



PETRONAS Group Financial Results Announcement

Fourth Quarter and Year Ended
31 December 2023

**Resolutely Advancing Solutions for a
Sustainable Future**



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Key Messages

- Challenging market conditions and the unfavourable average realised prices for the year, PETRONAS posted **PAT of RM 80.7 billion, EBITDA of RM 128.6 billion** and **CFFO of RM 114.2 billion**.
- PETRONAS continues to exercise **strict capital discipline** whilst ensuring **robust portfolio management**, amidst increased market volatility.
- The Group remains steadfast and resolute in **delivering energy security in a just and responsible manner**, whilst pursuing its growth and sustainability agenda.

PETRONAS delivered Resilient Financial Performance for the year ended 2023 amidst Market Volatility

(RM Bil)

Financial Performance

Revenue

343.6

FY2023



8%

372.3

FY2022

PAT

80.7

FY2023



21%

101.6

FY2022



CFFO

114.2

FY2023



16%

135.3

FY2022

EBITDA

128.6

FY2023



25%

170.7

FY2022

Financial Position

Total Borrowings

111.6

31 Dec 2023



7%

104.2

31 Dec 2022

Total Assets

773.3

31 Dec 2023



9%

710.6

31 Dec 2022

Shareholders' Equity

443.5

31 Dec 2023



10%

401.6

31 Dec 2022



18%

Average Brent
(USD/bbl)

\$82.64

FY2022 \$101.32



15%

Average JCC
Single-month¹
(USD/bbl)

\$86.37

FY2022 \$102.18

USD
Strengthens

USD/MYR²

RM4.56

FY2022 RM4.40

¹ Represents published price, not actualised price

² Average exchange rate

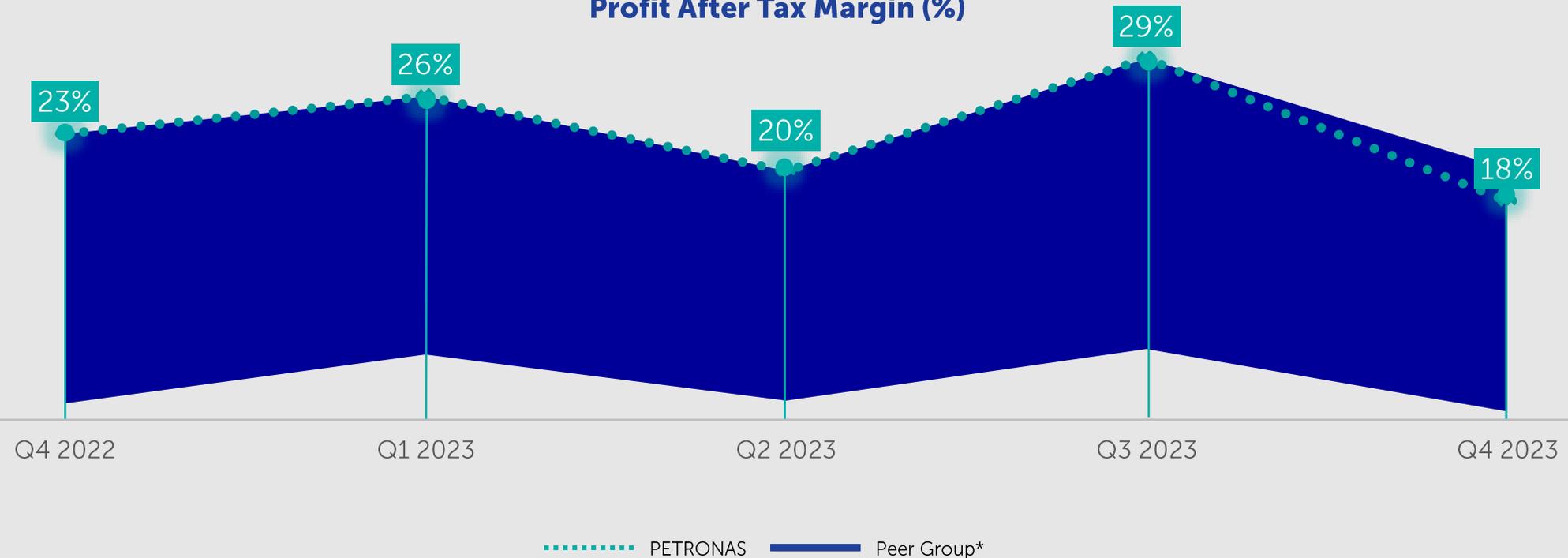
Note: FY2022 - Certain prior period information has been restated to conform with current period information.

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Continuous Commitment to Operational and Commercial Excellence propelled PETRONAS' Performance to be at par with Other Oil Majors

Benchmarking against Peer Group

Profit After Tax Margin (%)

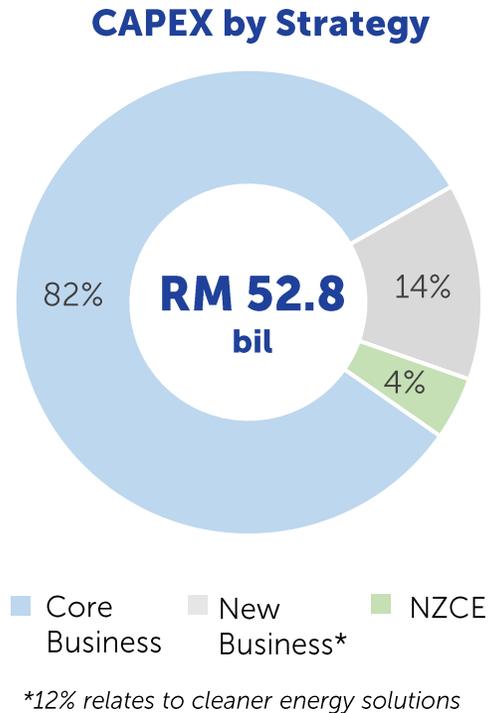


* Peer Group range comprised BP, Chevron, ConocoPhillips, Eni, Equinor, ExxonMobil, Shell, PTT and TotalEnergies

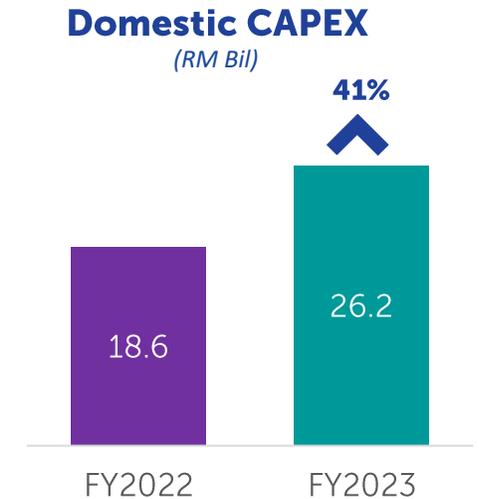
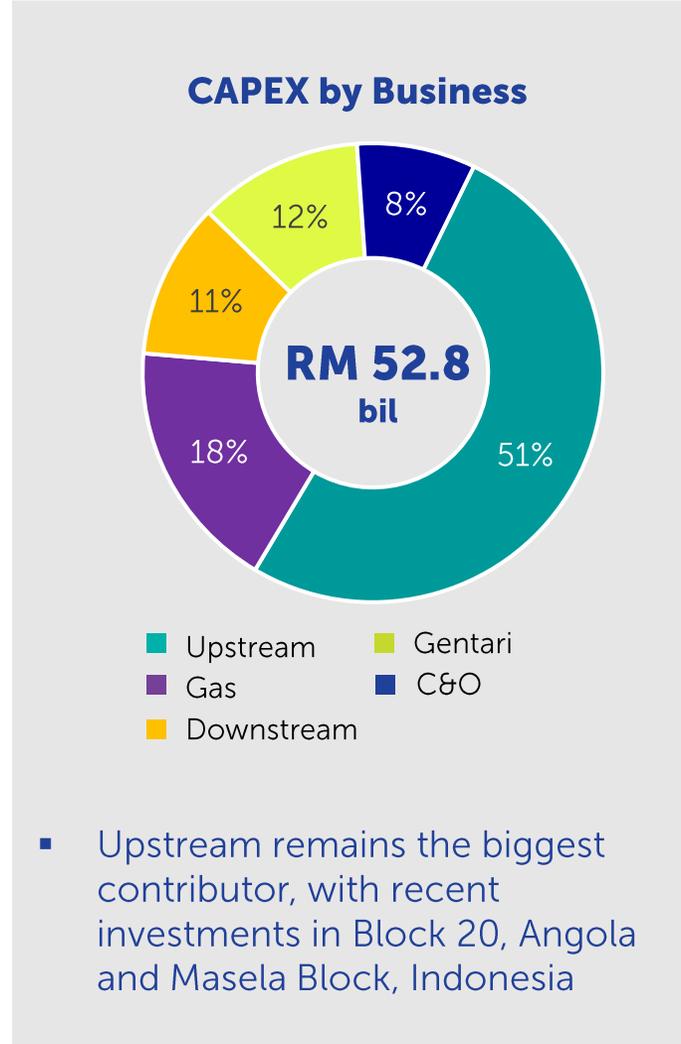
** Information on other oil companies were sourced from the respective Quarterly Announcements. PETRONAS is not responsible for errors or omissions contained in the information and makes no representations as to the accuracy of the information. The user is cautioned that the chart which appears above 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.

Continues to Strengthen Core Business and Pursue Growth Opportunities for New Business, Aligned with PETRONAS' Energy Transition Strategy

Group Capital Investments (CAPEX)



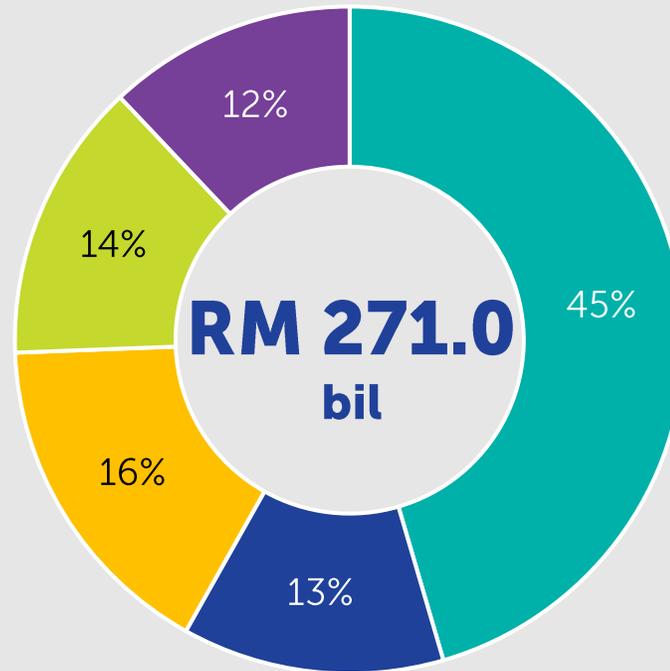
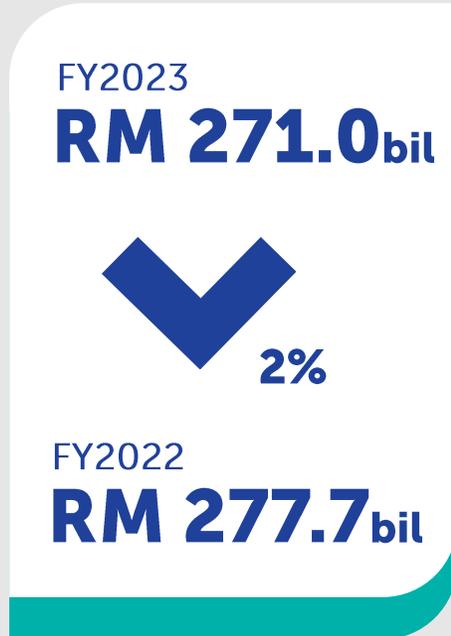
- 16% CAPEX spent for cleaner energy solutions and decarbonisation projects



- Higher domestic spending mainly on Near-shore Floating LNG Project in Sabah & Kasawari Gas Field Development and CO₂ Sequestration Facilities in Sarawak
- This is to safeguard energy security for Malaysia and PETRONAS' customers

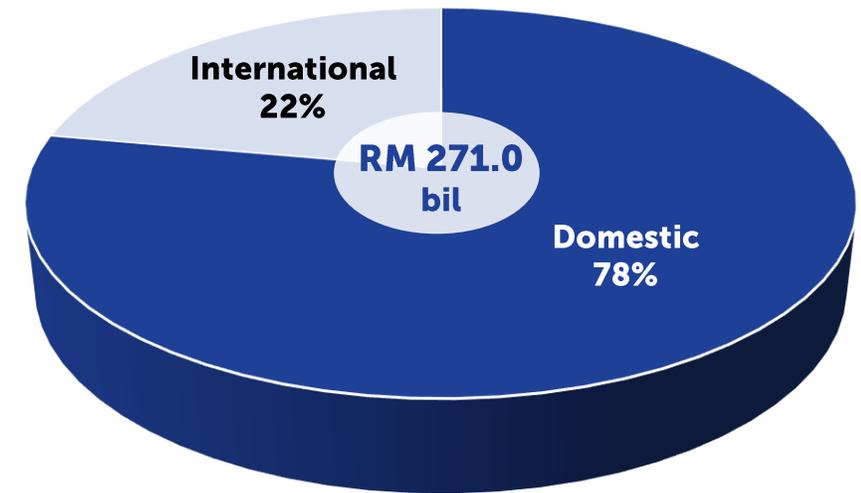
Nearly 80% of Group Costs incurred to support Domestic Operations

Group Costs



- Product costs
- Tax expenses, sales tax & duties and cash payments
- Non-cash items
- Production and transportation expense, purchased services, materials & supplies
- Others (HR cost, rental, utilities, finance cost, etc.)

Group Costs by Geographical Segment



- Majority costs incurred domestically to support activities in Malaysia
- Domestic costs at RM 211.0 billion is higher by 3% compared to last year

PETRONAS is On Track in Meeting Near-term GHG Emissions Target and Remains Steadfast in Realising its NZCE 2050 Pathway

Greenhouse Gas Emissions Target (Scope 1 and Scope 2)

2024



49.5
MtCO₂e

Capping Emissions at 49.5 million tonnes of carbon dioxide equivalent (MtCO₂e) from PETRONAS' Malaysia operations by 2024.

2023 GHG Emissions¹

45.6
MtCO₂e

¹ Scope 1 and Scope 2 in Malaysia operations

0.9% emissions reduction against 2022 through



Flaring & Venting Reduction



Energy Efficiency



Electrification



Achieved the OGMP2.0's Gold Standard Pathway

Signifying our efforts to **strengthen methane measurements, transparency, advocacy** and **methane emissions reduction**, aligned with Methane Guiding Principles (MGP).

PETRONAS' Social Impact Investment

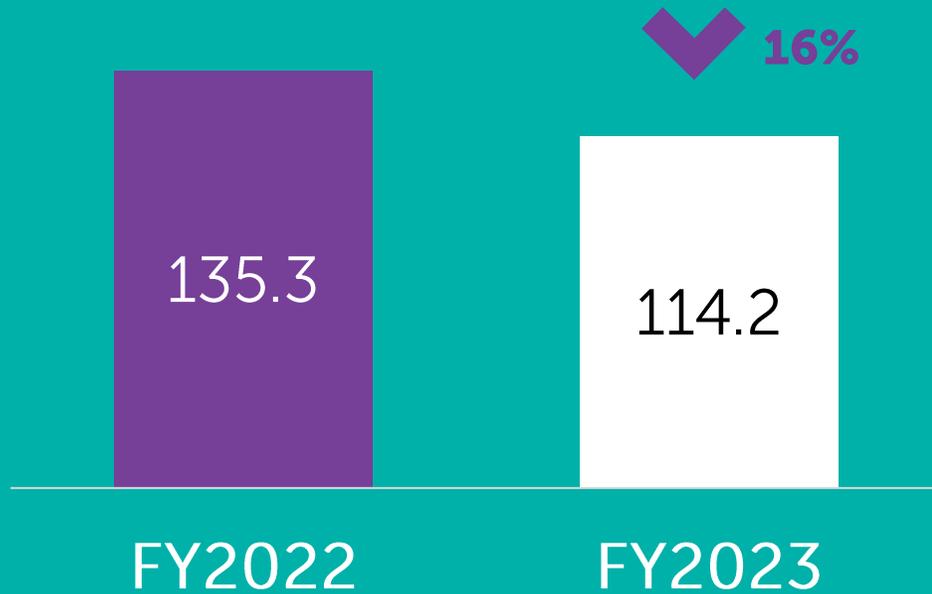


PETRONAS contributed over RM 850 million towards its social impact efforts, benefitting nearly 3 million people around the world.

The contribution was delivered through 720 programmes, under the themes of: Powering Knowledge (Education), Uplifting Lives (Community Well-being and Development), and Planting Tomorrow (Environment).

Maintaining Robust CFFO is Crucial to address Access to Capital Challenges especially for Energy Players

CFFO
RM bil



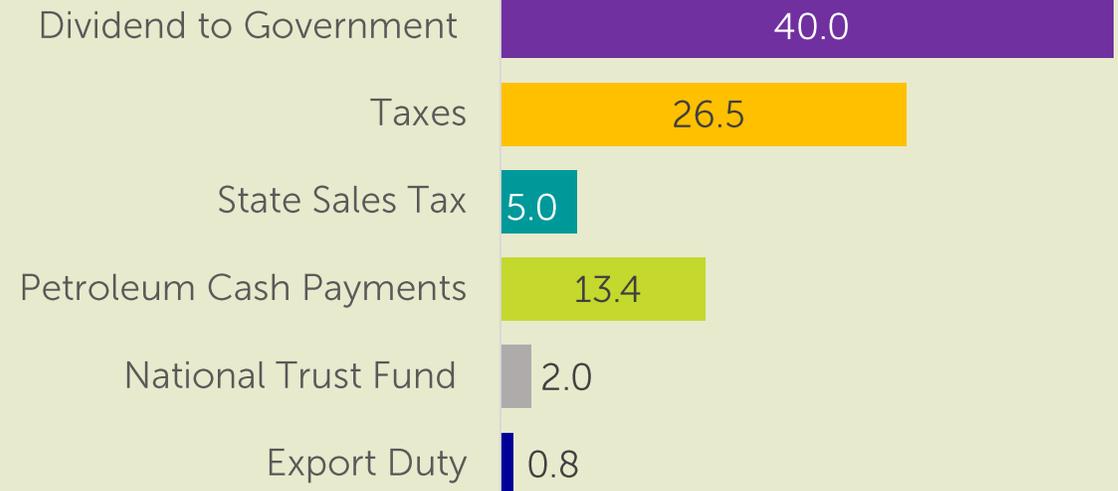
RM 111.6 billion

Total Borrowings as at 31 Dec 2023



Capital Expenditure (CAPEX)
RM 52.8 billion

Contributions to Governments and NTF (RM Bil)

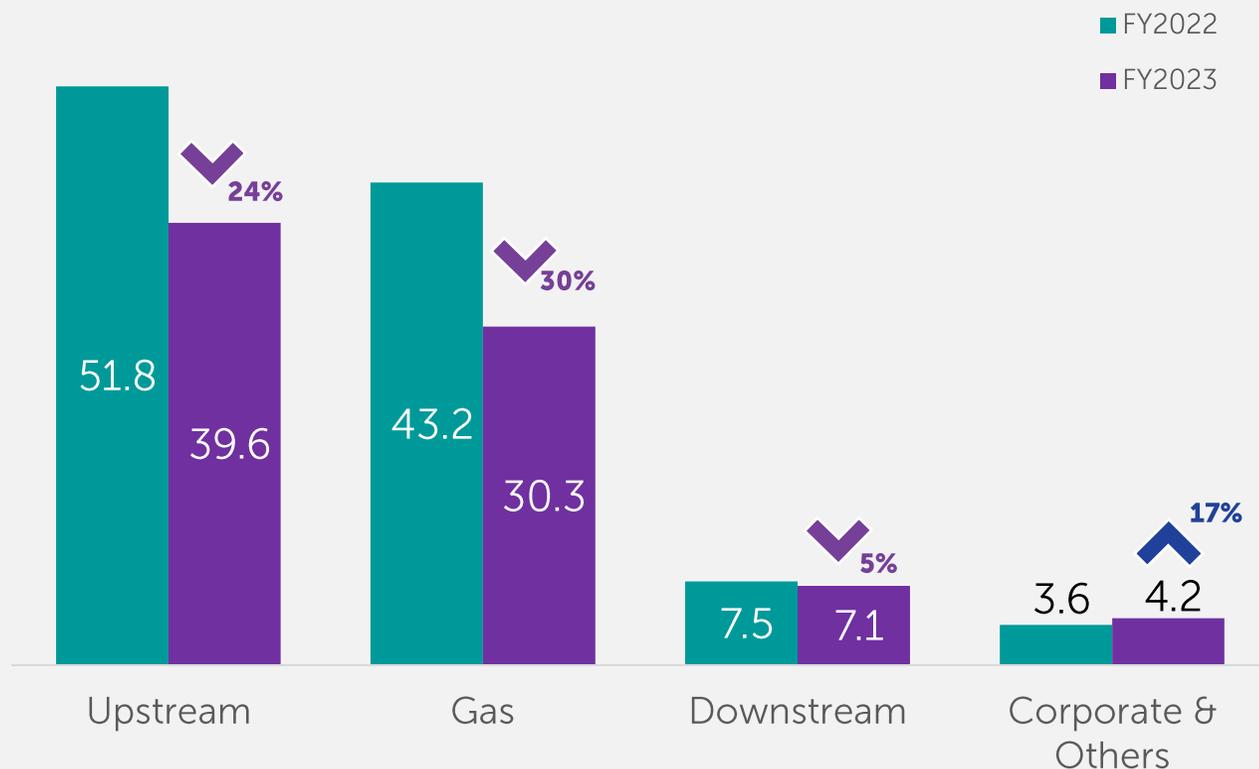


Sustainability and Community Wellbeing
Over RM 850.0 million

Resilient Financial Performance across Most Businesses amidst Market Volatility

Profit After Tax

RM Bil



Upstream

Lower PAT in line with lower revenue, higher amortisation following additional capitalisation of assets and higher net impairment losses/write-off on assets, partially offset by lower taxation.

Gas

Lower PAT primarily driven by lower revenue partially offset by lower taxation and product costs.

Downstream

Lower PAT mainly due to lower refining and petrochemical margins partially offset by lower taxation.

Corporate & Others

Higher PAT primarily driven by higher fund investment income partially offset by higher operating expenses.

Upstream

Business Highlights

Enhanced Core Business through Exploration and Operational Excellence, while Strengthening Future Sustainable Efforts



Achieved **1st hydrocarbon** for **28 projects**



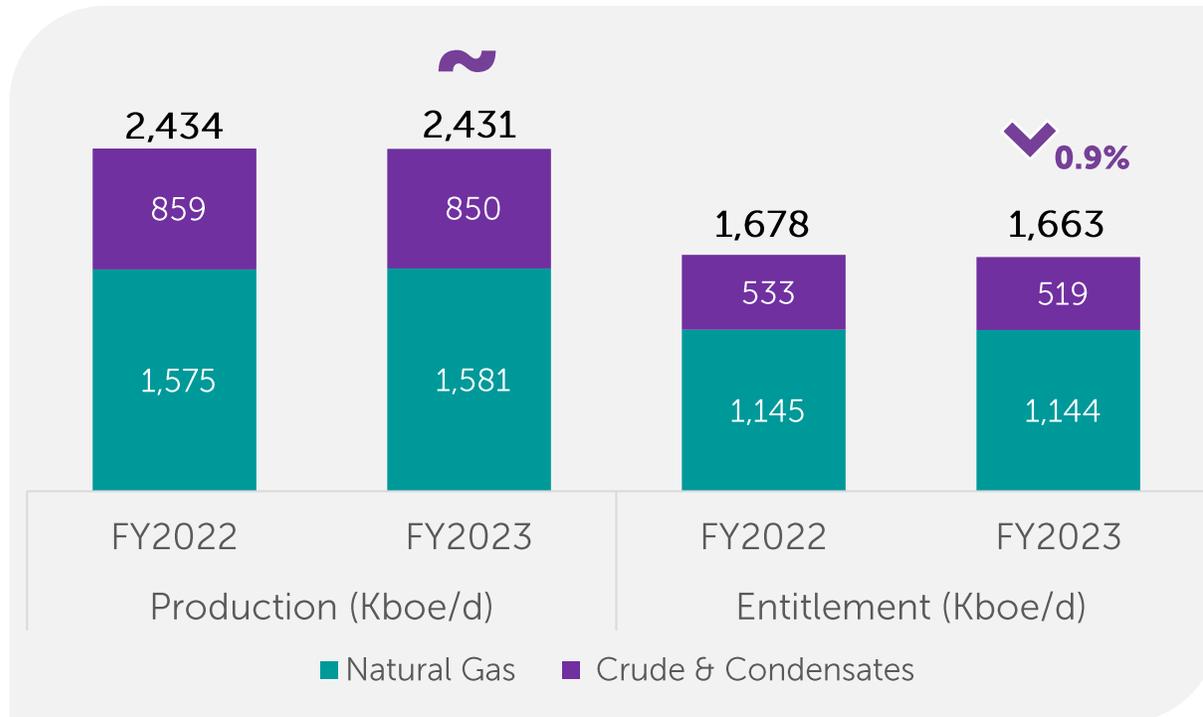
Achieved **FID** for **21 projects**



Achieved **24 oil and gas discoveries** in **Malaysia** and **International**



Signed a **Memorandum of Cooperation (MoC)** with Japan's METI and JOGMEG to strengthen **cross-border CO₂ transportation collaboration** for CCS projects. [Oct 2023]



Signed:-

- **Late Life Asset** PSC for the Abu Cluster. [Oct 2023]
- **MoC** with Vietnam Oil and Gas Group to explore potential collaboration opportunities across the enterprise. [Nov 2023]
- **PSCs** for Suriname's offshore Blocks 63 and 64. [Dec 2023]
- **MoU and 2 Technical Assistance Agreements** with PTTEP for the development of SK405B and SK410B. [Dec 2023]



Commenced a new offshore multi-client **2D seismic survey** in the open blocks of PM320 and PM321. [Oct 2023]

Gas

Business Highlights

Fulfilled Customer Expectations for Lower-Carbon Energy through Operational Excellence and Customised Solutions



403

total LNG cargoes delivered from PETRONAS LNG Complex



38

LNG cargoes delivered from PFLNG SATU and PFLNG DUA



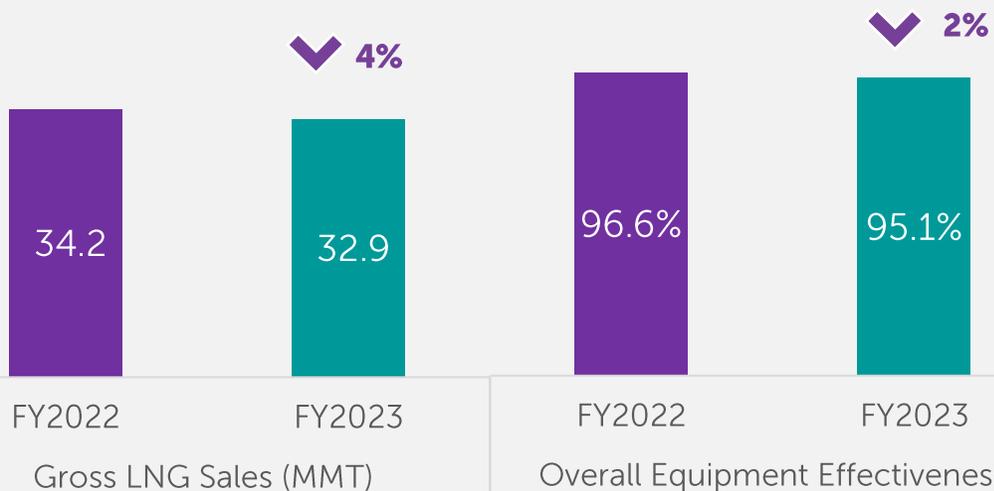
6,322

Virtual Pipeline System (VPS) and LNG Bunkering deliveries completed



2,214 MMscfd

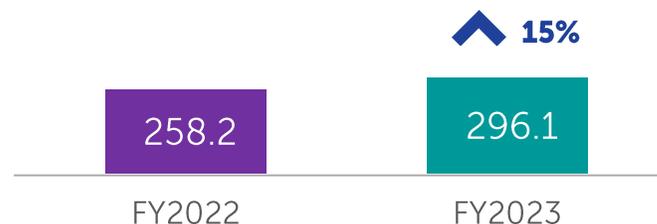
of average sales gas volume delivered in Peninsular Malaysia



Downstream

Business Highlights

Continuous Improvement in Operational Excellence to Meet Demand Recovery



Petroleum Products Sales (Mil Barrels)



Crude Oil Sales (Mil Barrels)



Petrochemical Product Sales (Mil Metric Tonnes)



87.2%

Overall Equipment Effectiveness (OEE)



26.3 Bil

Litres of overall marketing sales volume



84.8%*

Petrochemical Plant Utilisation

* Nexant



10.4 Mil

Metric tonnes of petrochemicals production volume



PCG reached FID to construct advanced chemical recycling plant in Pengerang, Johor operational in 2026, to convert end-of-life plastics into pyrolysis oil that can be used for circular plastics production. [Oct 2023]



PETRONAS and Idemitsu Kosan Co., Ltd. are exploring a collaboration to enhance capabilities across the Sustainable Aviation Fuel supply chain and optimise the route to market for customers worldwide. [Oct 2023]



PETRONAS has contributed to the savings of 339 tCO₂e and reduction in emissions by 67% for the Mercedes-AMG PETRONAS Formula One's fleet of trucks and generators through the use of HVO100 biofuel over the course of the 2023 Formula One European season. [Nov 2023]



Business Highlights

Renewables



2.9
GW¹

Renewable Energy Capacity

¹installed and under construction

- Acquired **49%** ownership in **Northland Power Inc's** stake of the Hai Long project in Taiwan. [Dec 2023]

Hydrogen



- Commenced detailed feasibility study (DFS) with **City Energy Pte Ltd** to construct a pipeline supplying clean hydrogen from Malaysia to Singapore. [Oct 2023]
- Partnered with **AM Green Holdings BV** to develop 5 MTPA of green ammonia production in India by 2030. [Oct 2023]
- Completed DFS with **Asahi Kasei Corporation** and **JGC Holdings Corporation** to produce green hydrogen using a 60 MW class alkaline water electrolyser system. [Nov 2023]
- MoU with **IHI Corporation** for collaboration on ammonia value chain and commercialising ammonia-powered gas turbine in Malaysia. [Dec 2023]

Green Mobility



- Collaborated with **PLUS** to debut Malaysia's first EV Fast Charging Modular and Portable Station with **Battery Energy Storage System** at the Behrang Lay-by (Northbound). [Oct 2023]
- MoU with **Sime Darby Motors** to expediate EV charging stations and infrastructure construction across their network and public locations. [Oct 2023]
- Awarded as **Malaysia's Most Promising Charge Point Operator** of the year at the 2023 Malaysia Car of The Year Awards. [Dec 2023]
- MoU with **Mercedes-Benz Malaysia** to accelerate EV adoption in Malaysia through the development of charging infrastructure and value-added services. [Dec 2023]



Remains on track with Value Creation Journey of Sustainable Growth and Profitability



Entered into a binding **Heads of Agreement** with **Pengerang LNG (Two) Sdn Bhd**, for the **supply, operation, and maintenance of an LNG Floating Storage Unit** intended for deployment at the PETRONAS LNG Regasification Terminal in Johor. [Oct 2023]



Successfully delivered the **second LNG dual-fuel Very Large Crude Carrier, Eagle Ventura**, following the delivery of its sister vessel, Eagle Vellore. [Oct 2023]



Secured **Silver awards** in both the Transport & Logistics Sector and Green Transition within the Equities Category at **The Edge Malaysia ESG Awards 2023**. [Nov 2023]



Awarded the **Alternative-Fuelled Vessel Design of the Year** at the **Marine Fuels 360 Awards** in Singapore. [Nov 2023]



Recognised for **outstanding safety performance** at the **41st Malaysian Society for Occupational Safety and Health Awards 2023** with six awards for the MISC Group. [Nov 2023]



Secured **Southeast Asia's first sustainability-linked Islamic revolving credit facility in the shipping industry** with Maybank Singapore. [Dec 2023]



PETRONAS
Passionate about Progress

