

PETRONAS DAGANGAN BERHAD

43RD ANNUAL GENERAL MEETING

AGM LIVE Q&A



THRIVING FORWARD

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

BUSINESS OUTLOOK (Total: 6 Questions)

No.	Question
1.	<p>Congratulations on the record-breaking performance. PDB has done very well in FY2024, so do you think you can sustain 2024 performance or even do better? What would be the factors contributing to the growth as there is no new initiative? When is the perceived tipping point for the fuel business?</p>
2.	<p>Convenience margin growth has outpaced the core business in 2024. How sustainable is this margin to the net growth, increasing in inflation on imported food, higher labour cost and rising utilities bill. Do you anticipate that there will be a margin compression in 2025 for these segments?</p>
Answer:	
<p>PDB delivered a strong FY2024. While FY2025 presents emerging challenges, we remain focused on sustaining performance through disciplined execution of our future strategy.</p> <p>Demand for our Core business remains resilient, while our Convenience segment continues to show promising growth, supported by future strategic plans and collaborations. We are mindful of the external market dynamics and will remain committed to enhancing operational efficiency and unlocking value across all segments.</p>	
3.	<p>Given that the geopolitical issues have a negative impact on the economy, the US tariff implementation would not negate it. Is PDB able to achieve the growth as the estimated growth is seemingly high?</p>
Answer:	
<p>The response can be referred to in PDB's 43rd AGM – Q&A (Answer for Questions 41 to 42), available on the MyMesra website: https://www.mymesra.com.my/investor-relations/annual-general-meeting-and-mswg/annual-general-meeting</p>	
4.	<p>What is the extent of the impact of Government policy changes on PDB?</p>
Answer:	
<p>PDB continues to take a proactive approach to policy changes, balancing risks and opportunities, whilst leveraging our strengths to remain resilient in a dynamic regulatory landscape.</p>	

5.	With the news on Shell exiting Malaysia, is PDB planning for a buyout of their business or converting their stations? What would be the impact on PDB's market share?
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Answer:

We refrain from commenting or speculating on other companies. PDB remains focused on strengthening core operations, deepening market presence, and meeting evolving customer expectations.

6.	Do you have a vision on hydrogen gas to fuel the petrol? Is the company able to cope with the future fuel that is more environmentally friendly?
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Answer:

PDB recognises the importance of diversifying its offerings with a key strategic focus on low carbon solutions, namely Sustainable Aviation Fuel (SAF), while continuing to assess other clean products and their viability in the Malaysian domestic market.

CORPORATE GOVERNANCE (Total: 4 Questions)

No.	Question
7.	<p>We note a significant number of senior management resignations across PDB's key digital subsidiaries – Setel Ventures, Setel Express, and Setel Pay – within a concentrated period between February and August 2024. This high turnover at the leadership level naturally raises concerns among shareholders regarding stability, operational continuity, and potential underlying issues within the Setel Group.</p> <p>Could the Board elaborate on the reasons for these simultaneous departures?</p>
8.	<p>More importantly, can the Board assure shareholders that robust governance processes and oversight mechanisms are in place at the PDB level to identify and address any potential workplace, ethical, or governance concerns within its subsidiaries promptly?</p>
9.	<p>Can the Board also comment on its framework for overseeing risk management – including operational, reputational, and human capital risks – within these strategically important subsidiaries?</p>
10.	<p>Furthermore, can the Board assure that it is satisfied with the current workplace culture and governance standards within the Setel Group, and outline the specific steps being taken to</p> <ol style="list-style-type: none"> <li data-bbox="345 1014 751 1045">i. stabilise the leadership, <li data-bbox="345 1056 670 1087">ii. ensure continuity, <li data-bbox="345 1098 1369 1129">iii. safeguard Setel's strategic direction, performance, and reputation, <li data-bbox="345 1140 1433 1192">iv. and protect PDB's investment and shareholder value, given Setel's crucial importance to PDB's future growth?
<p>Answer to questions 7 to 10:</p>	
<p>From PDB Management's perspective, there are no issues related to senior management turnover. There is robust succession planning for key executives.</p> <p>In compliance with Bank Negara Malaysia's requirements, Setel has also included Independent Non-Executive Directors in its board composition and established the Board Audit and Risk Committee ("BARC"). One of BARC's roles is to oversee that Setel's leadership fosters strong governance and growth.</p> <p>In terms of the Risk Management framework, the PDB Board Sustainability and Risk Committee ("BSRC") provides oversight of new ventures, as well as monitoring and mitigation of key risk areas.</p>	

DIVIDEND (Total: 2 Questions)

No.	Question
11.	Can PDB increase the dividend by more than 50% to ensure shareholder loyalty?
Answer:	
The response to question 11 can be referred to in PDB's 43rd AGM – Q&A (Answer for Question 4), available on the MyMesra website: https://www.mymesra.com.my/investor-relations/annual-general-meeting-and-mSWG/annual-general-meeting	
12.	When will you issue your first quarterly report, and will there be any dividend announcement post Q1 results?
Answer:	
PDB will issue its first quarterly report within two months after the end of the first quarter, in compliance with Bursa Malaysia's listing requirements. As for dividends, any declaration is subject to the Board's deliberation on a quarterly basis, taking into account PDB's dividend policy, financial performance and cash flow position.	

FINANCIALS (Total: 1 Question)

No.	Question
13.	What is the allocated CAPEX for fuel & non-fuel?
Answer:	
Between 20% to 30% of our CAPEX is allocated for Convenience (Non-Fuel) segment investments, while the remainder remains with Core (Fuel) segments for its stations and facilities. PDB continues to explore new opportunities to grow our Convenience segment, while adhering strictly to our investment guardrails.	

GIFTS (Total: 2 Questions)

No.	Question
14.	Despite the dividends given to all shareholders, please consider giving a little bit more door gift as a form of appreciation for attending the AGM.
15.	In the previous AGM that was held physically, the same person who is a shareholder and a proxy will be given two gift cards. Why did you cancel the door gift policy and give only one voucher?

Answer to questions 14 and 15:

The response can be referred to in PDB's 43rd AGM – Q&A (Answer for Questions 43 to 53), available on the MyMesra website:

<https://www.mymesra.com.my/investor-relations/annual-general-meeting-and-mswg/annual-general-meeting>

We appreciate the commitment and unwavering support demonstrated by our shareholders and proxies towards PDB. Door gifts are presented as a token of appreciation to those who attend the AGM in person as shareholders or proxies, with one Setel voucher allocated per attending individual based on IC number to ensure fairness.

We acknowledge the feedback regarding door gifts and will take into consideration suggestions for future AGMs.

LPG (Total: 1 Question)

No.	Question
16.	<p>Saya mendapati bahawa saya berkemungkinan mangsa keadaan dimana saya membeli gas dari pihak pembekal dan saya mendapati kuantiti gas berkurangan sebanyak 1kg. Adakah PETRONAS mempunyai satu badan atau penguatkuasa untuk memeriksa kuantiti gas silinder?</p> <p><i>I believe that I may have been a victim of a situation where the gas that I had purchased from a supplier was found to be 1kg less than the marketed quantity. Does PETRONAS have a body or enforcement mechanism to ensure that the quantity adheres to required standards?</i></p>

Answer:

Terima kasih kerana memaklumkan perkara ini kepada kami. Di PDB, kami komited dalam memastikan kebolehpercayaan kualiti dan kuantiti bagi setiap produk yang kami tawarkan. Kepiawaian kualiti mengikut spesifikasi dipatuhi di terminal pembotolan LPG kami, dan pada masa yang sama pemantauan berterusan ke atas pengedar kami sentiasa dilaksanakan bagi memastikan para pembekal mematuhi kepiawaian yang ditetapkan.

Sekiranya anda mengesan sebarang ketidaksesuaian atau keraguan, kami menggalakkan anda supaya melaporkannya dengan segera agar tindakan yang sewajarnya dapat diambil. Untuk bantuan atau melaporkan sebarang isu, pelanggan boleh melayari laman web <http://www.mymesra.com.my> atau menghubungi talian Mesralink di 1-300-88-8181.

Thank you for bringing this to our attention. At PDB, we are committed to ensuring the reliability of the quality and quantity of every product we offer. Quality standards as per specifications are adhered to at our LPG bottling terminals, while continuous monitoring of our distributors is always carried out to ensure that suppliers comply with these standards.

Should you detect any non-conformity or doubt, we encourage you to report it immediately so that appropriate action can be taken. For assistance or to report any issues, customers can visit <http://www.mymesra.com.my> or contact the Mesralink hotline at 1-300-88-8181.

RETAIL (Total: 8 Questions)

No.	Question
17.	When the petrol reaches a certain amount, the flow speed slows down. Why is this happening? I anticipate this may cause the payment and actual volume to be inconsistent. I would suggest that PDB check every pump as this is happening everywhere, not just at PETRONAS stations.
Answer:	
<p>All our pumps are calibrated annually by certified calibrators in line with standards required by the Ministry of Domestic Trade and Cost of Living (“KPDN”). Additionally, all PETRONAS stations also conduct monthly pump tests to ensure the amount of fuel dispensed meets KPDN specifications. The fuel flow slows down towards the end of the refueling process safely to prevent “over dispensing” and does not indicate that the fuel amount dispensed is less than displayed.</p> <p>For assistance or to report any issues, customers may visit http://www.mymesra.com.my or contact the Mesralink hotline at 1-300-88-8181.</p>	
18.	What is your perception of those who say PETRONAS fuel performance is inferior to Shell?
Answer:	
<p>Our fuel quality has been tested and proven internationally – most notably in Formula 1, where PETRONAS has powered eight (8) World Championship wins. This stands as a testament to our advanced fuel formulation technology and commitment to engineering excellence.</p> <p>We remain dedicated to delivering high-quality fuels, consistently affirmed by our customers as being superior in the market.</p>	
19.	With regards to customer experience, I have observed that the service provided by the workers at PETRONAS stations could be improved.
Answer:	
<p>We truly appreciate your feedback and take your concerns seriously. At PDB, we are continuously working to enhance customer experience at our stations. This includes ongoing efforts to train and guide our Krew PETRONAS to deliver better service, while also nurturing skilled personnel to ensure consistent quality and standard across all stations.</p> <p>We are also pleased to share that in 2024, PDB achieved its highest-ever Net Promoter Score (NPS), as rated by an independent third party – reflecting the positive experiences from many of our customers. That said, we remain committed to listening, learning, and continuously improving, wherever needed.</p>	

20.	I would suggest that PDB station be a better service provider with services to check customer cars and sell more lubricants and brake oils.
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Answer:

We will consider this suggestion, along with our plans for future superstations with more space to expand our offerings that may potentially accommodate AutoExpert outlets that provide car servicing and lubricant products to our patrons, among other PDB offerings.

21.	Can PDB consider improving your points system, by giving it more like your competitors?
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Answer:

PDB offers a versatile fuel loyalty program with multiple ways to earn and redeem points. Setel app users can earn up to 3x points for fuel purchases based on their membership tier, among other campaigns that boost point earnings.

PETRONAS offers features like Scan & Earn, Setel Lite, and Cardless Mesra to suit different customer preferences. Members earn Mesra Rewards points for purchases, which can be converted into e-wallet credit via the Setel app for added convenience.

22.	I have been a PETRONAS user for 24 months now. Based on my observation, customers are unable to make payment via QR code as stations only accept Setel, card or cash as the payment method. Will this practice continue?
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Answer:

PETRONAS Stations and Kedai MESRA accept cash and card payments, as well as QR pay via the Setel app. Nevertheless, we continue to assess the need for broader payment methods for the convenience of our customers.

23.	I was made to understand that the Rakan Niaga (RN) application is on demand and the application closes fast. May I know the annual quota for the application and how often do you open the application?
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Answer:

We open about 10 stations in a year. The application for new dealerships are currently closed and opening for new applications will be announced on our website with due notice.

24.	Congratulations on achieving the highest Net Promoter Score (NPS). Can I understand the methodology on how you measure your NPS? Is it based solely on users who pay via Setel and rate their experience at the petrol station? If so, how do you capture feedback from customers who use other payment methods?
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Answer:

NPS assessment is performed by an independent third party and provides a benchmark for PDB's performance against other participating fuel retailers. It captures overall customer satisfaction across key areas such as Fuel, Convenience Store, Facilities, Customer Service, and the Loyalty Programme – offering a holistic view of the customer experience.

The sampling is done randomly and covers all types of customers across multiple fuel retailers, where for PETRONAS, it is not limited to only Setel users.

SUSTAINABILITY (Total: 1 Question)

No.	Question
25.	Will solar power and the usage of Electric Vehicles (EVs) affect the petrol sales and impact PETRONAS' performance?
Answer:	
<p>Based on published data, the indication shows that petrol will remain dominant in the Malaysian land transportation ecosystem for a while. Nonetheless, being part of the energy transition, PDB remains focused on its MFT 50 30 0 that includes venturing into low carbon solutions; EV is amongst the top initiatives, supplemented by the adoption of solar power for our stations and assets.</p>	

FEEDBACK (Total: 4 Questions)

No.	Question
26.	<p>Saya dapati kawasan tingkat dua di PETRONAS Solaris agak sunyi dan tidak dipenuhi dengan kedai. Oleh itu, saya ingin mencadangkan agar kawasan tersebut dihidupkan semula dengan memberi peluang kepada peniaga tempatan berniaga di kawasan tersebut.</p> <p><i>I found the second-floor area at the PETRONAS Solaris to be quite quiet and not filled with shops. Therefore, I would like to suggest that the area be revitalised by allowing local traders to do business in the area.</i></p>
Answer:	
<p>Terima kasih atas maklumbalas anda. Pihak kami sememangnya sudah dalam perbincangan untuk mengguna pakai kawasan tersebut dalam masa terdekat.</p> <p><i>Thank you for your feedback. We are already in discussions to use the area in the near future.</i></p>	
27.	<p>Halaman 25 dan 26 Laporan Tahunan PDB menerangkan isu-isu strategik PDB yang tertumpu pada Perniagaan Runcit.</p> <p>Saya mencadangkan agar tumpuan turut diberikan kepada laporan pegangan pasaran serta usaha untuk menangani isu pegangan pasaran dan purata jualan di setiap stesen. Perhatian perlu diberikan kepada pertumbuhan yang boleh memainkan peranan besar dalam memenuhi keperluan negara dan merangsang pertumbuhan ekonomi.</p> <p><i>Pages 25 and 26 of the PDB Integrated Report explain the strategic issues of PDB, which focuses on the Retail Business. I suggest that attention should also be given to the market share report and efforts to address the issue of market share and average sales at each station. Attention should be given to growth that can play a major role in meeting the needs of the country and stimulating economic growth.</i></p>

Answer:

PDB memantau penunjuk pegangan pasaran dengan teliti, namun tiada penerbitan rasmi tersedia mengenai maklumat ini. Berdasarkan penunjuk ini, kami percaya bahawa PDB kekal sebagai peneraju pasaran walaupun terdapat perubahan dalam pasaran dan keutamaan pelanggan sepanjang tahun.

PDB MFT 50 30 0 telah diwujudkan khusus untuk menangani perkara-perkara yang disebutkan.

PDB closely monitors market share indicators, however no official publication is available on this information. Based on these indicators, we believe that PDB remains the market leader despite changes in the market and customers' preferences throughout the years.

PDB MFT 50 30 0 was created specifically to address the aforementioned issues.

28.

Can we have a simplified report on key figures before the AGM as compared to the IR cause it's too thick. This would be meaningful for the shareholders before attending the AGM.

Answer :

Thank you for your feedback. We will consider the suggestions for future AGMs.

29.

Based on my observation, the competitors' stations are more conducive in terms of parking space, attentive to complaints or feedback, and have attractive offerings in their stores. Whereas PETRONAS stations are a bit crowded, the air pump is always malfunctioning, and people always park their cars there.

Answer:

Thank you for the valuable feedback. We acknowledge the observations regarding parking constraints, air pump functionality, customer service responsiveness, and store offerings at PETRONAS stations

We appreciate your continued support as we work towards these improvements.