

PETRONAS DAGANGAN BERHAD

41st ANNUAL GENERAL MEETING

PRE-AGM AND LIVE Q&A



PETRONAS



4 0 Y E A R S O F G R O W T H :
MOVING FORWARD TOGETHER

Note: The questions and feedback have been edited for brevity and clarity

ANNUAL REPORT *(Total: 14 Questions)*

No.	Question		
PRE-AGM QUESTION	5 Questions	LIVE AGM QUESTIONS	9 Questions
1 - 14.	Please send the hard copy of Annual Report.		
ANSWER			
We take note of your request for the FY2022 Integrated Report hardcopy and our company secretary (Boardroom) will make the necessary arrangement accordingly. Alternatively, softcopy of the annual report is available at our official website www.myMesra.com.my			

AGM (Total: 3 Questions)

No.	Question
LIVE AGM QUESTION 3 Questions	
15.	How much does the the company spend on this virtual AGM?
ANSWER	
The virtual AGM today cost ranges between RM200k-RM300K.	
16.	May I know when the company is going back to physical AGM? Please advise.
17.	I hope the company to continue virtual AGM so the shareholders from outside klang valley could attend the AGM.
ANSWER	
<ul style="list-style-type: none">• AGM practices are guided by the guidelines and procedures issued by the Securities Commission Malaysia. Currently listed issuers are encouraged to continue leveraging technology to conduct their general meetings (fully virtual or hybrid) beyond the movement control order (MCO).• It's our preference to conduct the AGM virtually in the future as we have observed more participation by the shareholders during virtual AGM.	

CORRUPTION *(Total: 1 Question)*

No.	Question	
LIVE AGM QUESTION		1 Question
18.	How do I report corrupted staff in PETRONAS that swindle millions of ringgit belongs to PETRONAS?	
ANSWER		
<ul style="list-style-type: none">• PDB has a zero-tolerance policy against all forms of bribery and corruption and takes any acts of bribery and corruption by employees, directors, contractors, sub-contractors, consultants and third parties very seriously.• Any identified instances of bribery and corruption can be reported via the following PETRONAS' Whistleblowing channels:<ul style="list-style-type: none">i) PETRONAS' website: https://www.petronas.com/whistleblowingii) Email: whistle@petronas.comiii) Mail: P.O. Box No. 11646, Pejabat Pos Besar Kuala Lumpur.iv) Telephone: 03 - 2331 9000 / 03 - 2051 9000 (from Monday to Friday, 9:00 a.m. to 5:00 p.m.)		

DIVIDEND/BONUS ISSUE (Total: 3 Questions)

No.	Question
LIVE AGM QUESTION 3 Questions	
19.	<p>When to pay dividend, how much?</p> <p>Don't let politician to use the company profit to bail their problem so we can have bonus issue or more dividend.</p>
ANSWER	
<ul style="list-style-type: none"> • PDB normally declares interim dividends on a quarterly basis upon Board approval, guided by its dividend policy in consideration of PDB profitability and affordability. • The recent interim and special dividend for Quarter 4 FY2022 has been paid on 23rd March 2023. 	
20.	How is the dividend payment policy or guidance for FY2023?
ANSWER	
<ul style="list-style-type: none"> • PDB is guided by the policy approved by the Board, which is 50% of the Company's PAT. • PDB will continue to assess its profitability and affordability to pay the dividend in the future, in consideration of potential reserve to support PDB Growth agenda. 	
21.	May I know when the company going to reward shareholder with bonus issue? Please advise.
ANSWER	
<ul style="list-style-type: none"> • There are no plans or requirements for bonus issues at this juncture. • However, the Company will continuously assess its capital structure from time to time. 	

EV (Total: 3 Questions)

No.	Question
PRE-AGM QUESTION 1 Question	
22.	From last year AGM Q&A, I note that PDB has its own Energise by Petronas EV charging brand, however Petronas also has Gentari as its EV wholly owned subsidiary. Could management please elaborate or energise by Petronas is now currently absorbed by Gentari.
ANSWER	
<ul style="list-style-type: none"> The Energise by PETRONAS, was our registered brand for the pilot run of EV charging offering at PETRONAS stations in collaboration with Mercedes-Benz and JomCharge. Since the inception of Gentari in June 2022, we have partnered with Gentari and adopted its brand for all new EV offering at our stations. The partnership has enabled PDB to scale electric mobility offering with pace, aimed to provide seamless experience to all PETRONAS customers. The usage of Energise by PETRONAS brand has now been discontinued. 	
LIVE AGM QUESTION 2 Questions	
23.	What are your future plans regarding the installation of EV chargers in all your petrol stations to encourage the adoption of electric vehicles?
ANSWER	
<ul style="list-style-type: none"> Today we have 30 DC fast-charging points at selected stations - and we are actively seeking for opportunities and planning to install more EV chargers at selected stations, while building presence in e-mobility space, for example our collaboration with Blue Shark on battery swapping for 2-wheelers. Through strategic collaborations with Gentari and other industry players we intend to scale-up e-mobility infrastructures at pace, in line and in tandem with local demands. 	
24.	May I know PetDag's EV strategy moving forward?
ANSWER	
<ul style="list-style-type: none"> PDB's strategy on EV Charging Infra is to grow the DC charging network at strategic locations, in line with customer demand. Synergistic partnership has been established with leading EV charging infrastructure provider, such as Gentari and EVC, with PDB leveraging on its strategic locations and the technical expertise of these partners. 	

GIFTS/VOUCHER (Total: 48 Questions)

No.	Question				
	<table border="1"> <tr> <td>PRE-AGM QUESTION</td> <td>10 Questions</td> <td>LIVE AGM QUESTIONS</td> <td>38 Questions</td> </tr> </table>	PRE-AGM QUESTION	10 Questions	LIVE AGM QUESTIONS	38 Questions
PRE-AGM QUESTION	10 Questions	LIVE AGM QUESTIONS	38 Questions		
25 – 72.	Is the Company considering to provide gift cards, Setel vouchers, food vouchers, e-vouchers or Mesra points and to increase the value of door gifts as compared to RM50 given last year as a token of appreciation to shareholders who participate in the virtual AGM?				
ANSWER					
<ul style="list-style-type: none"> • PDB will provide Setel e-vouchers worth RM100 this year as a gesture of our gratitude to all shareholders, proxies, corporate representatives and attorneys who participated in today's AGM. The vouchers will be distributed within 5 working days through TRICOR via email, and they will be sent to your registered email address based on today's recorded attendance. • Simply download the Setel mobile app (available on Apple Appstore and Google Playstore) and redeem the voucher into your e-wallet. • Setel offers its customers a seamless and frictionless experience with contactless payment. By managing and redeeming your Mesra points digitally, Setel makes your everyday life simpler and better. 					

LAND (Total: 1 Question)

No.	Question	
PRE-AGM QUESTION		1 Question
73.	In the last 20 years of operation, how many pieces of land and its value was purchased for business growth purposes but still not developed to date? What is the current status of the land and future action?	
ANSWER		
<ul style="list-style-type: none">• The idle lands represent approximately 1% of PDB landbank, equivalent to less than 5% of PDB land value.• Necessary processes are in place to maximise monetisation of the land bank based on the status of respective sites e.g., approval process from local authorities and repurpose due to incompatibility for development.		

LPG (Total: 1 Question)

No.	Question
PRE-AGM QUESTION 1 Question	
74.	The Petronas gas cylinder Home Delivery does not cover Elmina East area. Can I request the Management to include it?
ANSWER	
PDB currently covers area of Ladang Elmina and will ensure that we expand coverage to both Elmina East & West.	

MESRA (Total: 1 Question)

No.	Question	
PRE-AGM QUESTION		1 Question
75.	How many cafe mesra have been open to date and how much is the financial contribution to PDB revenue/profit?	
ANSWER		
<ul style="list-style-type: none">• As of April 2023, there are 52 outlets in operations.• As most Café Mesra outlets have yet to have a full year operation cycle and meet their maturity stage, the contribution of Café MESRA to overall PDB Group revenue is minimal in FY2022. However, the contribution is expected to grow in line with our expansion plan.		

PDB BUSINESS/OUTLOOK (Total: 5 Questions)

No.	Question
LIVE AGM QUESTION 5 Questions	
76.	<p>(A) Our Co. did well due to post COVID economic recovery and increased energy consumption; however, relative to our peers, and how well did our Co. really do in capturing market share?</p> <p>(B) Which segments will further growth in revenue and profitability?</p> <p>(C) Any new businesses for new growth are being considered going forward?</p>
ANSWER	
<p>(A) PDB is unable to determine its market share due to unavailability of official information or published information of other competitors' sales volume.</p> <p>Based on our internal assessments, PDB is among the market leader across all business segments and are well positioned to defend and grow.</p> <p>(B) PDB's revenue and profitability are subjected to multiple factors such as global petroleum product prices, domestic commercial industrial and consumer demand. Based on current market indicators, PDB across all segments are on the right trajectory to defend our current performance and further grow in line with our strategic agenda.</p> <p>(C) Yes, we continue to explore and venture into new opportunity in line with PDB strategy mainly through Convenience segment by accelerating non-fuel footprint offerings.</p>	
77.	<p>To what extent is our Co. increasing its dealings in the Chinese Yuan versus the US dollars for our O&G products/inputs, and what positive or negative effect will this bring?</p> <p>How well insulated is our Co. against a surprise collapse of the US dollars due to its debt crisis and banking failures?</p>
ANSWER	
<p>PDB transactions and cash balances are pre-dominantly in MYR with local banks, hence, may not be directly exposed and significantly affected by USD volatility from the abovementioned debt crisis and banking failures.</p>	

PDB BUSINESS/OUTLOOK *(continued)*

No.	Question
LIVE AGM QUESTION <i>(continued)</i>	
78.	May I know the impact to PetDag if oil price increases?
ANSWER	
In general, the increases in oil prices will result in higher margins and operating expenses.	
79.	Will Petronas Dagangan business affected by recession?
ANSWER	
<ul style="list-style-type: none"> • Yes, PDB's business is influenced by various economic factors such as oil prices as well as supply and demand, which can be impacted in the event of a recession. • In 2022, PDB has remained resilient across all segments, as demonstrated by our strong performance, despite the challenges faced in a post-pandemic economy, • Also, we continuously assess and mitigate key risks surrounding our business. 	
80.	How will Petronas Dagangan business affected by Ukraine & Russia war?
ANSWER	
<ul style="list-style-type: none"> • The Ukraine & Russia war which started in early 2022 increases the volatility in crude oil prices and this has impacted PDB's products costs as well as operating expenses, hence the overall profitability for the year. • PDB closely monitors key risks and opportunities with robust quantitative analysis to effectively mitigate and adapt to the situation in a timely manner. 	

PDB FY2022 PERFORMANCE (Total: 5 Questions)

No.	Question
PRE-AGM QUESTION 2 Questions	
81.	<p>Out of the 1.89 billion subsidy receivable for FY2022, how much has been received to date.</p> <p>From note 9, it was also noted that 124 million worth of impairment for subsidy receivable were written off. Could the company clarified why it was written off and not reversed if the subsidy receivable for that impairment amount was received?</p>
ANSWER	
<ul style="list-style-type: none"> Subsidy receivables amounting of RM1.89 billion for FY2022 have been received in full in January 2023 and our subsidy receivables as at to date are current. The RM124 million impairment that was written off in FY2022 relates to long outstanding subsidy receivables which were impaired in 2013 & 2016 and does not form part of the balance as at end FY2022. 	
82.	How does the company plan to use the cash it has?
ANSWER	
<ul style="list-style-type: none"> PDB monitors our cash flow closely to ensure an adequate cash balance for its operating expenditure and capital investment, as well as to provide a robust reserve against liquidity risks. The capital investment covers enhancement to PDB network, strengthening digital infrastructure and growth especially Convenience segment offerings e.g., Setel ecosystem, Café Mesra expansion and other growth opportunities, to future proof PDB's business. 	
LIVE AGM QUESTIONS 3 Questions	
83.	<p>During the year, the Group has written off RM124,036,000 subsidy receivables impairment previously provided for in prior years. (Note 9 - Page 276 of AR)</p> <p>(A) What are reason(s) for the write-off of the subsidy receivables?</p> <p>(B) The subsidy receivables are mostly from the Govt which should have low credit risk. Will there be similar write-off in the future?</p>
ANSWER	
<p>(A) The subsidy write off is for underclaimed subsidy for LPG, Diesel and Mogas for period of 2006 – Aug 2010 and unapproved diesel over quota for period of April 2012- Jan 2013, which have been impaired in 2013 and 2016 respectively.</p> <p>(B) PDB do not foresee any subsidy write-off in the near future.</p>	
84.	The Subsidy Receivable under Receivables remained high at RM1.898 Billion. What is the timing of such receivables being paid by the Govt?
ANSWER	
Generally, the subsidy claims payment varies between 1-2 months.	

PDB FY2022 PERFORMANCE *(continued)*

No.	Question
LIVE AGM QUESTIONS <i>(continued)</i>	
85.	How much profit this year?
ANSWER	
<p>For FY2022, PDB Group’s PBT for FY2022 RM1,135.0 million, increased by 53% compared to FY2021 and Profit After Tax increased by 48% to RM787.8 million mainly due to higher sales volume from increased travel and economic recovery post-pandemic, both domestically and internationally, coupled with favorable average selling price of petroleum products.</p> <p>For FY2023, based on current market indicators we remain cautiously optimistic on PDB’s profitability outlook.</p>	

SETEL (Total: 3 Questions)

No.	Question
PRE-AGM QUESTION 2 Questions	
86.	<p>Thanks Management make the Setel App to allow QR function, it is great feature allow us to use this app at more location.</p> <p>But when i try to use Setel QR function, sometime i feel it quite slowly and i have encounter duplicate payment due to slow connection, hope management can take note on this issue.</p> <p>While, if management got roadmap direction wan Setel to popular like TNG, need to allow Setel collaboration in market payment gateway like GHLSys, Revenue, IPay88 machine.</p>
ANSWER	
<ul style="list-style-type: none"> • Thank you for the feedback - Setel is working with our payment gateway providers to improve customer payment experience whilst expanding its merchant footprint nationwide. • In addition to acquiring merchants directly, Setel has accelerated its merchant acquisition through working with Third Party Acquirers such as iPay88, Revenue Monster, PineLabs and GHL. • Today, Setel is available as a payment method at various outlets such as Mydin, Village Grocer, Tealive, MyNews, and Al-Ikhsan. • Most recently, Setel has launched DuitNow QR, expanding Setel payments touchpoints to more than 1.6 million stores nationwide. 	
87.	<p>With regards to Setel referring to last year AGM answer PDB indicated that this is not merely an ewallet but a way to make refuelling easier.</p> <p>With the inclusion of Setel in duitnow qr network recently and various other functions such as parking, car repair/battery,etc is PDB trying to compete in the superapp market? Please elaborate.</p>
ANSWER	
<ul style="list-style-type: none"> • Setel is committed to transform the fuel retail experience, we continue to elevate customers experience with the convenience of one-tap fuelling introduced in 2022, and more recently the roll out of Setel Lite application to enable customers with lower-end devices to enjoy the seamless Setel fuelling experience. • To enrich and serve our core customer segment i.e., motorists better, Setel has grown beyond fuel and is highly focused on enriching also winning more customers beyond the stations with the roll out of new, motorist-related features such as EV Charging, Parking, Roadtax, Motor Insurance and Auto Assistance. 	

SETEL (continued)

No.	Question	
LIVE AGM QUESTION		1 Question
88.	<p>My parent is not IT literate. Since they cannot get hold of physical mesra card, they choose to use competitor services as their point collection card is available.</p> <p>Although setel is good, what is the point if driving IT illiterate customer away?</p>	
ANSWER		
<ul style="list-style-type: none">• PDB has introduced the cardless Mesra concept which allows customers to earn and redeem Mesra points just by keying in their mobile number at the payment screen without the usage of Setel app or swiping the physical Mesra card.• PDB aims to strengthen digitization journey to ensure frictionless and seamless customer experience along with PETRONAS' digital philosophy.		

COMMENTS/ADMINISTRATIVE

No.	Question
LIVE AGM QUESTION	
89.	Dear En. Azrul Osman, I would like to talk to you offline about my ex-Petronas Station. Is it alright?
ANSWER	
Please contact our Investor Relations team at petdagir@petronas.com.my for further information.	
90 - 341.	Comments on connectivity error on TRICOR platform during the Live AGM session.
ANSWER	
The appointed Poll Administrator (TRICOR) has contacted the affected shareholders to address the matter.	
342-356.	Salutations to Chairman & Management team e.g., Good Morning, Hi, etc.