not be fully realised. Although we believe that the expectations of management as reflected by such forward looking statements are reasonable based on information currently available, no assurances can be given that such expectations will prove to have been correct. Accordingly, you are cautioned not to place undue reliance on the forward looking statements. We undertake no obligation to update or revise any of them, irrespective of possible new information, future events or otherwise.

The Materials are strictly confidential and must not be copied, reproduced, distributed, summarised, disclosed, referred or passed to others at any time without the prior written consent of PGB.

AGENDA

- **Opening Remarks**
- **Presentation**
- **Q&A**

PGB Management



Kamal Bahrin Ahmad
**Managing Director/
Chief Executive
Officer**



**Shariza Sharis
M Yusof**
**Chief Financial
Officer**



Abdul Razak Saim
**Head, Business
Development &
Commercial**



Izan Hajar Ishak
**Head, Investor
Relations**

HIGHLIGHTS

HIGHLIGHTS



Excellent Plant Performance

High plant reliability sustained

Performance incentives slightly affected due to minor GPS fire incident



Lower Revenue ▼ 1%

at RM4,086 Mil

(9M 2018: RM4,111 M)



Lower Profit ▼ 5%

at RM1,491 M

(9M 2018: RM1,566 M)



2nd Term GPA

New remuneration terms

Higher Reservation Charge and new Agreed Ethane Target Incentive



IBR Implementation

RP1 proposal submitted to Suruhanjaya Tenaga

Discussions and reviews currently ongoing



Ancillary Services

New revenue stream

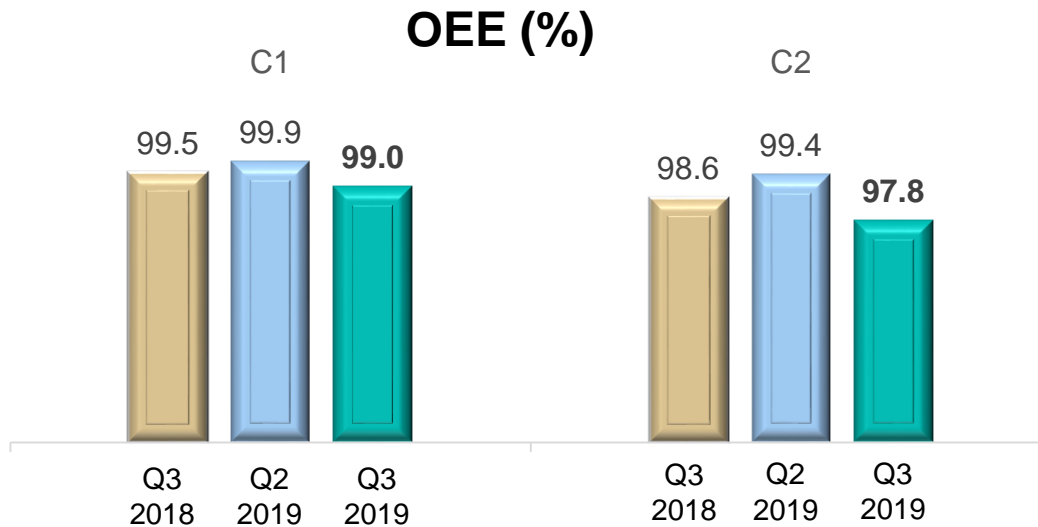
First GUCD in April 2019

First reloading fees in August 2019

OPERATIONAL PERFORMANCE

GAS PROCESSING

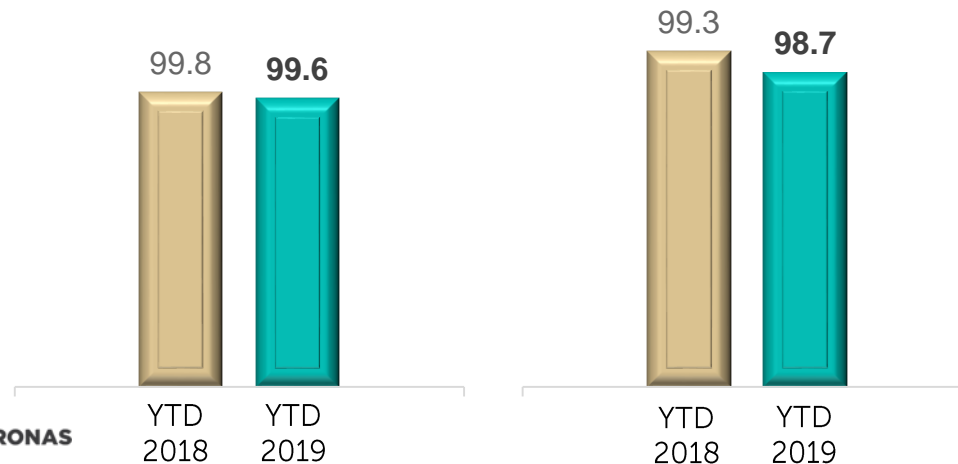
Strong OEE, demonstrating commitment in ensuring system reliability and sustenance of PBS



**World Class Reliability
YTD**

**Salesgas
Processing** 99.6%

**Product
Delivery** 100%



Performance Incentive

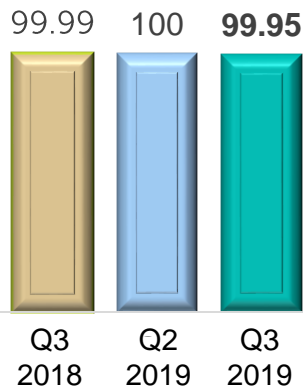
**9 months
RM57.3 mil**

GAS TRANSPORTATION & REGASIFICATION

GT sustained commitment ensuring security of gas supply to the nation, Regasification maintained strong performance

Transportation

Reliability (%)

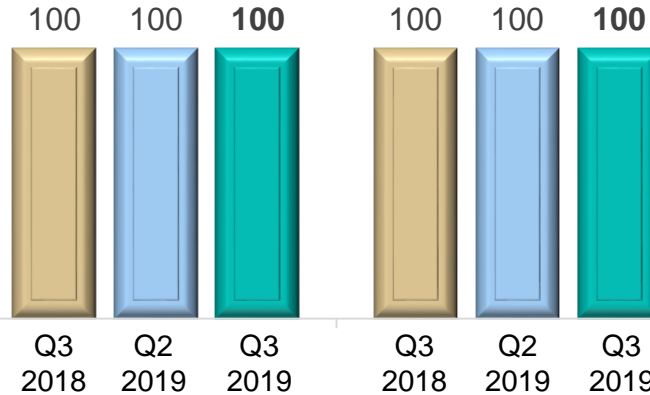


Regasification

OEE (%)

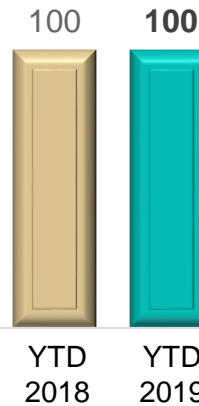
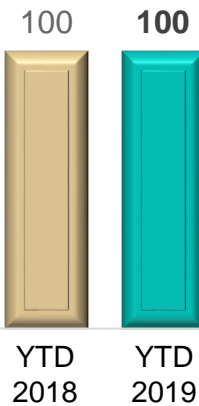
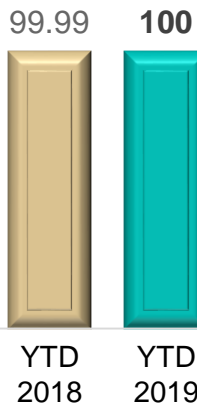
RGTSU

RGTP



World Class Reliability YTD

Regasification Delivery 100%



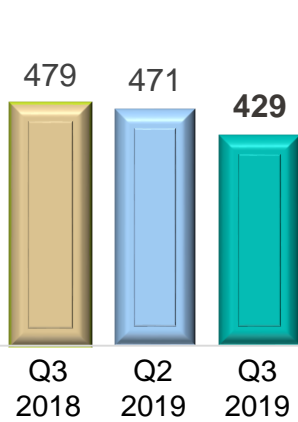
Cargo received YTD

LNG Cargoes 34 cargoes

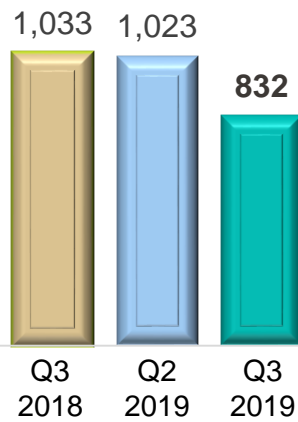
UTILITIES

Lower volume in line with statutory turnaround at ASU Kertih

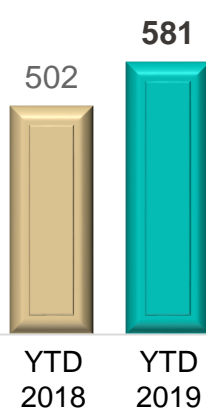
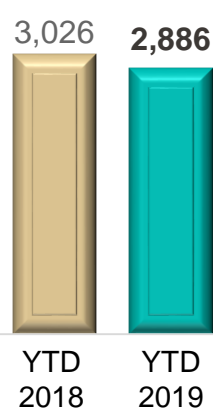
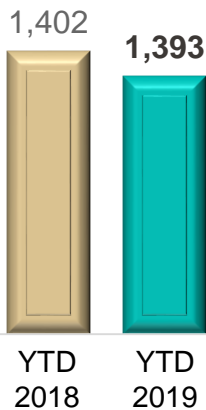
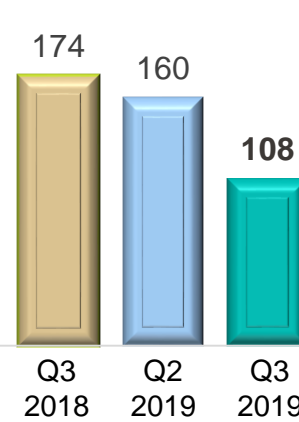
Electricity GWh



Steam kMt



Industrial Gases Mil Nm³



Product Delivery Reliability YTD

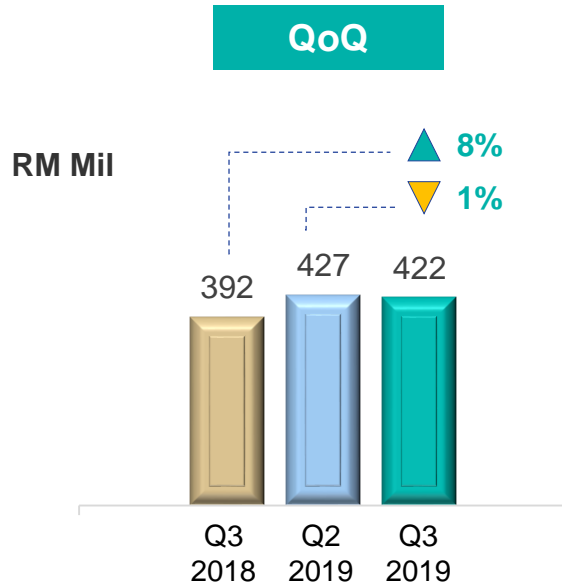
Electricity	100%
Steam	100%
Industrial gases	99%

FINANCIAL PERFORMANCE

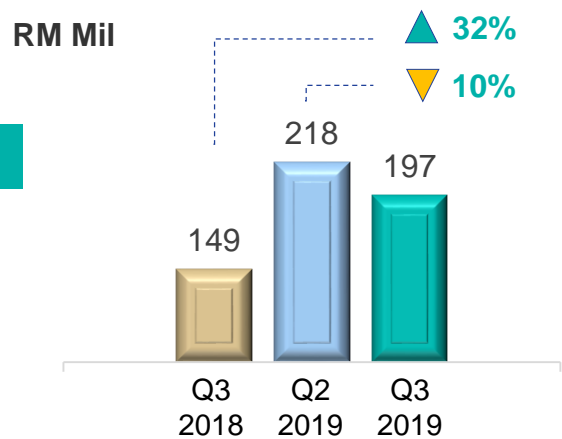
FINANCIAL: GAS PROCESSING

Higher revenue and gross profit on higher GPA remuneration terms

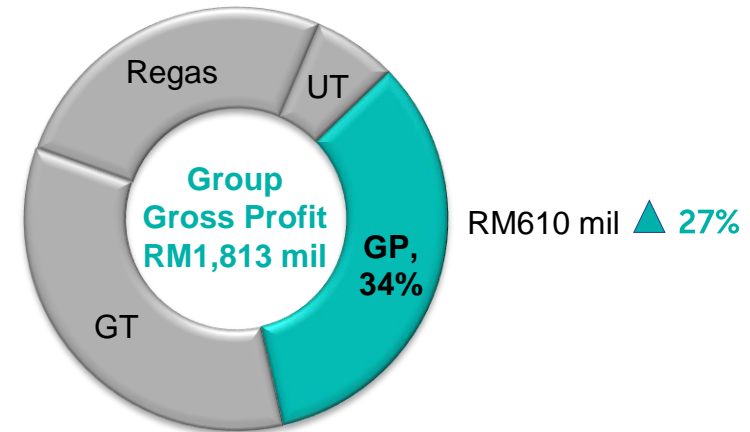
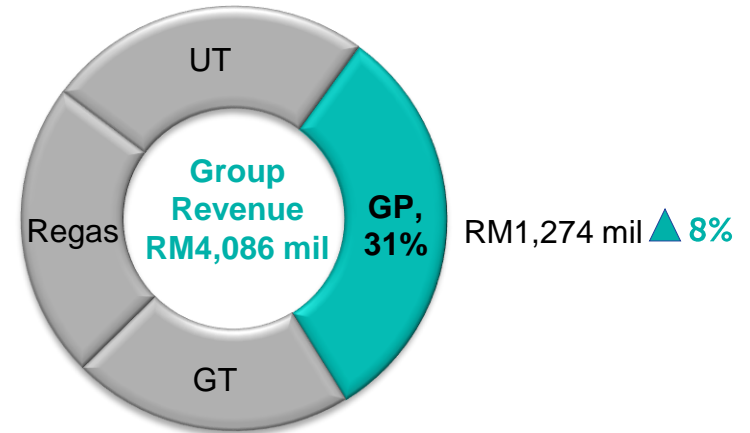
Revenue



Gross Profit



YTD 2019



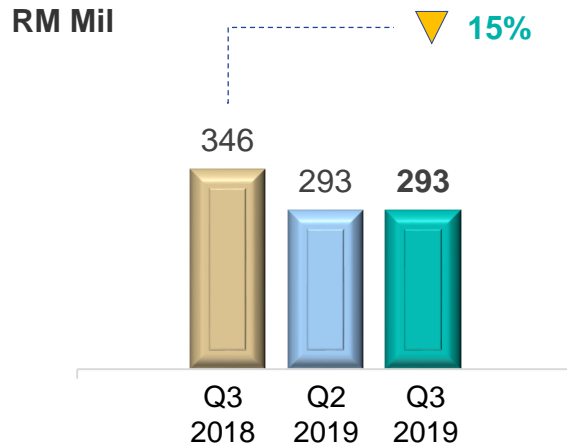
FINANCIAL: GAS TRANSPORTATION

Lower revenue and profit in line with IBR tariffs

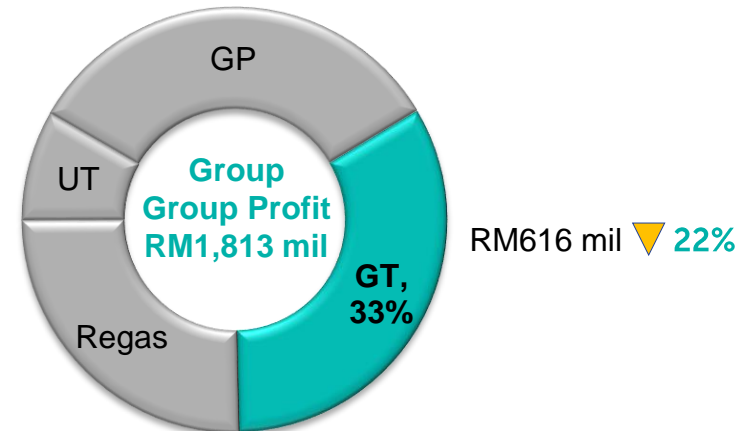
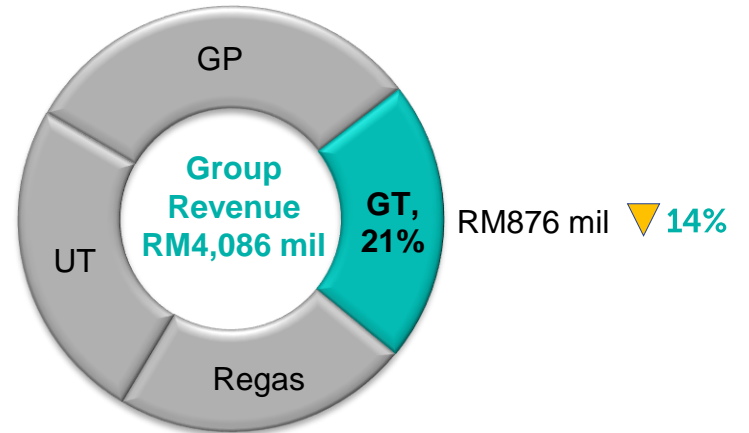
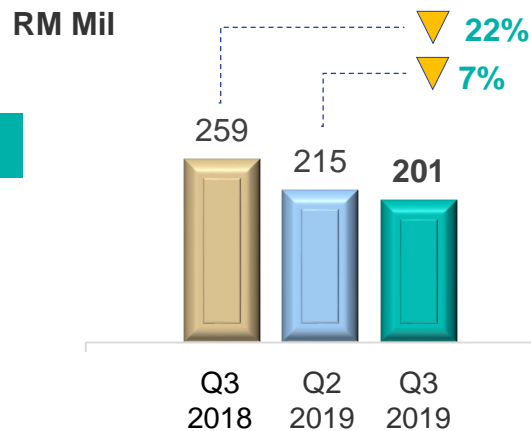
QoQ

YTD 2019

Revenue



Gross Profit



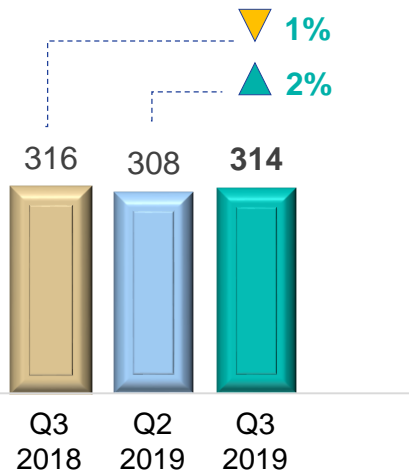
FINANCIAL: REGASIFICATION

Lower gross profit in line with IBR tariffs

QoQ

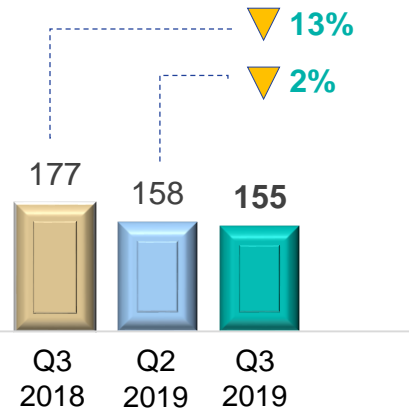
RM Mil

Revenue

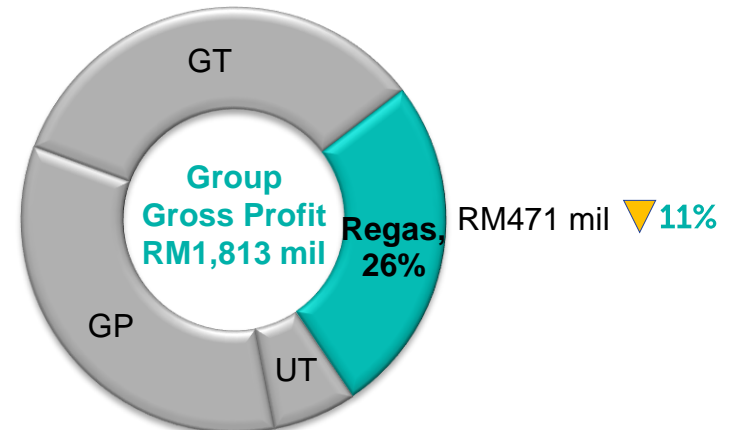
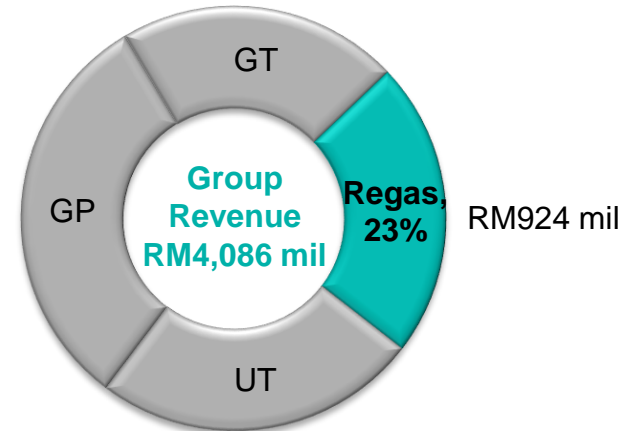


RM Mil

Gross Profit



YTD 2019

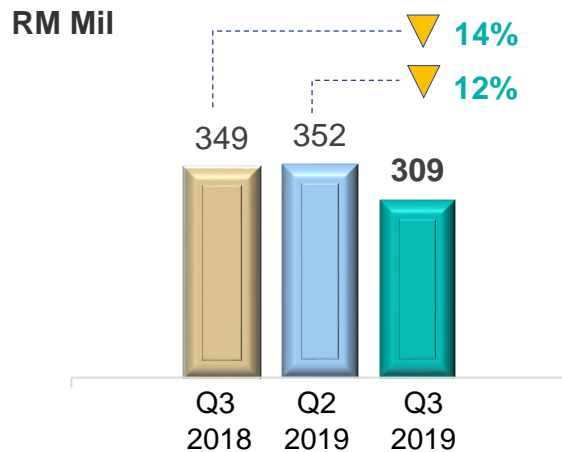


FINANCIAL: UTILITIES

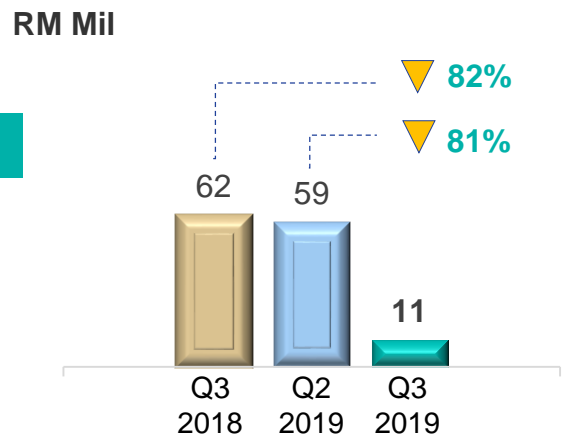
Lower quarterly revenue and profit from lower volumes in line with undertaken turnaround activities

QoQ

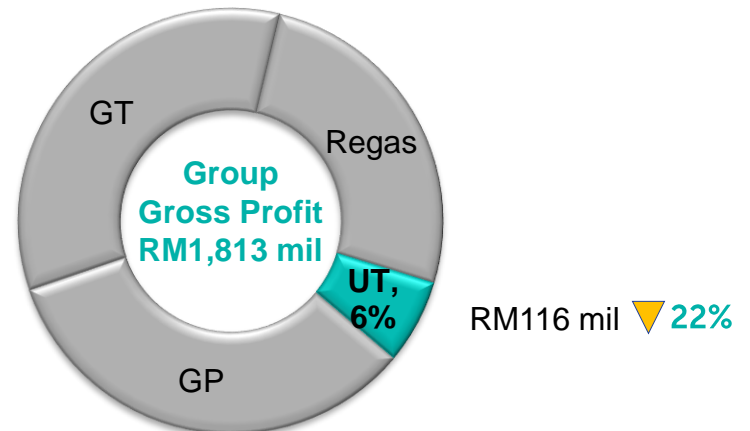
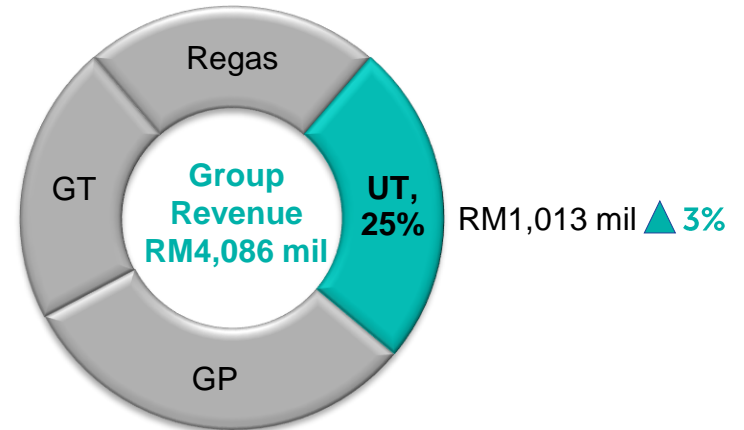
Revenue



Gross Profit

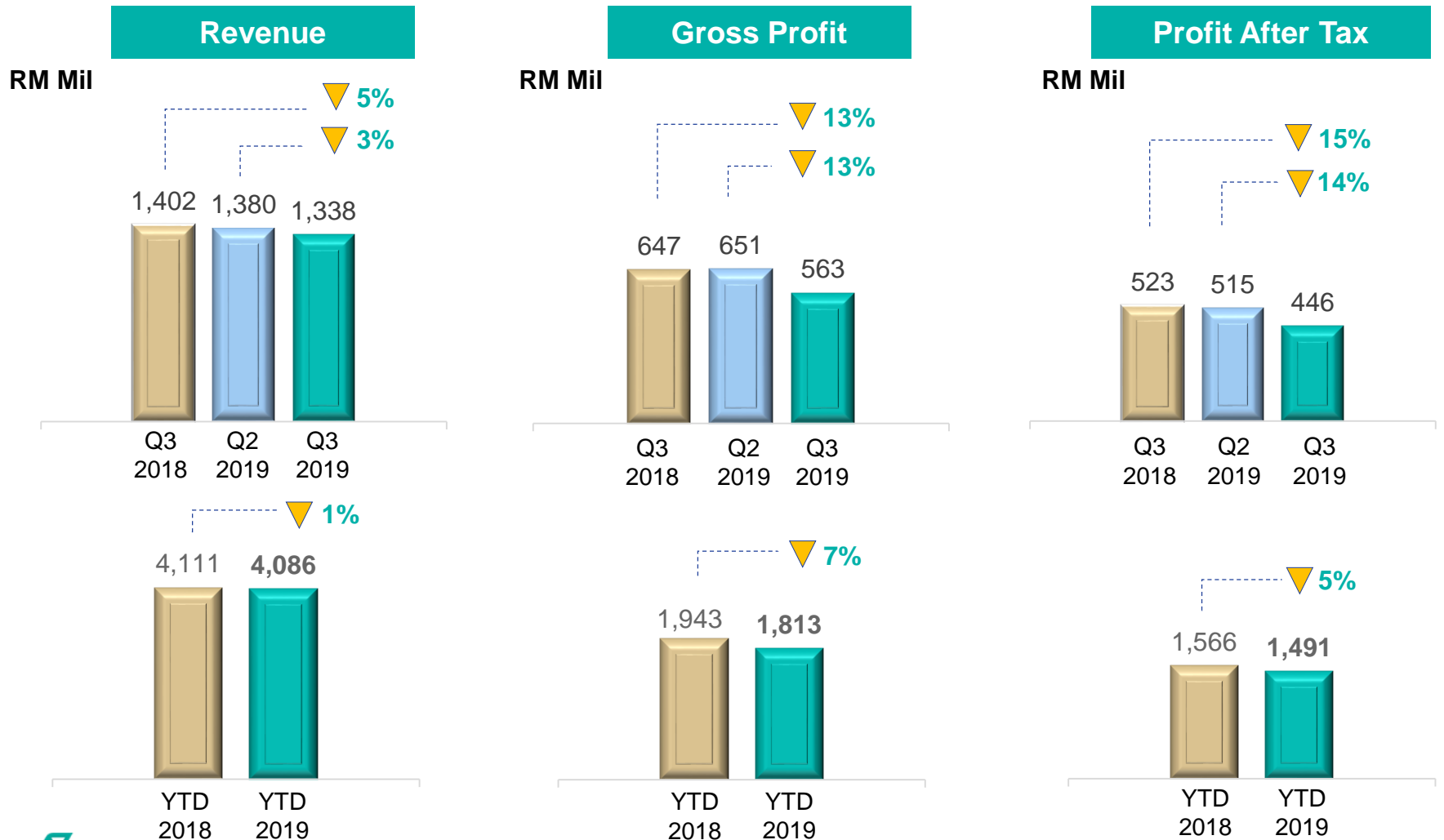


YTD 2019



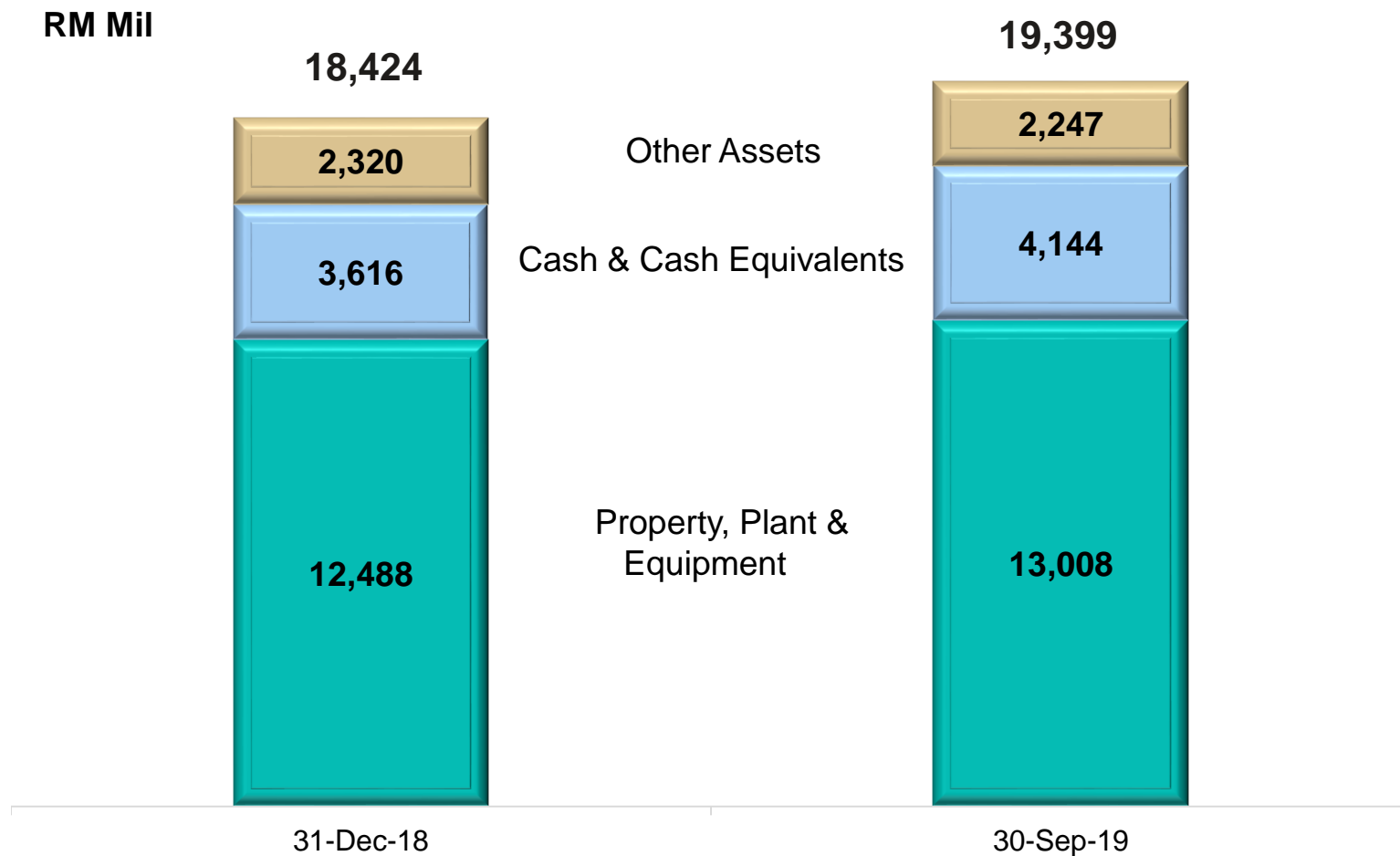
FINANCIAL: GROUP

Higher earnings from Gas Processing and Utilities offset the lower earnings from Gas Transportation and Regasification



TOTAL ASSETS

Robust asset base supported by healthy cash balance as well as property, plant and equipment

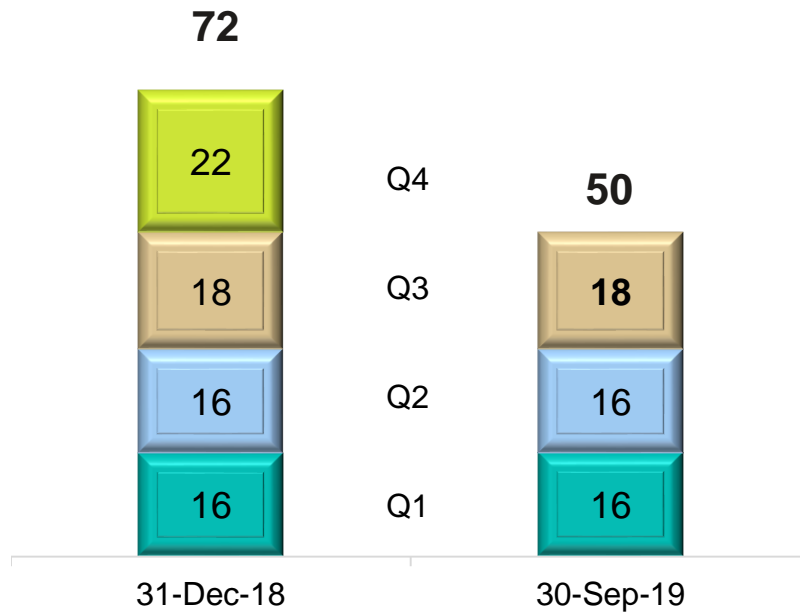


DIVIDENDS

Maximising shareholders return through sustained dividend payments

Quarterly Dividend Payment

Dividend per share (sen)



Dividend Payout Ratio

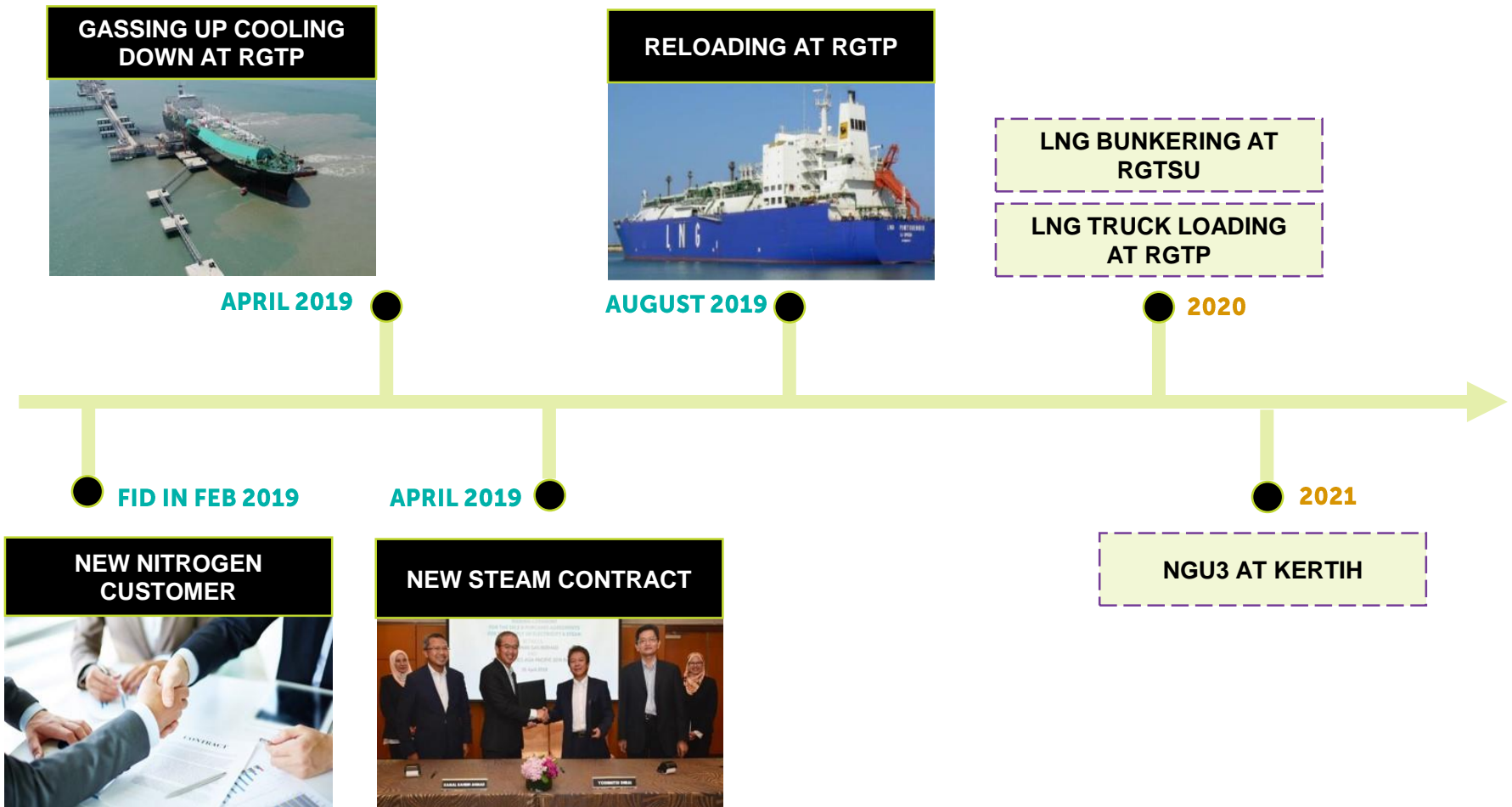
2018	79%
	74%*

*excluding KPSB tax adjustment impact in Q4 2018

UPDATES

GROWTH

New revenue stream from ancillary business, with ongoing expansion of nitrogen capacity



THIRD PARTY ACCESS

Welcoming the First Third-Party LNG Cargo Delivery in Malaysia



Q&A

For further enquiries please
contact us at:

PETRONAS Gas Berhad
Level 49, Tower 1
PETRONAS Twin Towers
Kuala Lumpur City Centre
50088 Kuala Lumpur, MALAYSIA

ir.petronasgas@petronas.com

www.petronasgas.com

Izan Hajar Ishak
Head, Investor Relations
Tel: +603 2331 9366

