



STEADFAST. ADVANCING SUSTAINABLY.

PETRONAS Chemicals Group Berhad **26th Annual General Meeting**

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Presentation Outline



◆ Business Environment

◆ 2023 Performance

- Business result
- Growth
- Sustainability

◆ 2024 Outlook



Business Environment

A challenging 2023



Slow economic growth



Geopolitical tension



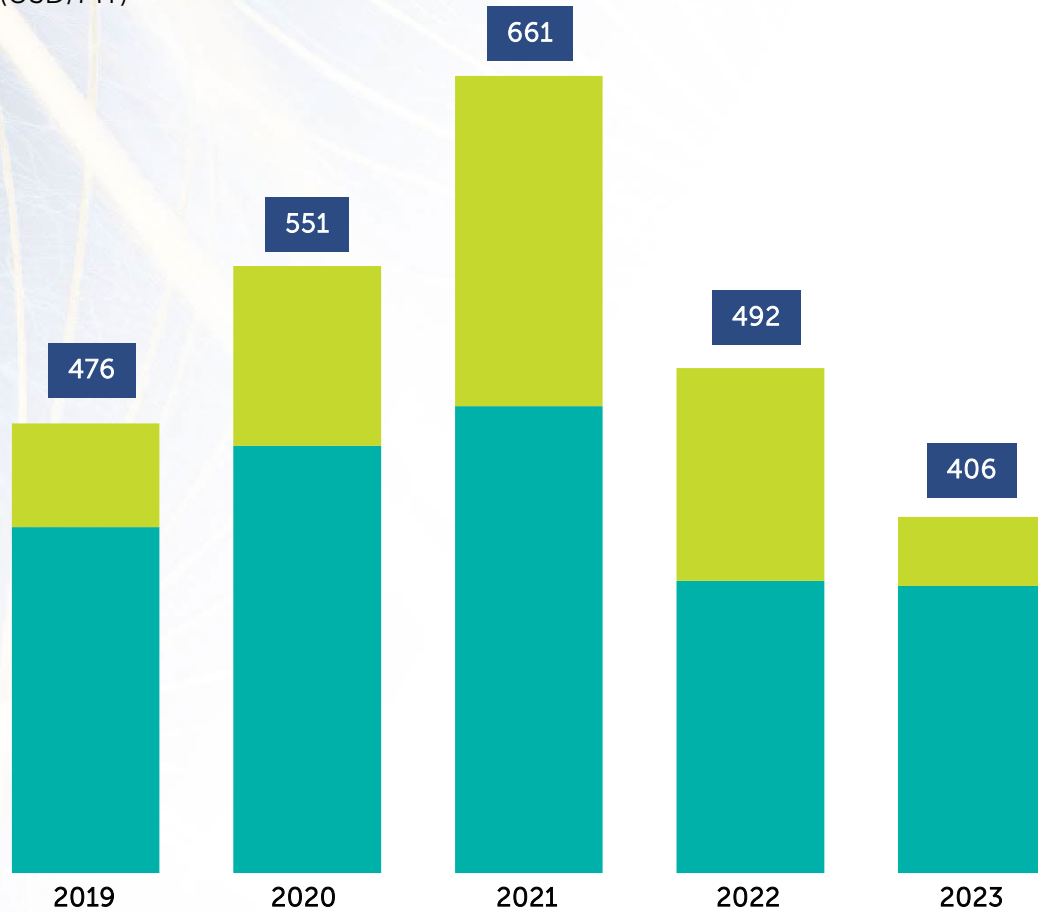
Supply chain disruptions



High energy prices

Soft chemicals market

Integrated Spread
(USD/MT)



■ Ethylene-Naphta ■ PE-Ethylene

Demand in key industries served by specialty segments remained weak due to economy slowdown

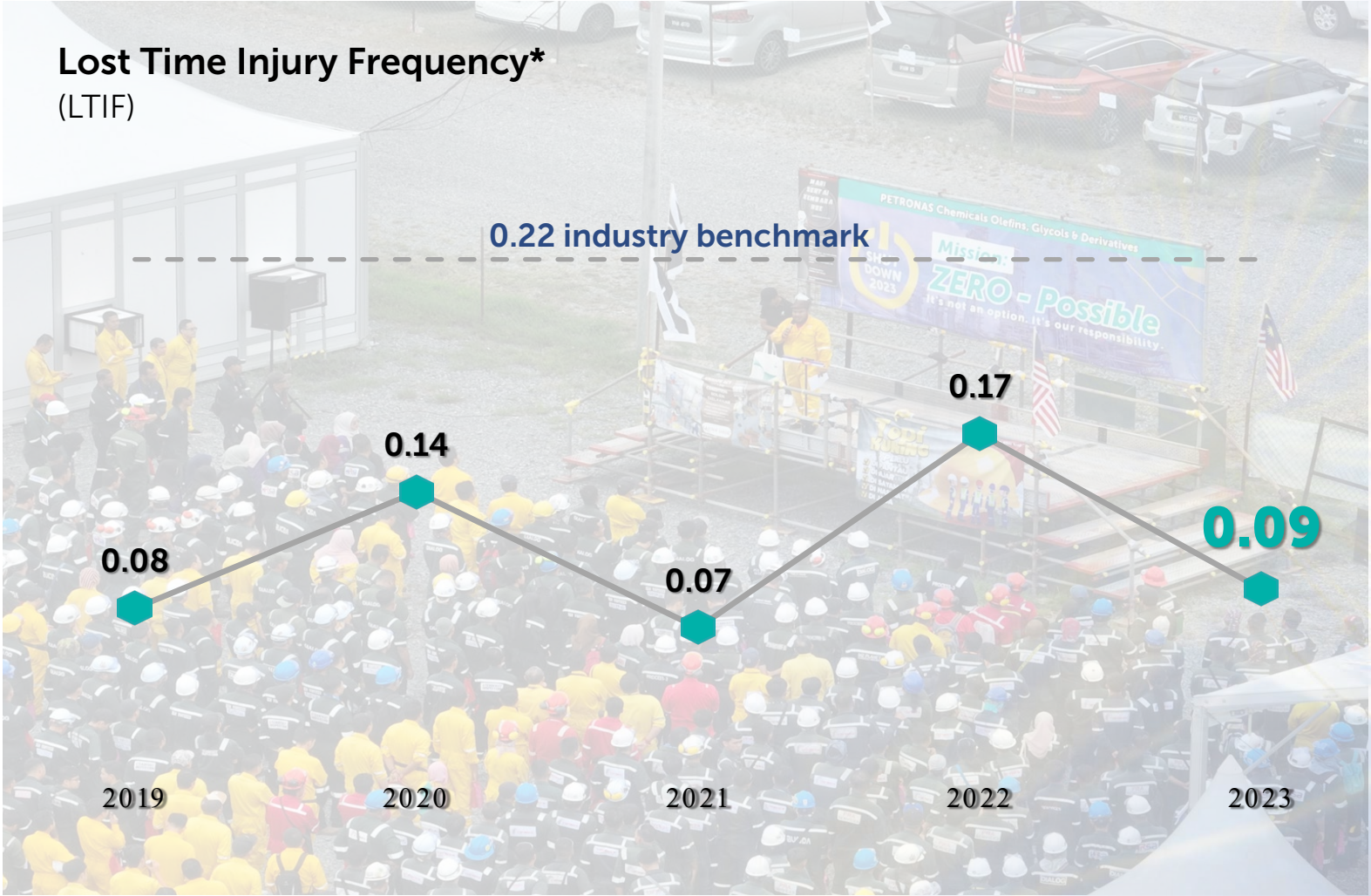




2023 Performance

- **Business Result**
- **Growth**
- **Sustainability**

Solid HSE Excellence



*Data covers Malaysian operations and BRB

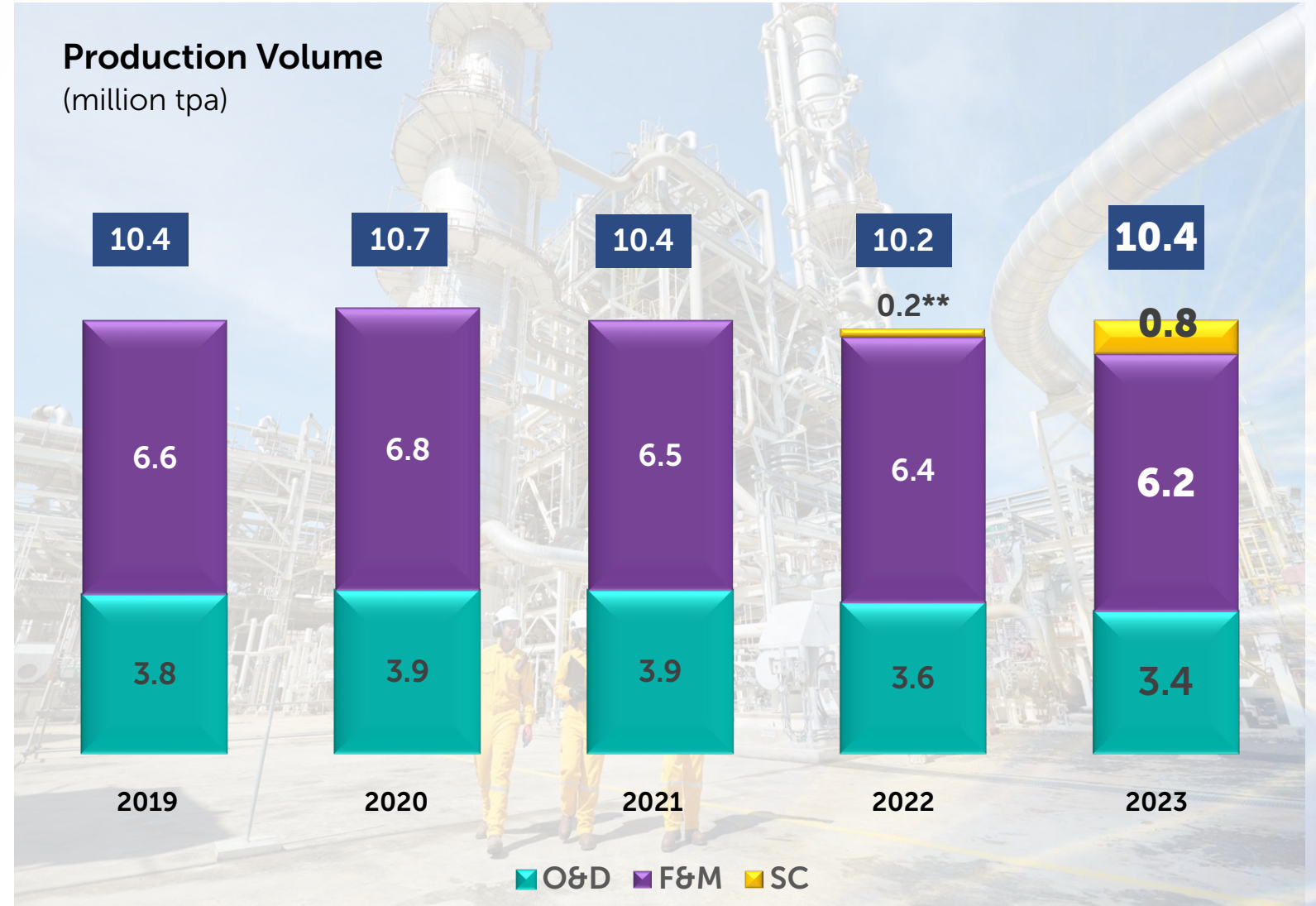
Sustain Operational Excellence

Plant Utilisation*

85%

90% world class benchmark

Production Volume
(million tpa)



*excluding Specialty Chemicals

**volume post Perstorp acquisition in Q4 2022

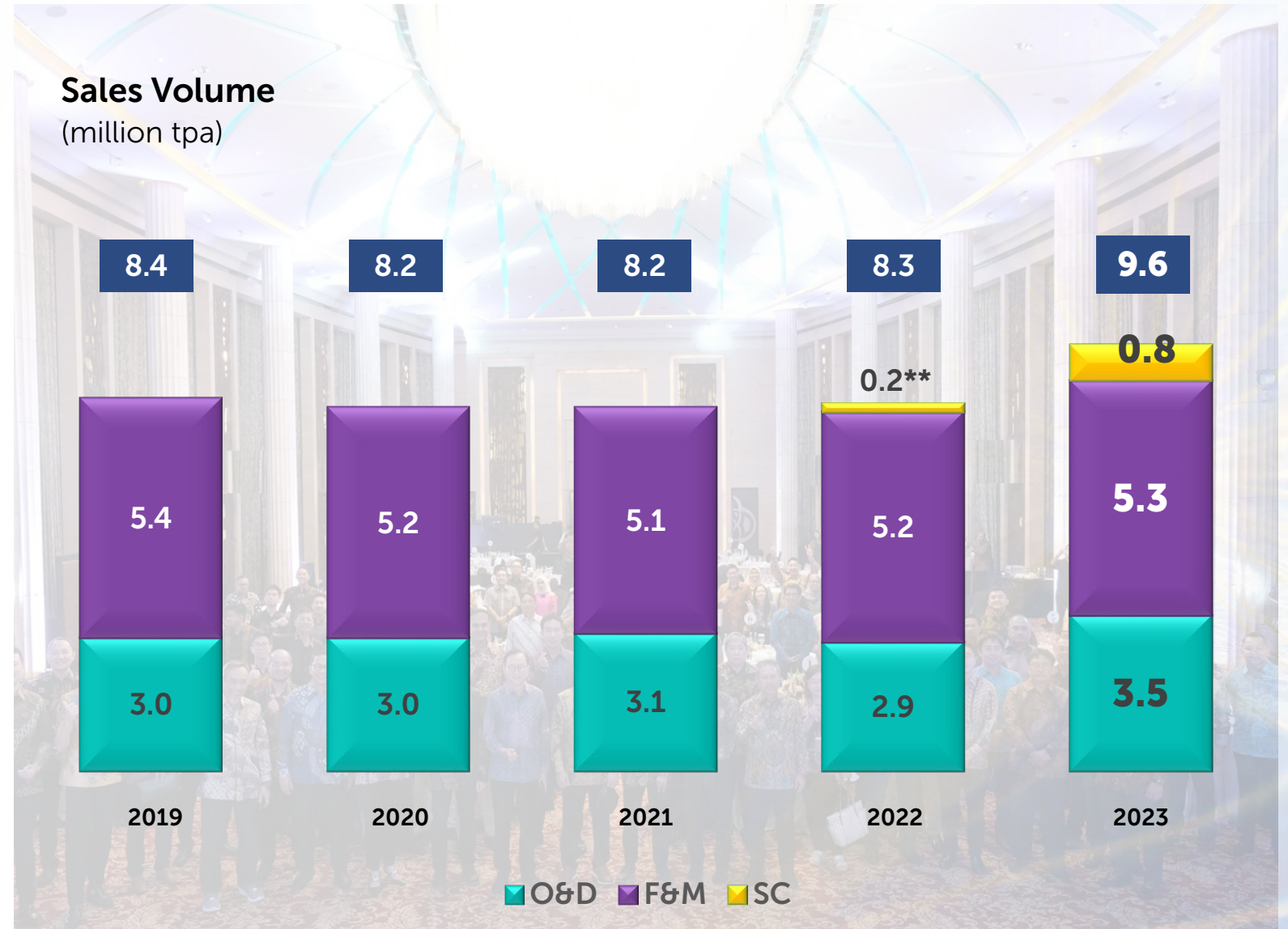
Robust Commercial Excellence

Order Fulfillment
Reliability*

95%

90% industry benchmark

Sales Volume
(million tpa)



*excluding Specialty Chemicals

**volume post Perstorp acquisition in Q4 2022

Financial performance

Revenue

(RM bil)

28.7

2022 : 29.0

Liquidity with
Cashflow from
Operations (CFFO) of
(RM bil)

5.1

2022 : 8.0

EBITDA

(RM bil)

3.8

2022 : 8.1

PAT

(RM bil)

1.8

2022 : 6.3

Maintain dividend payout ratio ~50%

Total Dividend Payout

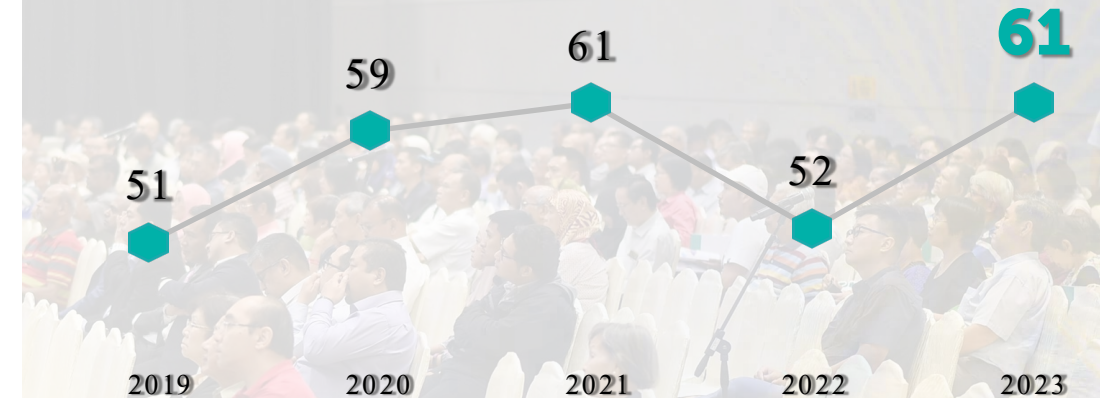
RM 1.0 bil

1st Interim Dividend
paid on 21st Sep 2023 **RM0.08**

2nd Interim Dividend
paid on 27th Mar 2024 **RM0.05**

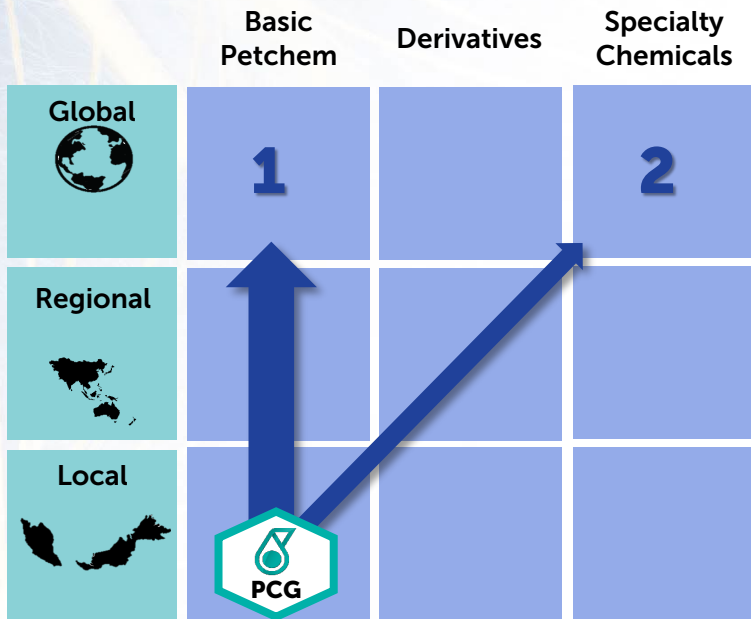
FY2023 Dividend
(per ordinary share) **RM0.13**

Dividend Payout Ratio
(% PATANCI)



Deliver Growth Delivery Excellence

2-Pronged Strategy



1. Sustain strength in basic petrochemicals
2. Selectively diversify into derivatives, specialty chemicals and solutions

Diversify into derivatives, specialty chemicals and solutions to future-proof the business



Extend Value Chain (EVC)

via **downstream investment**



Build Specialty Platform

via **Merger & Acquisition (M&A)**



Create Optionality for Growth

via **Technology Research and Corporate Venture Capital (CVC)**

Extending our value chain

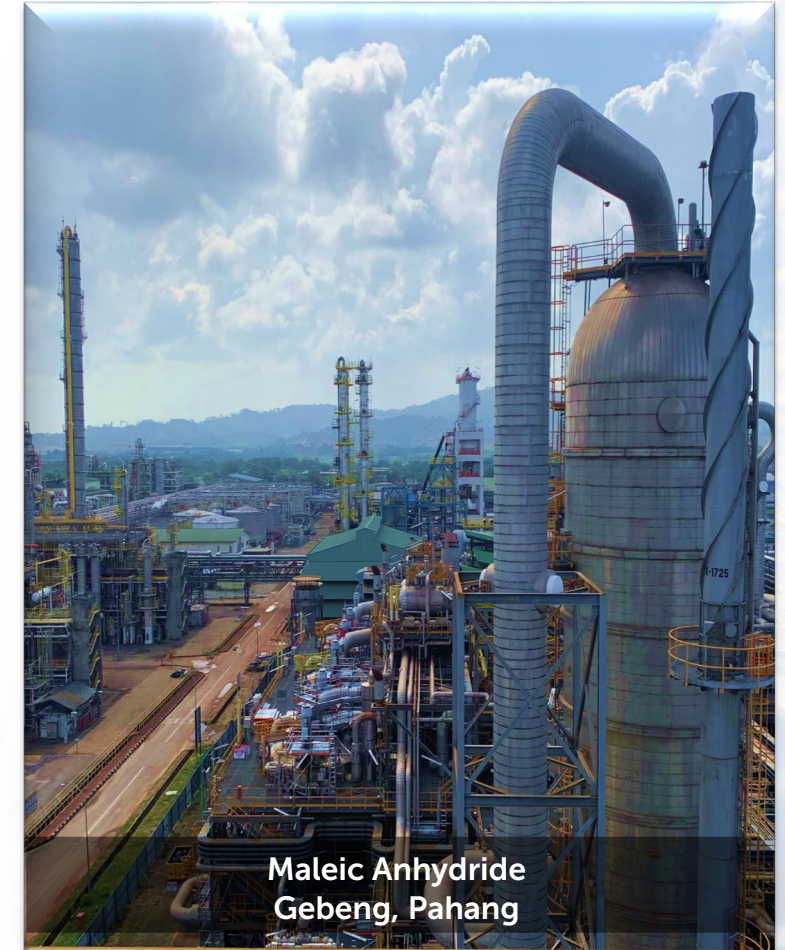
1 Ready For Start Up



2 Construction progressing as planned



3 Final Investment Decision (FID)



Building our specialty platform

Full operation of Lube Oil

◆ Additives & Chemicals (LAC)
plant in Echt, Netherlands

Incorporation of

◆ BRB Silicones
United Kingdom Ltd

◆ Obtained critical
certifications for
silicone blending plant
in Gebeng, Pahang

SPECIALTY CHEMICALS



BRB

A Subsidiary of PETRONAS Chemicals Group



Perstorp

A Subsidiary of PETRONAS Chemicals Group

◆ Commissioning of new
Pentaerythritol (Penta)
production facility in
Sayakha, India

◆ Working towards
approval for sustainable
methanol project in
Stenungsund, Sweden

Creating optionality for growth



1

Achieved the first drop from bio-based emollient pilot plant for personal care applications



2

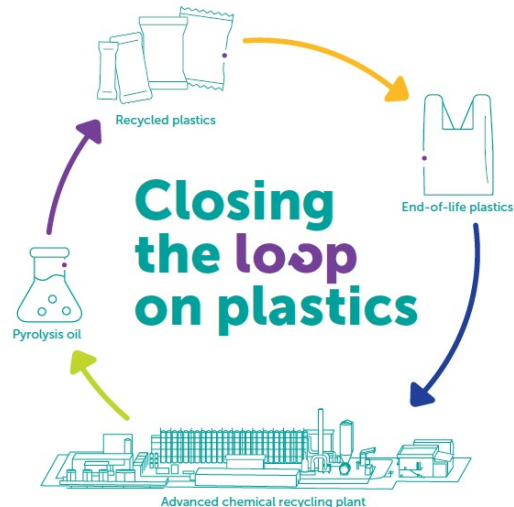
Developing Global Innovation Network



Advancing circularity

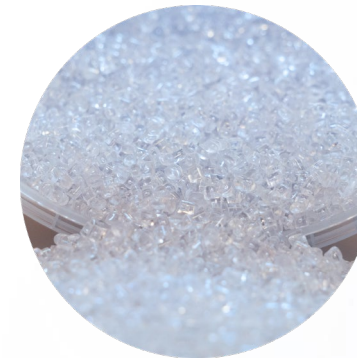
Plastic Circularity

- ✓ Achieved Final Investment Decision (FID) for advanced chemical recycling plant in Pengerang, Johor
- ✓ Collaboration with feedstock suppliers to accelerate innovative waste recovery infrastructure



Circular Solutions

- ✓ Introduced Akestra™ 100 and Akestra™ 110
 - Enhance recycled PET's heat resistance
 - Enable increased recycled material content
 - Promote circularity

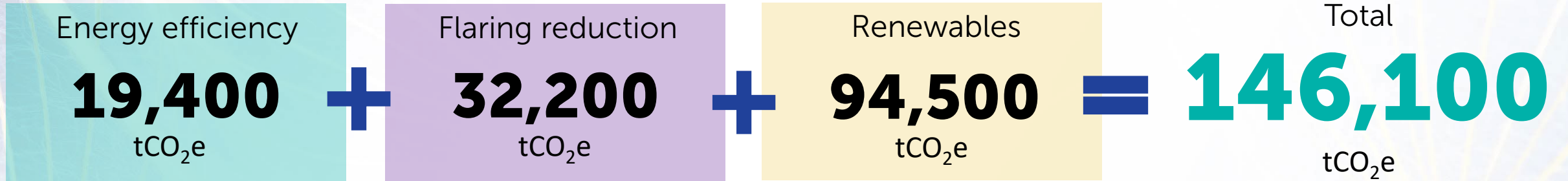


Akestra™

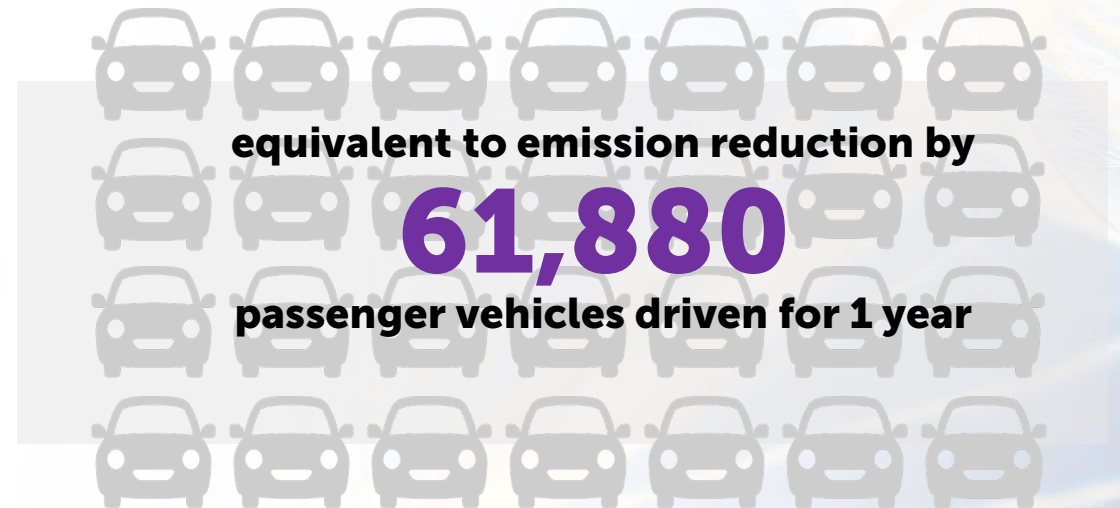
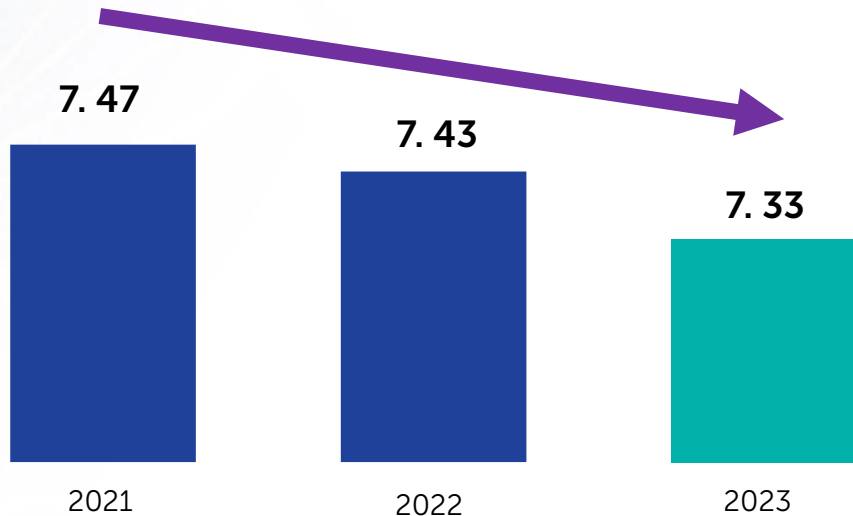


Progressing towards net zero

2023 GHG emission reduction efforts



Total GHG Emission for Scope 1 and Scope 2 – Market Based (mil tCO₂e)



Advocating positive social impact

170,000

2022: >75,000

Community
members reached



Awarded global recognitions

1

Achieved
Top quartile
4-Star rating
for FTSE4GOOD



FTSE4GOOD

2

Sustained
Top 10%
Companies for World
and Emerging Markets
for third consecutive years

S&P Global

Dow Jones
Sustainability Indices

3

Silver rating
(Top 25% in
the industry)



A Subsidiary of PETRONAS Chemicals Group



4

Gold rating
(Top 5% in
the industry)



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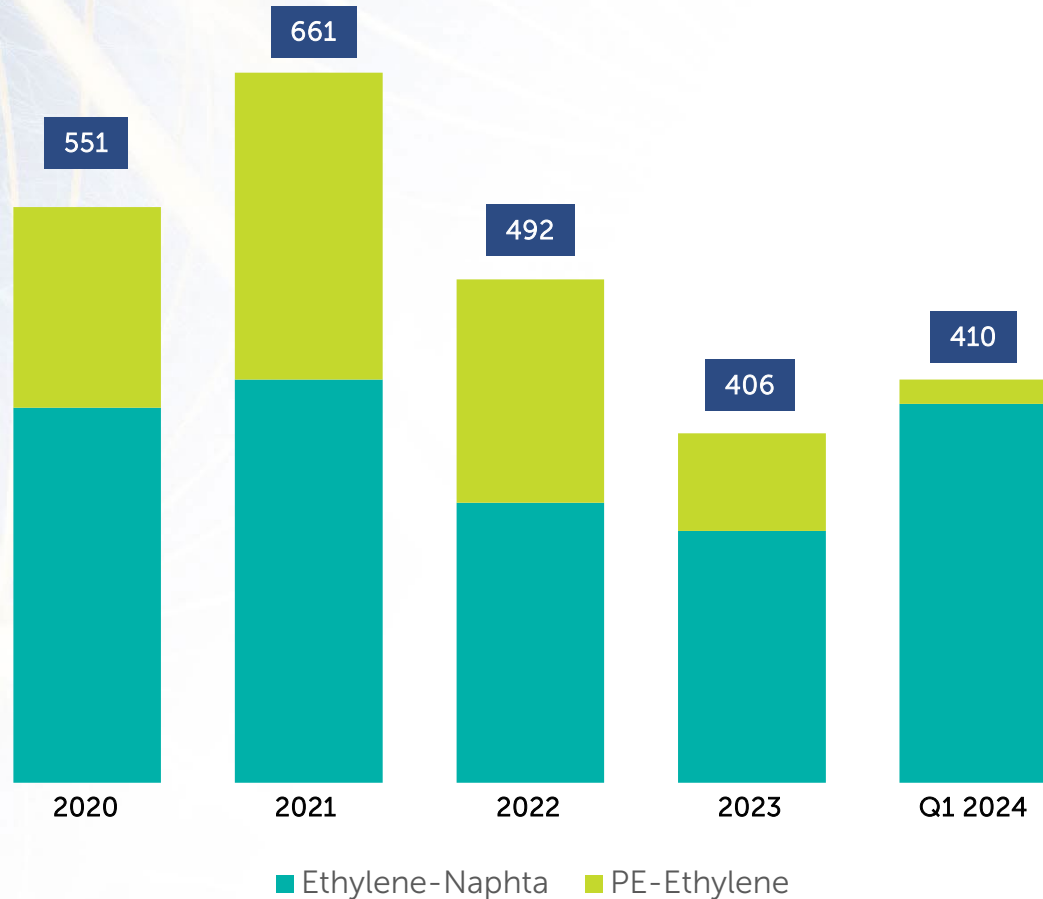




2024 Outlook

Prevailing headwinds

Integrated Spread (USD/MT)



Source: Platts, ICIS, IHS

Demand for key industries served by specialty segments is expected to be similar to 2023 level



Key priorities for 2024



Maximise value for stakeholders



Thank you