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### Performance

- Improved earnings for the first half of 2019 compared to the same period last year.
- Continued focus on commercial and operational excellence.
- Persevered with efforts to maximise cash generation despite more challenging market conditions.

### Progress of projects & CAPEX spending

- PIC\(^1\) completion as at 30 June 2019
- 99.7% PIC 1 completion as at 30 June 2019
- RM15.7 billion CAPEX spending in the first half of 2019

### Outlook

- The Group will continue to pursue business improvement.
- Delivering commercial and operational excellence will be our focus despite volatile environment.

\(^1\) Pengerang Integrated Complex (PIC)
Half Yearly Results Improved on the Back of Higher Sales Volume

<table>
<thead>
<tr>
<th>Key Financial Indicators</th>
<th>1H '18</th>
<th>1H '19</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue</td>
<td>117.2</td>
<td>121.1</td>
</tr>
<tr>
<td>PAT</td>
<td>26.6</td>
<td>28.9</td>
</tr>
<tr>
<td>PAT excluding net impairment/(write-back) on assets</td>
<td>25.4</td>
<td>28.7</td>
</tr>
<tr>
<td>EBITDA</td>
<td>52.2</td>
<td>54.7</td>
</tr>
<tr>
<td>EBITDA Margin</td>
<td>45%</td>
<td>45%</td>
</tr>
<tr>
<td>CFFO</td>
<td>41.7</td>
<td>44.9</td>
</tr>
<tr>
<td>Capital investments</td>
<td>19.8</td>
<td>15.7</td>
</tr>
</tbody>
</table>

**Dated Brent (USD/bbl)**
- 2018: $70.56
- 2018: $68.87

**JCC single-month**
- 2018: $67.33

**MYR/USD**
- 2018: RM3.94

**Production** (kboe/d)
- 2018: 2,418
- 2018: 2,383

**Entitlement** (kboe/d)
- 2018: 1,757
- 2018: 1,681

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1 Represents published price, not actualised price
2 Average exchange rate
3 Represents Malaysia’s production (PETRONAS Group and other Operators) and PETRONAS Group’s international equity production volume
4 Represents PETRONAS Group’s sales entitlement to Malaysia’s production and PETRONAS Group’s international sales entitlement volume.
Higher EBITDA and PAT Recorded

**Half Year 2019**

- **PAT**
  - 1H '19: 26.6 RM bil
  - 1H '18: 26.6 RM bil
  - **5%**

- **EBITDA**
  - 1H '19: 54.7 RM bil
  - 1H '18: 52.2 RM bil
  - **5%**

**Q2 2019 Y-o-Y**

- **PAT**
  - Q2 '19: 14.7 RM bil
  - Q2 '18: 13.6 RM bil
  - **8%**

- **EBITDA**
  - Q2 '19: 26.9 RM bil
  - Q2 '18: 27.2 RM bil
  - Negligible

**Half Year 2019**

- Higher EBITDA in line with higher PBT

**Q2 2019 Y-o-Y**

- Lower EBITDA due to lower average realised prices

**Half Year 2019**

- Higher PAT due to higher sales volume and effect of FOREX movement

**Q2 2019 Y-o-Y**

- Higher PAT due to effect of FOREX movement

* Negligible
PAT by Business Segments

1H 2018
- Upstream: 31%
- Gas & New Energy: 16%
- Downstream: 6%
- Inter-segment elimination: (2%)
- C&O: 15%
- Total: RM26.6bil

1H 2019
- Upstream: 25%
- Gas & New Energy: 25%
- Downstream: 10%
- Inter-segment elimination: 5%
- C&O: 15%
- Total: RM28.9bil

PAT by Business Segments

Financial Results Announcement 30 June 2019, Financial Highlights | Page 4
Half Yearly Upstream Performance

Focus Areas

1. Operational Excellence
   - 11 Projects achieved first Hydrocarbon (9 Brownfields, 1 Greenfield, 1 Unconventional)
   - 4 Exploration discoveries

2. Digitalisation
   - Digital Fields deployment which provides actionable insights for enhanced field operations and management

3. Portfolio Growth and Asset High Grading
   - 4 New PSC signed + 2 Operatorship Transfer in Malaysia
   - 2 Acquisition of offshore blocks in Egypt

Operational Performance

<table>
<thead>
<tr>
<th></th>
<th>Production (kboe/d)</th>
<th>Entitlement (kboe/d)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2018</td>
<td>2018</td>
</tr>
<tr>
<td>Production Crude and Cond.</td>
<td>2,418</td>
<td>1,757</td>
</tr>
<tr>
<td>Production Natural Gas</td>
<td>64%</td>
<td>67%</td>
</tr>
<tr>
<td>Entitlement Crude and Cond.</td>
<td>36%</td>
<td>33%</td>
</tr>
<tr>
<td>Entitlement Natural Gas</td>
<td>58%</td>
<td>61%</td>
</tr>
</tbody>
</table>

1H 2018

1H 2019

Financial Results Announcement 30 June 2019, Financial Highlights | Page 5
Half Yearly Gas and New Energy Performance

Focus Areas

Maximizing Cash Generator

- PFLNG Satu Successful Relocation

  2 cargoes loaded from Kebabangan in first half of 2019

Expanding Core Business

- Years supply of steam and extension of current electricity by PETRONAS Gas Berhad to Polyplastic Asia Pacific Sdn. Bhd.

  22

- Focus on customer centricity:
  - 2 successful Gassing Up Cooling Down (GUCD)
  - LNG break-bulking via ship-to-ship transfer in Malaysian waters

Stepping Out

- 500 MW of solar capacity under operation and development with the acquisition of Amplus Energy Solutions Pte Ltd.

- Pursuing domestic renewables capacity

Operational Highlight

LNG Sales Volume (MMT)

<table>
<thead>
<tr>
<th></th>
<th>1H' 18</th>
<th>1H' 19</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>14.5</td>
<td>15.2</td>
</tr>
<tr>
<td>Increase</td>
<td>5%</td>
<td></td>
</tr>
</tbody>
</table>

Overall Equipment Effectiveness (OEE)

<table>
<thead>
<tr>
<th></th>
<th>1H' 19</th>
<th>1H' 18</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>97.9</td>
<td>98.2</td>
</tr>
<tr>
<td>Increase</td>
<td>0.3%</td>
<td>0.0%</td>
</tr>
</tbody>
</table>
Half Yearly Downstream Performance

Focus Areas

Operational Excellence

91.2% Overall Equipment Effectiveness (OEE)

98.7% Petrochemical Plant Utilisation¹ above best-in-class

7.7% Increase in retail business, mainly contributed by higher sales in Mogas

Commercial Excellence

1st Mobile refueling service in Malaysia through the introduction of ROVR

1 mil Transactions achieved for SETEL

Growth Delivery Excellence

99.7% Progress of Pengerang Integrated Complex as at 30 June 2019

100% Completed the acquisition of Da Vinci Group B.V. (Da Vinci).

¹ Plant Utilisation based on Nexant

Sales Volume

- Petrochemicals products (Million Metric Tonnes)
  - 1H’18: 4.5
  - 1H ‘19: 4.2

- Petroleum products (Million Barrels)
  - 1H’18: 122.4
  - 1H ‘19: 127.5

- Crude oil (Million Barrels)
  - 1H’18: 66.2
  - 1H ‘19: 66.5

Transactions achieved for SETEL

Completed the acquisition of Da Vinci Group B.V. (Da Vinci).
1. Capital Investments

- Half Yearly Capital Investments:
  - Upstream: 10%
  - Downstream: 39%
  - Domestic: 30%
  - International: 17%
  - Total: RM15.7bil

2. Group Costs

- Higher product costs incurred in tandem with higher sales volume

1. Relate to costs charged to Income Statement only
Other Financial Highlights

### PETRONAS Group

**Cash & Fund Investments Balance**

<table>
<thead>
<tr>
<th></th>
<th>RM Bil</th>
</tr>
</thead>
<tbody>
<tr>
<td>31 Dec 2018</td>
<td></td>
</tr>
<tr>
<td>181.0</td>
<td></td>
</tr>
<tr>
<td>50.1</td>
<td></td>
</tr>
<tr>
<td>130.9</td>
<td></td>
</tr>
<tr>
<td>30 June 2019</td>
<td></td>
</tr>
<tr>
<td>178.2</td>
<td></td>
</tr>
<tr>
<td>56.8</td>
<td></td>
</tr>
<tr>
<td>121.4</td>
<td></td>
</tr>
</tbody>
</table>

- **ROACE was higher in line with improved PAT**
- **Total assets increased to RM644.2b from RM636.3b as at 31 Dec 2018**

### PETRONAS Holding Company

**Cash & Fund Investments Balance**

<table>
<thead>
<tr>
<th></th>
<th>RM Bil</th>
</tr>
</thead>
<tbody>
<tr>
<td>31 Dec 2018</td>
<td></td>
</tr>
<tr>
<td>94.6</td>
<td></td>
</tr>
<tr>
<td>30 June 2019</td>
<td></td>
</tr>
<tr>
<td>83.1</td>
<td></td>
</tr>
</tbody>
</table>

- **Mainly comprise remaining funds of non-wholly owned subsidiaries and trust funds within the Group**
- **Funds of wholly owned subsidiaries and PETRONAS’ portion of non-wholly owned subsidiaries**

<table>
<thead>
<tr>
<th></th>
<th>RM Bil</th>
</tr>
</thead>
<tbody>
<tr>
<td>1H '19 Net Inflows</td>
<td>44.9</td>
</tr>
<tr>
<td>1H '19 Net Outflows</td>
<td>0.9</td>
</tr>
<tr>
<td></td>
<td>0.8</td>
</tr>
</tbody>
</table>

- **Cash from operations**
- **Dividends to Government**
- **Capital Investments**
- **Cost of Acquisition of Subsidiaries**
Upstream Business
Half Yearly Operational Highlights

Production (kboe/d)

Higher production for 1st half of 2019 mainly attributable to higher gas production in Malaysia, partially offset by lower crude production from Iraq.
Gas and New Energy Business
Higher LNG production for the first half of 2019 attributable to higher feedgas supply and better plant performance.

Total LNG sales volume for the first half of 2019 was higher mainly attributed to higher volume from PETRONAS LNG Complex ("PLC") and higher trading activities.

Malaysia average sales gas volume was higher mainly due to higher demand.
Downstream Business
Higher petroleum products sales volume contributed by better trading and marketing performance while petrochemical sales volume fell due to inventory buildup in anticipation of plant turnarounds in Q3 2019.
Better utilisation across all segments following stable plant operations

1 Plant Utilisation based on Nexant
Thank you for your passion!