PETRONAS Group
Financial Results Announcement
First Half 2022
Delivering Value for Our Collective Progress

Financial and Operational Results
by EVP & Group CFO
Liza Mustapha
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Key Messages

- Quarter 2 2022 saw a **rapid recovery in the global demand** following the end of pandemic lockdowns and a **surge in energy prices**.

- PETRONAS delivered strong first half financial performance, supported by sustained operational and commercial excellence. The Group recorded a **PAT of RM46.4 billion**, **EBITDA of RM82.7 billion** and **CFO of RM62.4 billion**.

- PETRONAS’ utmost priority is to ensure **energy security** for Malaysia and its customers globally, while continuing to **operate responsibly**, in line with its NZCE 2050 target.

- The Group remains steadfast in **strengthening its core portfolio** whilst **pursuing its growth strategy** and **sustainability agenda** at pace and resilience.

- PETRONAS stays **committed to support and contribute** towards **nation building** as well as remains focused in **creating value for its stakeholders**.
PETRONAS delivered Robust Performance supported by Sustained Operational and Commercial Excellence amidst higher energy prices

Performance

<table>
<thead>
<tr>
<th>Revenue</th>
<th>Profit After Tax</th>
<th>Group Costs</th>
<th>Total Assets</th>
</tr>
</thead>
<tbody>
<tr>
<td>172.1  1H 2022</td>
<td>46.4 1H 2022</td>
<td>128.2 1H 2022</td>
<td>699.5 30 Jun 2022</td>
</tr>
<tr>
<td>57%</td>
<td>&gt;100%</td>
<td>36%</td>
<td>10%</td>
</tr>
<tr>
<td>109.6  1H 2021</td>
<td>18.8 1H 2021</td>
<td>94.3 1H 2021</td>
<td>635.0 31 Dec 2021</td>
</tr>
</tbody>
</table>

Cash Flows from Operating Activities

<table>
<thead>
<tr>
<th>Cash Flows</th>
<th>1H 2022</th>
<th>1H 2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>62.4</td>
<td>91%</td>
<td>32.7</td>
</tr>
</tbody>
</table>

EBITDA

<table>
<thead>
<tr>
<th>EBITDA</th>
<th>1H 2022</th>
<th>1H 2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>82.7</td>
<td>80%</td>
<td>46.0</td>
</tr>
</tbody>
</table>

Total Assets

<table>
<thead>
<tr>
<th>Total Assets</th>
<th>30 Jun 2022</th>
<th>31 Dec 2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>699.5</td>
<td>635.0</td>
<td></td>
</tr>
<tr>
<td>10%</td>
<td>10%</td>
<td></td>
</tr>
</tbody>
</table>

Shareholders’ Equity

<table>
<thead>
<tr>
<th>Shareholders’ Equity</th>
<th>30 Jun 2022</th>
<th>31 Dec 2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>375.6</td>
<td>350.8</td>
<td></td>
</tr>
<tr>
<td>7%</td>
<td>7%</td>
<td></td>
</tr>
</tbody>
</table>

Financial Position

<table>
<thead>
<tr>
<th>Financial Position</th>
<th>1H 2022</th>
<th>1H 2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>62.4</td>
<td>91%</td>
<td>32.7</td>
</tr>
</tbody>
</table>

Average Brent

<table>
<thead>
<tr>
<th>Average Brent</th>
<th>1H 2021</th>
<th>1H 2022</th>
</tr>
</thead>
<tbody>
<tr>
<td>66%</td>
<td>$107.94</td>
<td>$107.94</td>
</tr>
</tbody>
</table>

Average JCC Single-month

<table>
<thead>
<tr>
<th>Average JCC Single-month</th>
<th>1H 2021</th>
<th>1H 2022</th>
</tr>
</thead>
<tbody>
<tr>
<td>60%</td>
<td>$98.11</td>
<td>$98.11</td>
</tr>
</tbody>
</table>

USD/MYR

<table>
<thead>
<tr>
<th>USD/MYR</th>
<th>1H 2021</th>
<th>1H 2022</th>
</tr>
</thead>
<tbody>
<tr>
<td>66%</td>
<td>RM4.27</td>
<td>RM4.10</td>
</tr>
</tbody>
</table>

1 Represents published price, not actualised price
2 Average exchange rate
Capital Investments directed towards Carbon Emissions Abatement and Carbon Neutral Projects, in addition to Strengthening Core Business

**Capital Investments**

- **1H 2022**
  - RM18.9 billion
  - 49%

- **1H 2021**
  - RM12.7 billion

- Overall CAPEX spent during the period increased reflective of pre-pandemic levels.
- Domestic CAPEX increased by close to 30% compared to same period last year, demonstrating PETRONAS commitment to strengthen the OGSE ecosystem.
- Activities are expected to heighten in the remaining quarters that would become a catalyst for the country’s economic growth and support the country’s recovery plan.

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**Pursuing NZCE 2050 Target**

- > 1.1 GW* Solar capacity in Malaysia and India
  - *in operation and under development

- **Reduction of GHG emission**
Upholding Strong Liquidity Management supports Safe Business Operations, Growth Commitments and Contributions to Stakeholders

CFFO
RM Bil

1H 2021 32.7
1H 2022 62.4

CAPEX
RM 18.9 Bil

Contributions to Government
RM 26.4 Bil

Nation’s Sustainability and Community Wellbeing
Close to RM 300 Mil

1 Includes dividend payments, taxes, cash payment, export duty and National Trust Fund
2 Includes CSR contributions, Sponsorships and Human Recourse Development Fund
Strong Business Performance across the Value Chain

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

*RM Bil*

- **Upstream**
  - 1H 2021: 23.1
  - 1H 2022: 13.0
  - Higher PAT in tandem with higher revenue partially offset by higher taxation as well as cash payments and products costs in line with higher prices.

- **Gas**
  - 1H 2021: 3.7
  - 1H 2022: 17.5
  - Higher PAT mainly contributed by higher revenue partially offset by higher product costs and taxation.

- **Downstream**
  - 1H 2021: 2.5
  - 1H 2022: 8.4
  - Higher PAT primarily due to improved refining and petrochemicals margins in line with favourable prices.

- **Corporate & Others**
  - 1H 2021: 0.2
  - 1H 2022: (0.3)
  - LAT mainly due to higher operating expenditures and impairment losses on assets.
Upstream

Delivering value creation via operational and commercial excellence

Low Carbon Excellence

25% reduction of GHG emission for 1H 2022 compared to 1H 2021.

Maximising Cash Generators

18 Projects achieved 1st Hydrocarbon

10 Projects achieved Final Investment Decision

5 Production Sharing Contracts for 6 offshore exploration blocks

PETRONAS signed the Production Sharing Contract for North Ketapang Block.

Divestment of Azerbaijan assets as part of continuous Group portfolio review for robust and resilient portfolio.

Stepping Out

4 MoUs for Carbon Capture & Storage
- Japan Petroleum Exploration Co Ltd
- Mitsui O.S.K. Lines Ltd
- Schlumberger WTA (Malaysia) Sdn Bhd
- Mitsui & Co Ltd

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Continues to fulfill growing demand for natural gas and LNG through customised solutions and operational excellence

Maximising Cash Generators

201
- total LNG cargoes delivered from PETRONAS LNG Complex

22
- LNG cargoes delivered from PFLNG SATU and PFLNG DUA

1,612
- Virtual Pipeline System (VPS) and LNG Bunkering deliveries completed

273 MScfd
- of natural gas supply deals secured with non-power customers

1H 2021 | 1H 2022
---|---
Gross LNG Sales (MMT) | 17.0 | 16.8
Overall Equipment Effectiveness | 98.1% | 96.0%

1.2% | 2.1%
Downstream

Marked improvements in sales volume supported by market recovery

Maximising Cash Generators

<table>
<thead>
<tr>
<th>Metric</th>
<th>1H 2022</th>
<th>1H 2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>Petroleum Product Sales (Mil Barrels)</td>
<td>121.3</td>
<td>126.6</td>
</tr>
<tr>
<td>Crude Oil Sales (Mil Barrels)</td>
<td>58.7</td>
<td>61.2</td>
</tr>
<tr>
<td>Petrochemical Product Sales (Mil Metric Tonnes)</td>
<td>3.5</td>
<td>4.1</td>
</tr>
</tbody>
</table>

4% 4% 15%

<table>
<thead>
<tr>
<th>Metric</th>
<th>Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Overall Equipment Effectiveness (OEE)</td>
<td>79.5%</td>
</tr>
<tr>
<td>Litres of overall marketing sales volume</td>
<td>12.0 Bil</td>
</tr>
<tr>
<td>Metric tonnes of petrochemicals production volume</td>
<td>4.4 Mil</td>
</tr>
</tbody>
</table>

Expanding Core Business

- PCG is expected to produce Maleic Anhydride (MAN) by 2025 to cater for the food and pharmaceutical industries after it signed an agreement in June to acquire a 113 kilo-tonnes per annum MAN plant located in Gebeng, Kuantan.
- PDB demonstrated its capabilities and infrastructure readiness in supplying sustainable aviation fuel following the successful first SAF-fuelled Malaysia Airlines passenger flight from Kuala Lumpur to Singapore, further proving the feasibility of SAF as a cleaner and more viable fuel option for the aviation industry.

Stepping Out

- PCG signed a Securities Purchase Agreement in May to acquire the entire equity interest in Perstorp Holding AB, a global leader in sustainable specialty chemicals, marking yet another step in its strategic diversification into the specialty chemicals industry to capture new growth opportunities.
- In a move to further enhance end-to-end charging experience for electric vehicles (EV) drivers, Setel integrated a new feature on the app which enables users to locate charging stations, activate chargers, make payments, and earn Mesapoints – all from the comfort of their vehicles.

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Gentari Sdn. Bhd. was introduced in June 2022 to accelerate the adoption and commercialisation of clean energy with three core offerings: renewable energy, hydrogen, and green mobility solutions.

Under the Vehicle-as-a-Service (VaaS) model, GENTARI deployed 18 two-wheeler electric vehicles for delivery riders via collaboration with Eclimo Sdn Bhd in Malaysia and delivered 158 three-wheeler electric vehicles in India.

- Eagle Valence, the 1st of two dual-fuel VLCC was delivered to AET in February 2022 and subsequently to the Charterer, Chartering and Shipping Services SA in March 2022.
- It is one of the world’s first dual-fuel and amongst the most environmentally-friendly VLCCs in the market, built for long-term charter.
- The sister vessel namely, Eagle Vallery was delivered to AET in April 2022.

Solar capacity in Malaysia and India

> 1.1 GW*  
*in operation and under development
PETRONAS
Passionate about Progress