Cautionary Statement

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PETRONAS is operating in unprecedented market conditions due to the sudden drop in economic activities following global lockdowns caused by the COVID-19 pandemic combined with a supply glut, triggered by the conditions surrounding OPEC+ in early March, and subsequent oil price war.

The effect of these changes in market conditions were especially felt in the month of March. Overall, revenue for the first quarter stood at RM59.6 bil, a slight decrease from the same period last year. EBITDA fell by 27% to RM20.3 bil while CFFO decreased by 24% to RM17.6 bil.

In mitigating the negative impact on its profitability and liquidity, PETRONAS is taking steps to optimise its planned international capital investments and operating expenditures. While the Group continues to invest domestically, it anticipates that there will be constraints in the supply chain as a result of the pandemic.

The Group will leverage on its strong financial profile, solid liquidity and ability to strategically access capital markets to weather this downturn.

The Board expects the overall financial year performance will be significantly affected by the challenging outlook for the rest of 2020.

In line with our Statement of Purpose, PETRONAS is committed to support the efforts against the COVID-19 pandemic and the Group’s contributions toward these have totalled just under RM40 mil.

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Key Messages

- **Dated Brent** (USD/bbl)
  - **$50.26**
  - Q1 2019 $63.20

- **JCC single-month**¹ (USD/bbl)
  - **$67.04**
  - Q1 2019 $63.54

- **MYR/USD**² (USD/bbl)
  - **RM4.18**
  - Q1 2019 RM4.09

¹ Represents published price, not actualised price
² Average exchange rate

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Preserving our net cash position to navigate through the downcycle

### Performance (RM bil)

<table>
<thead>
<tr>
<th></th>
<th>Q1 2019</th>
<th>Q1 2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue</td>
<td>62.0</td>
<td>59.6</td>
</tr>
<tr>
<td>EBITDA</td>
<td>27.8</td>
<td>20.3</td>
</tr>
<tr>
<td>EBITDA Margin</td>
<td>45%</td>
<td>34%</td>
</tr>
<tr>
<td>Cash flows from operating activities (CFFO)</td>
<td>23.2</td>
<td>17.6</td>
</tr>
<tr>
<td>PAT</td>
<td>14.2</td>
<td>4.5</td>
</tr>
<tr>
<td>PAT excluding identified item*</td>
<td>14.1</td>
<td>9.2</td>
</tr>
<tr>
<td>Group costs</td>
<td>49.0</td>
<td>55.8</td>
</tr>
<tr>
<td>Group costs excluding identified item*</td>
<td>49.1</td>
<td>51.1</td>
</tr>
</tbody>
</table>

### Financial Position (RM bil)

<table>
<thead>
<tr>
<th></th>
<th>31 Dec 2019</th>
<th>31 Mar 2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total assets</td>
<td>622.4</td>
<td>630.0</td>
</tr>
<tr>
<td>Net cash position**</td>
<td>81.6</td>
<td>85.7</td>
</tr>
</tbody>
</table>

* Identified item comprises of net impairment of assets
** Total cash and cash equivalent and short term fund and other investments less total borrowings

### CAPEX (RM bil)

- **8.5**
- Q1 2019: 8.3

### Q1 2020 Capital Investments

- **RM8.5 bil**
  - 47%: Upstream
  - 56%: Downstream
  - 19%: G&NE
  - 12%: C&O
  - 13%: Malaysia
  - 53%: International

Financial Results Announcement 31 March 2020, Financial Highlights | Page 4
PAT kept pace with peers while CFFO margins remained better in comparison

**Profit/(Loss) After Tax Margin (%)**

Q1 2016: 8%
Q1 2017: 18%
Q1 2018: 22%
Q1 2019: 23%
Q1 2020: 8%

**Cash Flow from Operation over Revenue (%)**

Q1 2016: 20%
Q1 2017: 29%
Q1 2018: 38%
Q1 2019: 37%
Q1 2020: 30%

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Information on other oil companies were sourced from the respective Quarterly Announcements. PETRONAS Group is not responsible for errors or omissions contained in the information, and makes no representations as to the accuracy of the information. The user is cautioned that the chart which appears above may not be subject to accurate transmission in their entirety and is advised to read the information above in conjunction with the respective oil companies Quarterly Announcements.
After making capital investments and fulfilling repayments, CFFO continued to contribute to an improved Group cash balance.

On 15 April 2020, PETRONAS successfully raised US$6 bil from a bond offering, with proceeds to be used for refinancing, capital investment and working capital.
Segmental results

Increase in production and sales volumes was offset by drop in prices, resulting in lower PAT

Profit After Tax by Business Segments (RM bil)

Q1 '19
Upstream 0.7
Gas & New Energy 4.8
Downstream 5.2
C&O 0.2
Inter-segment elimination (1.2)

Q1 '20
Upstream 2.1
Gas & New Energy (1.9)
Downstream (2.6)
C&O (2.1)
Inter-segment elimination 0.9

Upstream
Gas & New Energy
Downstream
C&O
Inter-segment elimination

Financial Results Announcement 31 March 2020, Financial Highlights | Page 7
Q1 2020 Upstream Performance

Focus Areas

Maximizing Cash Generator
5
Projects achieved first Hydrocarbon (3 Brownfield, 2 Greenfield)

Operational Excellence
2
Exploration discoveries in Sarawak’s SK407 Kelapa Bali & SK408 Remayong fields

Portfolio Growth
4
Projects achieved Final Investment Decision (FID) (3 Malaysia, 1 International)

Operational Performance

Production (kboe/d)

<table>
<thead>
<tr>
<th>Year</th>
<th>Entitlement</th>
<th>Production</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Entitlement</td>
<td>Natural Gas</td>
</tr>
<tr>
<td></td>
<td>Crude and Cond.</td>
<td>Crude and Cond.</td>
</tr>
<tr>
<td>Q1 2019</td>
<td>1,841</td>
<td>2,464</td>
</tr>
<tr>
<td></td>
<td>1,824</td>
<td>2,436</td>
</tr>
</tbody>
</table>

Greenhouse Gas (GHG) emissions reduction to support PETRONAS’ sustainability initiatives

0.15 tCO2e/year

Cost optimisation at Tembungo mature field operations, reducing operational cost, ensuring safety while delivering sustainable value

75%

Farm-in into the US Gulf of Mexico (US GOM) and successful oil discovery for the exploration well of the Monument Prospect

This marks the first entry and discovery in the US GOM
Q1 2020 Gas and New Energy Performance

Focus Areas

Maximizing Cash Generator

- 2nd
- Successfully delivered 11,111th
- 1.5 MTPA
- 12+12 YEAR

Stepping Out

- 650 MWp
- solar capacity under operation & development with a newly completed 75MWp open access solar project in Mirzapur, India

Floating LNG, PFLNG DUA, successfully sailed-away and arrived at the Rotan Gas Field, Sabah with commercialisation planned for end-2020

LNG cargo in January, from PLC, Bintulu, marking a milestone of over 37 years of reliable delivery without fail since operations began

term deal concluded for LNG delivery to Shenergy Group, the Shanghai provincial energy company, which includes shipping collaboration for 2 new mid-sized LNG vessels

Operational Highlights

Gross LNG Sales Volume (MMT)

- Q1 2019: 9.40
- Q1 2020: 9.99

Overall Equipment Effectiveness (OEE)

- Q1 2019: 94.9%
- Q1 2020: 97.4%
Q1 2020 Downstream Performance

Focus Areas

Operational Excellence
- **90.3%** Overall Equipment Effectiveness (OEE)
- **94.0%** Sustained Petrochemical Plant Utilisation

Commercial Excellence
- **2.0 mil** Metric tonnes of petrochemicals products sales for PCG
- **6.0 bil** Liters of overall marketing sales volume

Growth Delivery Excellence
- **1 mil** Setel users across Malaysia

Sales Volume

- Petroleum products (Million Barrels)
  - Q1 2019: 64.3
  - Q1 2020: 73.2
- Crude oil (Million Barrels)
  - Q1 2019: 30.6
  - Q1 2020: 31.5
- Petrochemicals products (Million Metric Tonnes)
  - Q1 2019: 1.9
  - Q1 2020: 2.0

On 15 March 2020, a fire incident occurred at the Diesel Hydro Treating Unit (DHT) at Pengerang Refining and Petrochemical (PRefChem). No other units within the Pengerang Integrated Complex (PIC) were affected. However, total facilities were shut down after the incident to facilitate detailed investigation.

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1 Plant Utilisation based on Nexant
* Compared to SPLY 2019
Our response to external challenges in ensuring we continue to deliver value safely

Preserve cash and maintain liquidity

- On-going efforts to unlock cash and sustain net cash position
- Prioritising liquidity strategies
  - Added vigilance in managing working capital
- Ensuring prudent deployment of capital across the Group

Focused cost compression efforts

- CAPEX rationalisation, lower by 21%, without compromising steady assets reliability while prioritising projects that provide the best value
- Continuous OPEX optimisation, 12% reduction in line with Group-wide strategy and operational plans

Responding with pace

- Digital tools and rotation-based work arrangements enabled safe operations of our Assets with a minimal 25% manning kept on site and almost 100% of corporate functions Working from Home
- Nimbleness within existing portfolio by optimising value chain to adapt to market changes
- Stepping out through diversification of new product lines to cater to the medical and chemical industries
Thank you for your passion!
Upstream Business
Higher production and entitlement for the year mainly attributable to higher liquid production from International
Gas and New Energy Business
Q1 2020 Operational Highlights

**LNG Production (MMT)**

- **2019:** 7.18
- **2020:** 7.39

Higher LNG production for the year mainly attributed to higher feedgas supply and stable plant performance.

**Gross LNG Sales Volume (MMT)**

- **2019:** 9.40
- **2020:** 9.99

Total gross LNG sales volume for the year was higher mainly attributed to higher trading activities as more opportunities arose due to increased liquidity.

**Malaysia Average Sales Gas (mmscfd)**

- **2019:** 2,962
- **2020:** 2,566

Malaysia average sales gas volume was lower mainly due to lower offtake from the power sector in Peninsular Malaysia.
Downstream Business
Higher petroleum products sales volume contributed by higher trading activities
Q1 2020 Plant Utilisation

Plant Utilisation (%)

Petrochemical Plants

<table>
<thead>
<tr>
<th></th>
<th>Q1 2019</th>
<th>Q1 2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>Q1 2019</td>
<td>94.5</td>
<td></td>
</tr>
<tr>
<td>Q1 2020</td>
<td>94.0</td>
<td></td>
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</tbody>
</table>

Domestic Refineries

<table>
<thead>
<tr>
<th></th>
<th>Q1 2019</th>
<th>Q1 2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>Q1 2019</td>
<td>88.6</td>
<td></td>
</tr>
<tr>
<td>Q1 2020</td>
<td>91.5</td>
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International Refinery

<table>
<thead>
<tr>
<th></th>
<th>Q1 2019</th>
<th>Q1 2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>Q1 2019</td>
<td>87.0</td>
<td></td>
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<tr>
<td>Q1 2020</td>
<td>83.2</td>
<td></td>
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</tbody>
</table>

Sustained Plant Utilisation at petrochemical plants and domestic refineries

1 Plant Utilisation based on Nexant