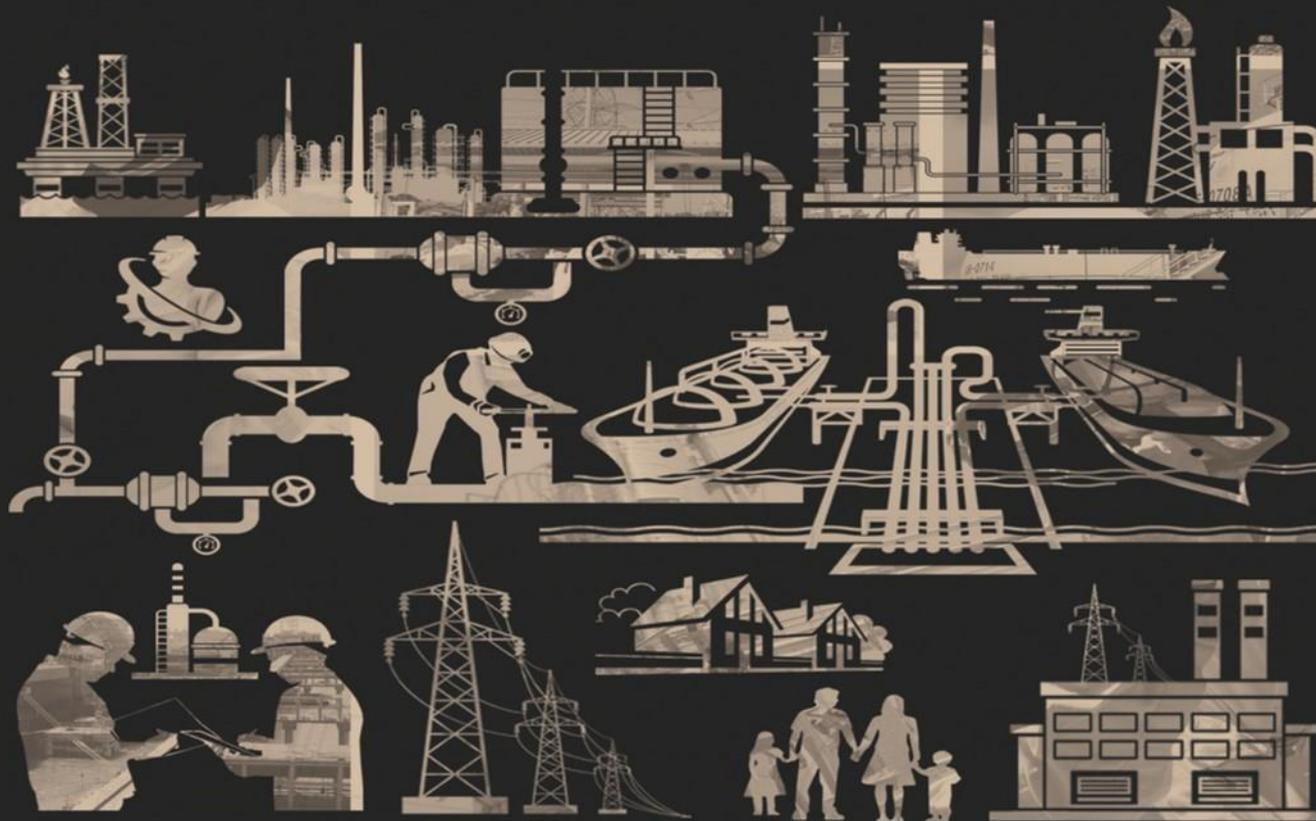


PETRONAS GAS BERHAD

QUARTERLY ANALYST BRIEFING

FOR PERIOD ENDED 30 JUNE 2018

15 Aug 2018 : 4:00 p.m.



DRIVING EXECUTION DELIVERING VALUE

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**

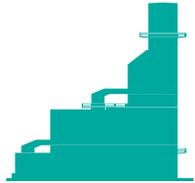
Head, Investor
Relations



**KEY
HIGHLIGHTS**



KEY HIGHLIGHTS



Sustained strong
plant performance

PBS
6 mths

C2 OEE PDR
99.7% 100%

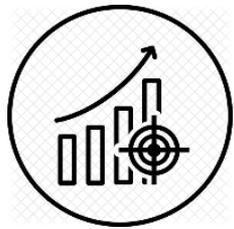
Electricity &
Steam



Higher Profit due to lower
OPEX and higher revenue
stream from RGTP

RM1,042 Mil

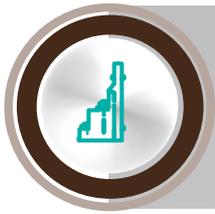
YTD Q2 2017:
RM889 Mil



Growth Project supporting PIC on schedule and
within budget. RGTP has commenced operation
and running smoothly while ASU progress is on
track.



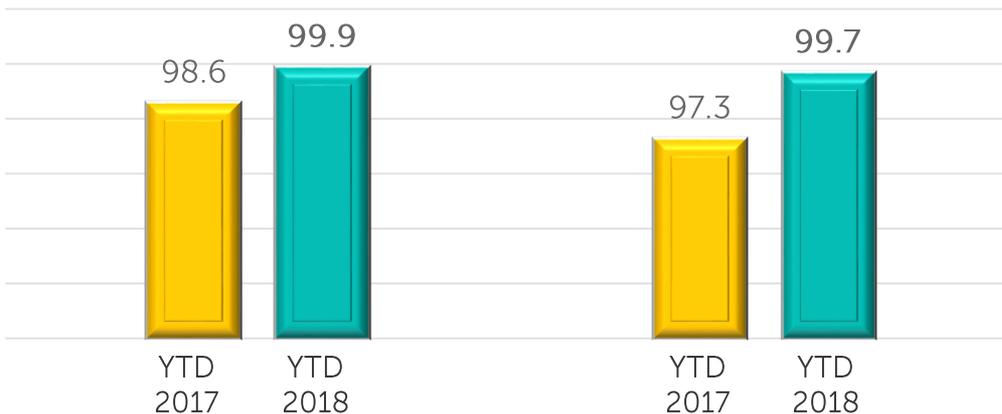
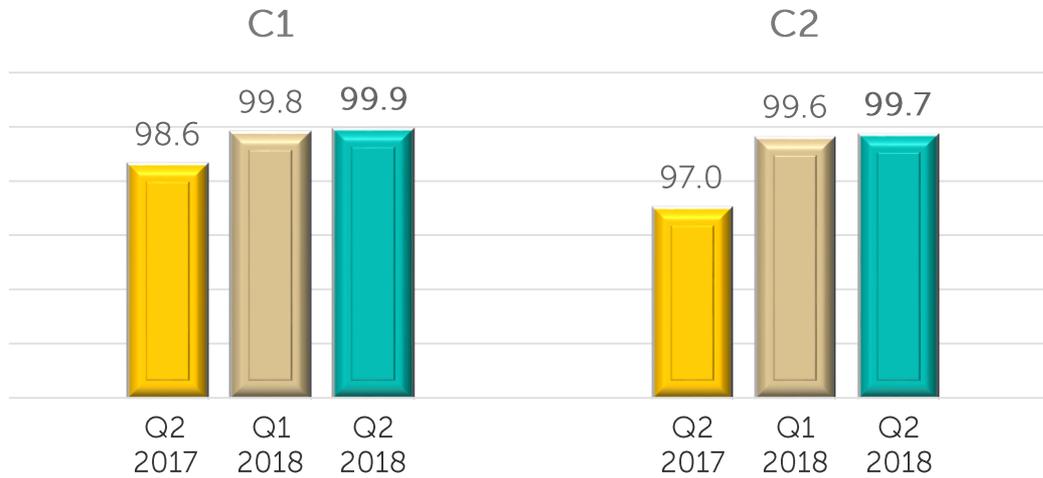
**OPERATIONAL
PERFORMANCE**



GAS PROCESSING

Strong OEE, demonstrating world class performance in system reliability and sustenance of PBS

OEE (%)



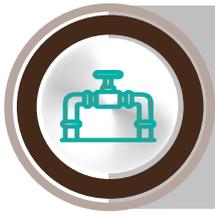
World Class Reliability YTD

Salesgas Processing **99.9%**

Product Delivery **100%**

Performance Based Structure

6 months
RM38.7 mil



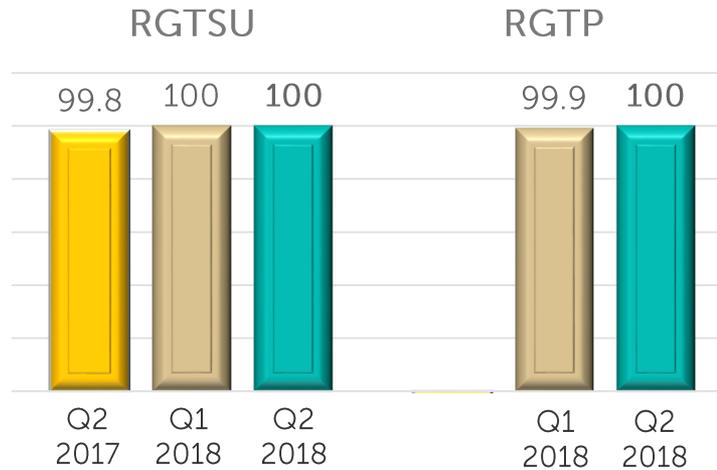
GAS TRANSPORTATION & REGASIFICATION

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

Transportation Reliability (%)



Regasification OEE (%)

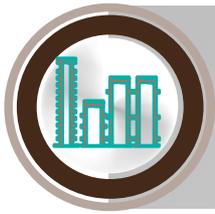


World Class Reliability YTD

Product Delivery **99.9%**

Cargo received YTD

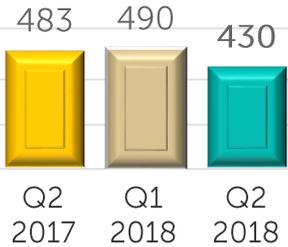
LNG Cargoes **12 cargoes**



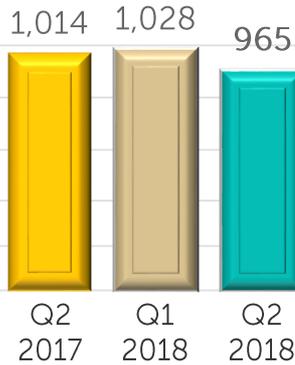
UTILITIES

High reliability despite lower delivery of utilities products on softer customer demand

Electricity (GWh)



Steam (kMT)



Industrial Gases (Mil Nm³)

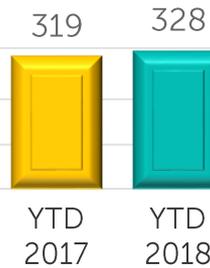
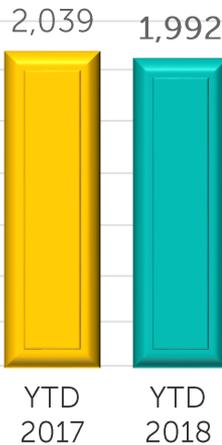
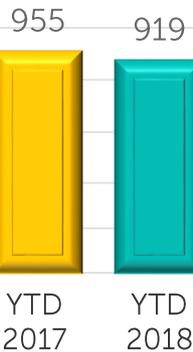


Product Delivery Reliability YTD

Electricity **100%**

Steam **100%**

Industrial Gases **99.0%**





**FINANCIAL
PERFORMANCE**



FINANCIAL: GROUP

Higher revenue and gross profit primarily attributable to contribution from RGT Pengerang

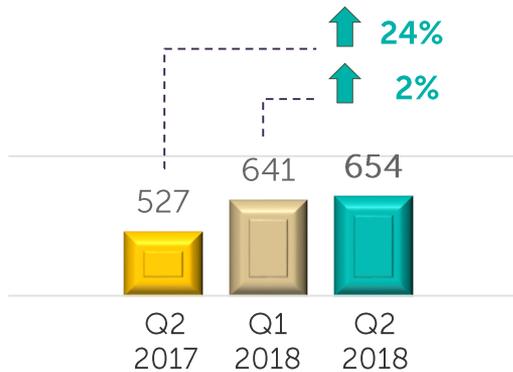
Revenue

RM Mil



Gross Profit

RM Mil

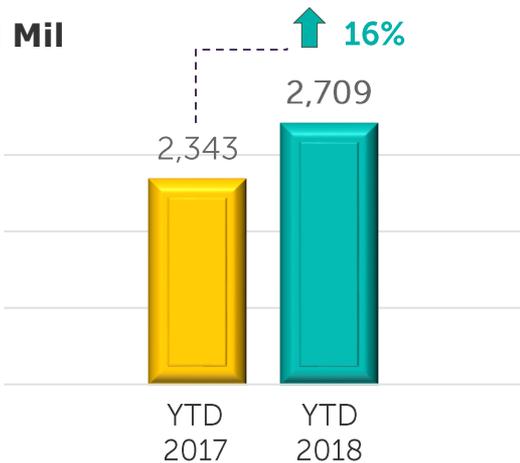


Profit After Tax

RM Mil



RM Mil



RM Mil



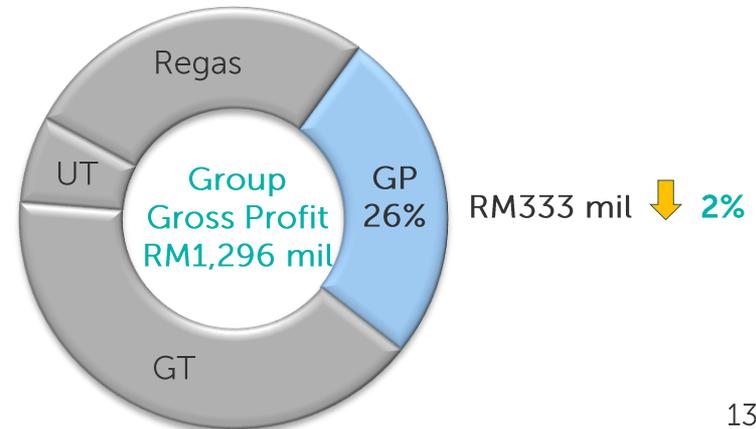
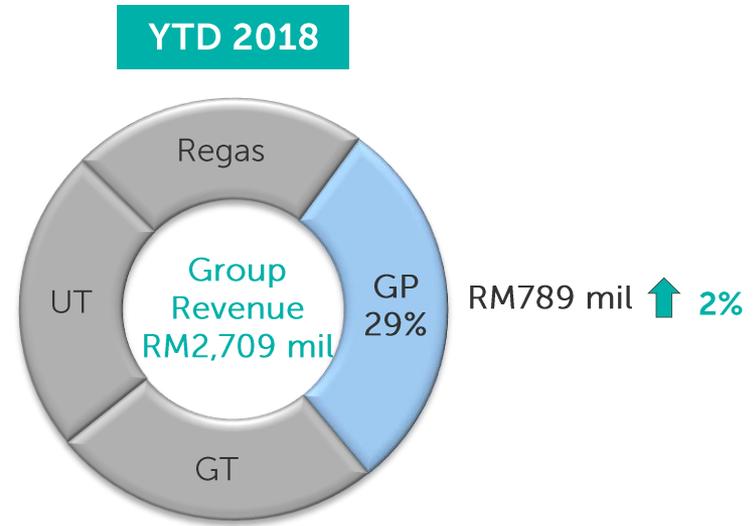
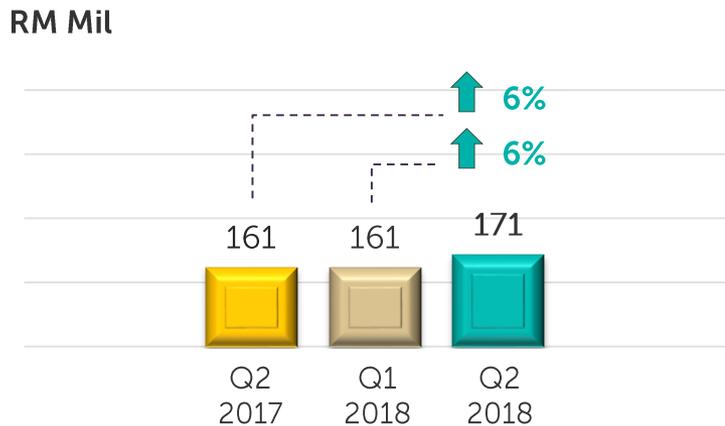
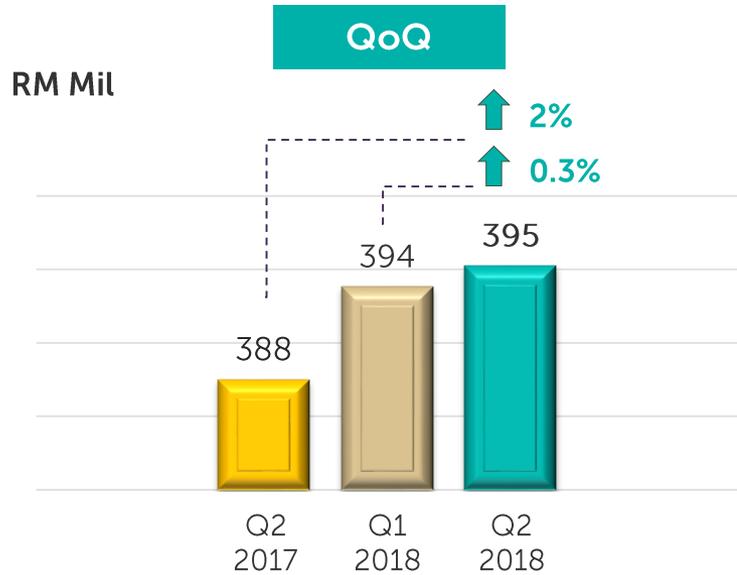
RM Mil





FINANCIAL: GAS PROCESSING

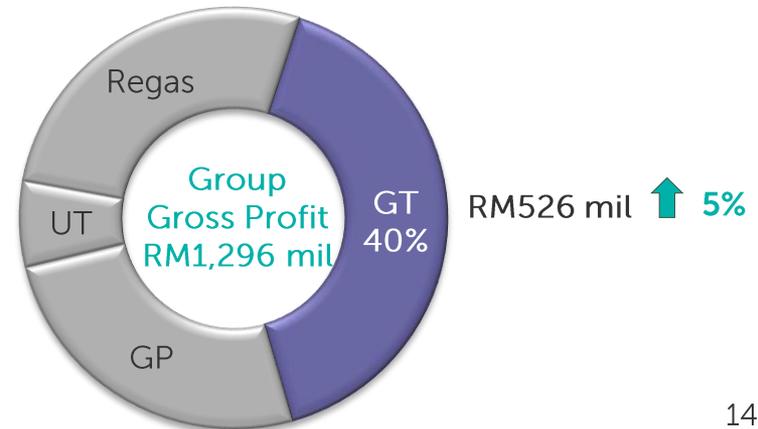
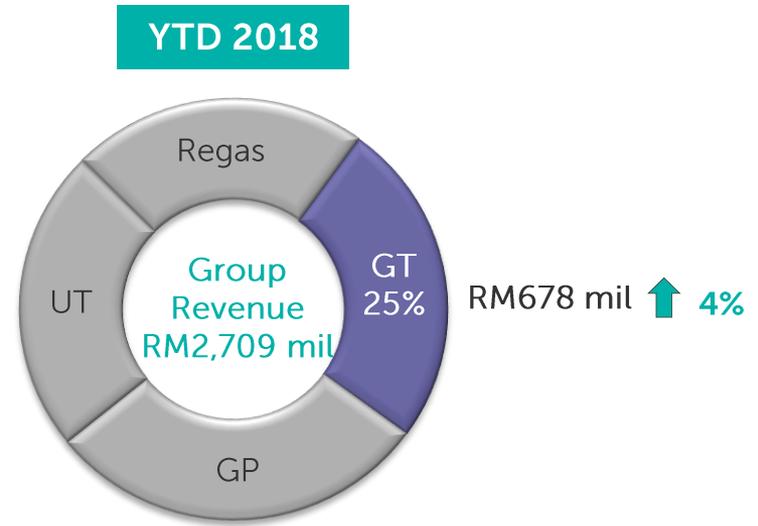
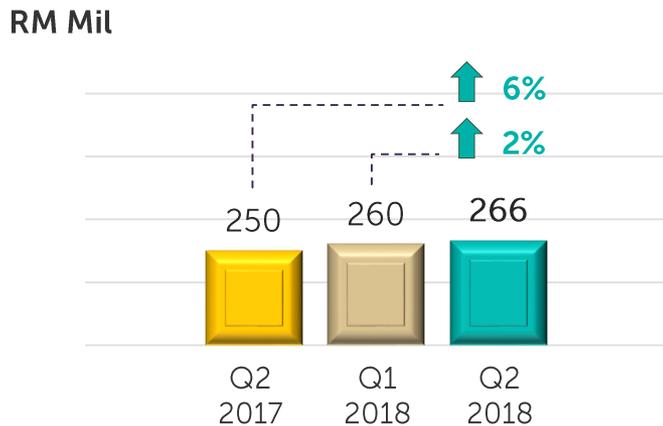
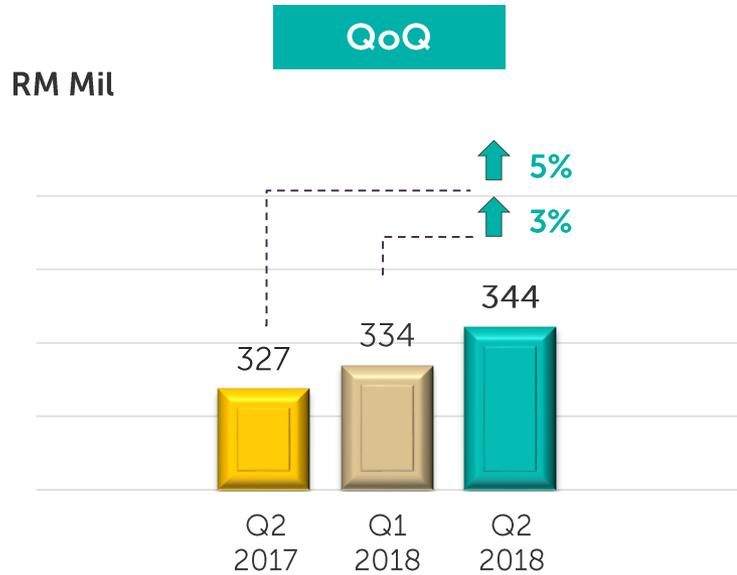
Higher revenue on higher PBS income, better gross profit on lower operating expenses





FINANCIAL: GAS TRANSPORTATION

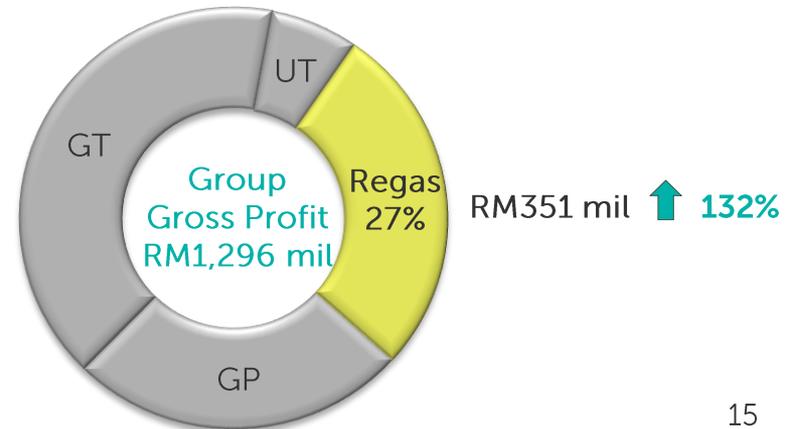
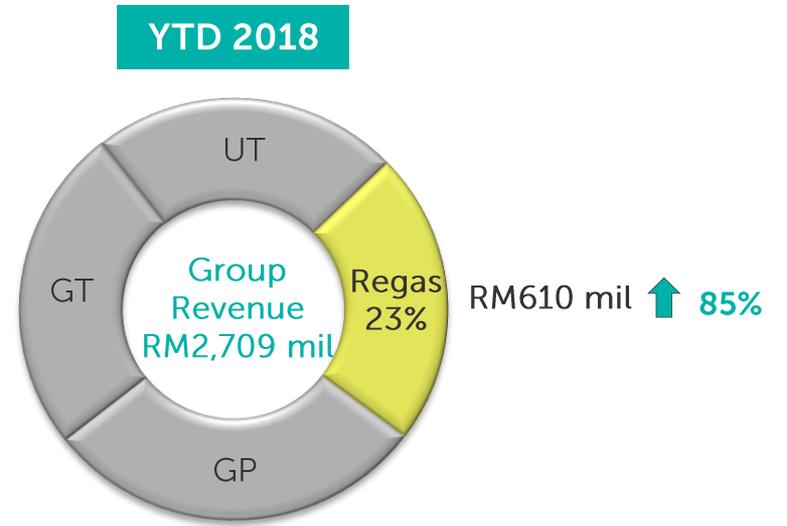
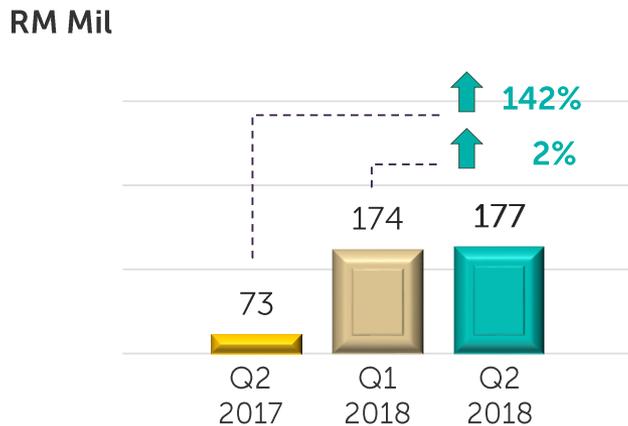
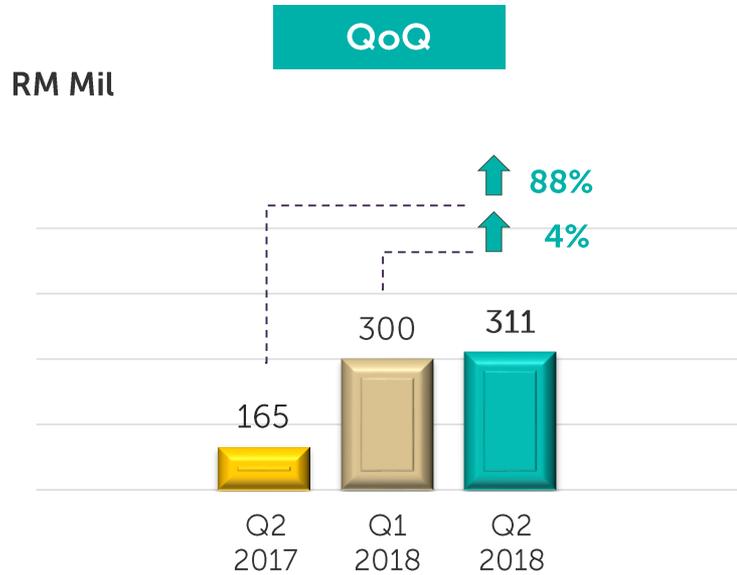
Improved revenue on income from operations and maintenance services





FINANCIAL: REGASIFICATION

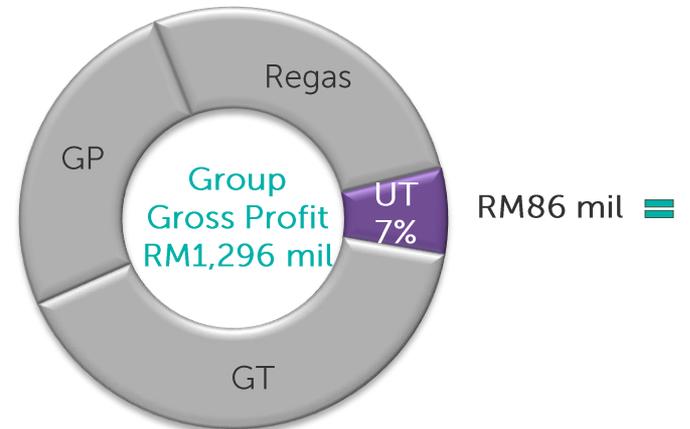
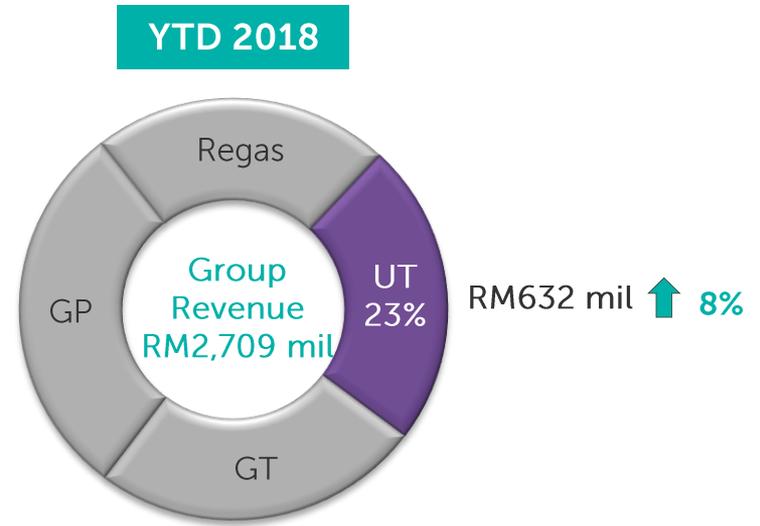
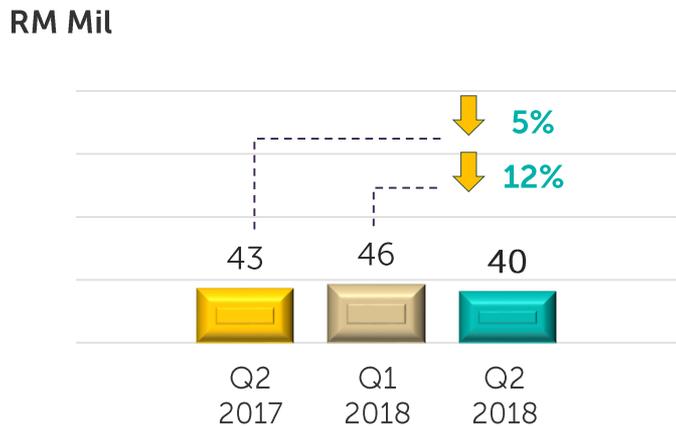
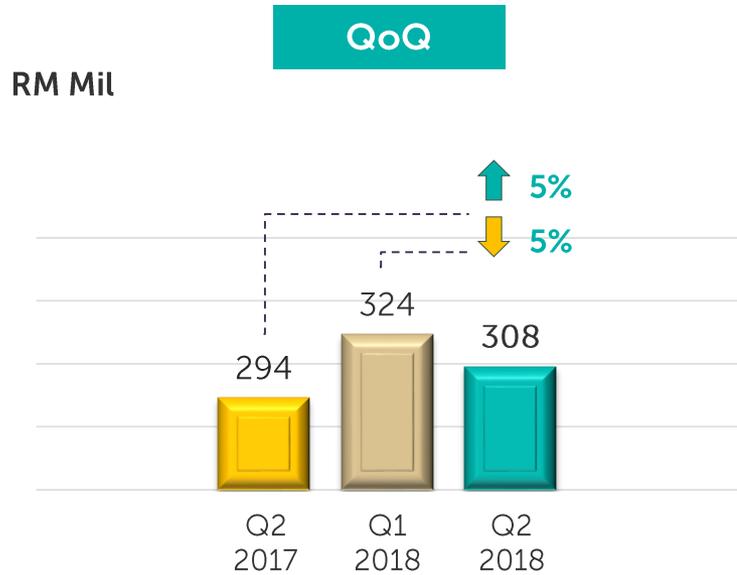
Gross profit surged with contribution from the new regasification terminal at Pengerang





FINANCIAL: UTILITIES

Higher year-to-date revenue on favourable selling price, gross profit remained comparable on increased cost

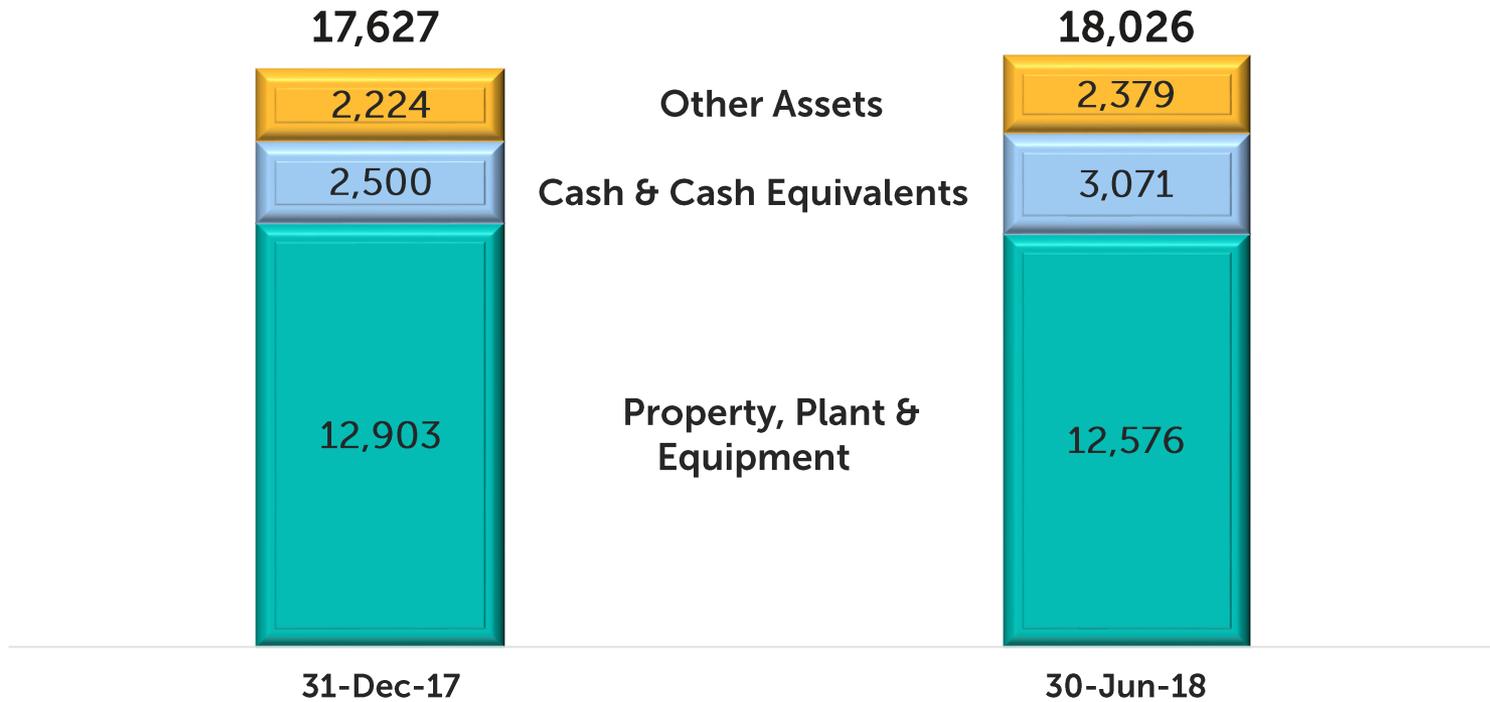




TOTAL ASSETS

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

RM Mil



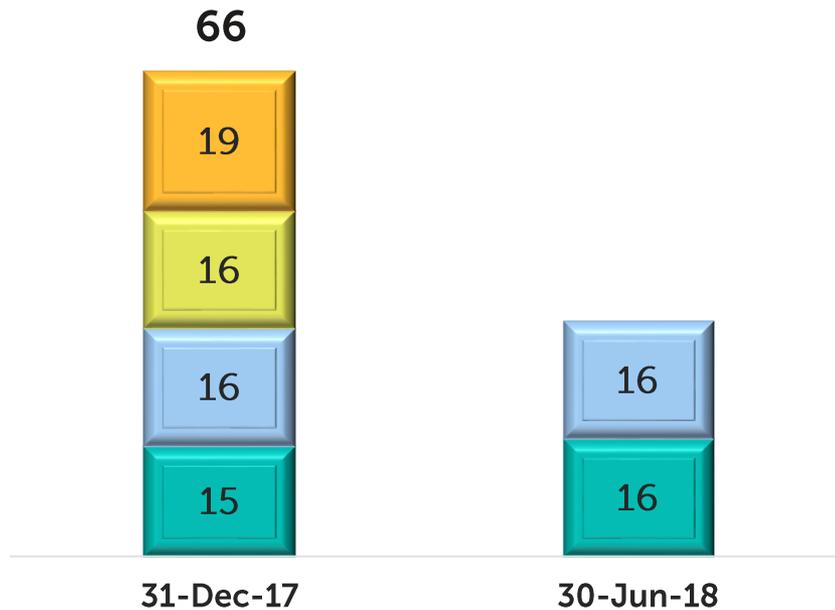


DIVIDEND

Maximising shareholders return through sustained dividend payments

Quarterly Dividend Payment

Dividend per share (sen)



Dividend Payout Ratio





UPDATES



PIC PROJECT

ASU progress is on track and expected to be ready in Q4 2018

Air Separation Unit (ASU)



● Progress

90.9%

● Target Commercial Operation Date

Q4 2018

 Project schedule

 Project cost

 Zero Fatality



TARIFF DEVELOPMENT

While the new tariff will still be under cost-recovery mechanism, there are changes on calculation basis as well as new elements

CURRENT TARIFF

Depreciated Replacement
Cost (DRC)
Asset Base



CAPEX &
OPEX

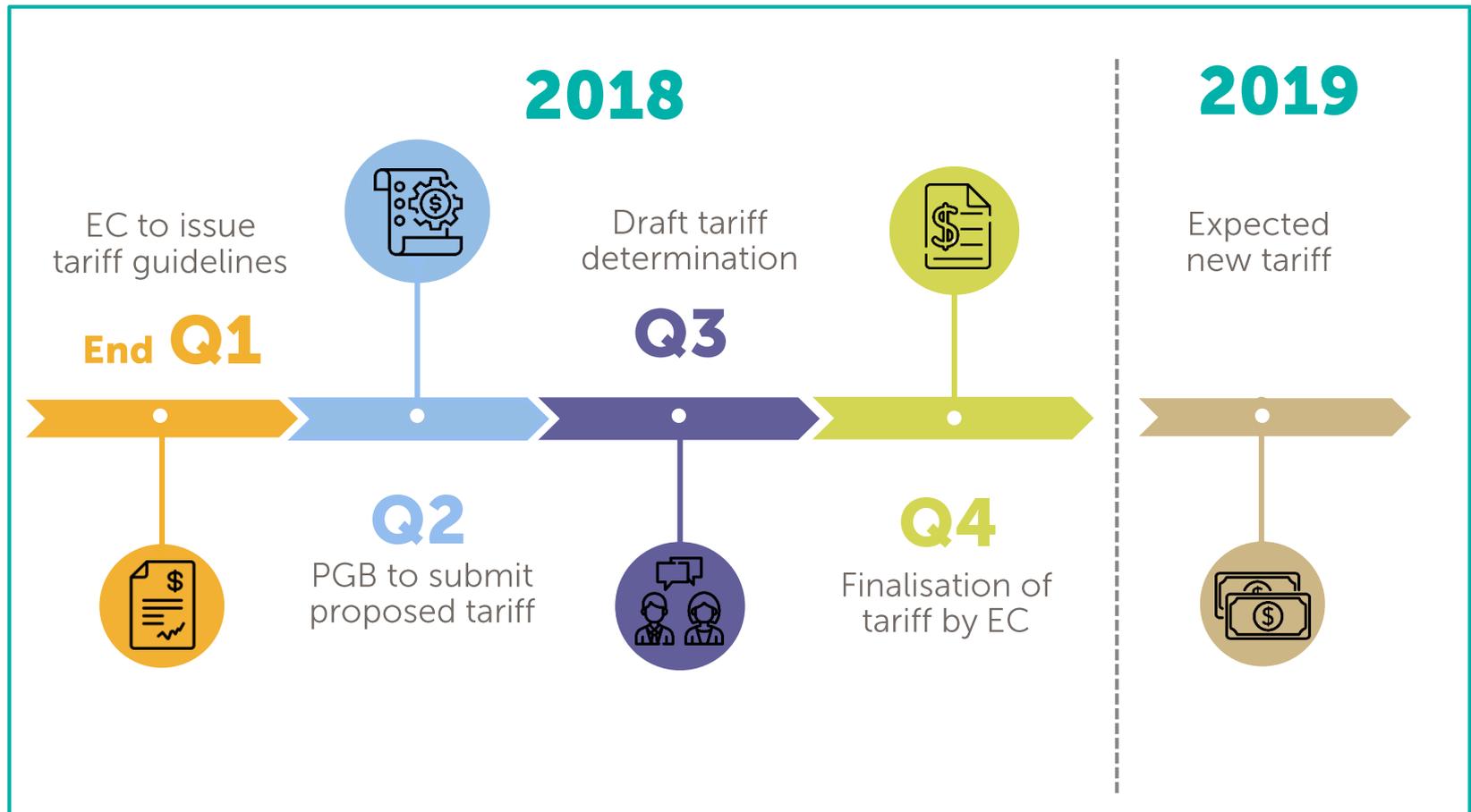


Agreed
Return



TARIFF DEVELOPMENT

We are in continuous discussions with the Energy Commission on the framework and quantum of the tariff beyond 2018





PETRONAS

Question & Answer

For further enquiries please contact us at:

PETRONAS Gas Berhad
Level 51, Tower 1,
PETRONAS Twin Towers
Kuala Lumpur City Centre
50088 Kuala Lumpur, MALAYSIA

ir.petronasgas@petronas.com.my

www.petronasgas.com

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

