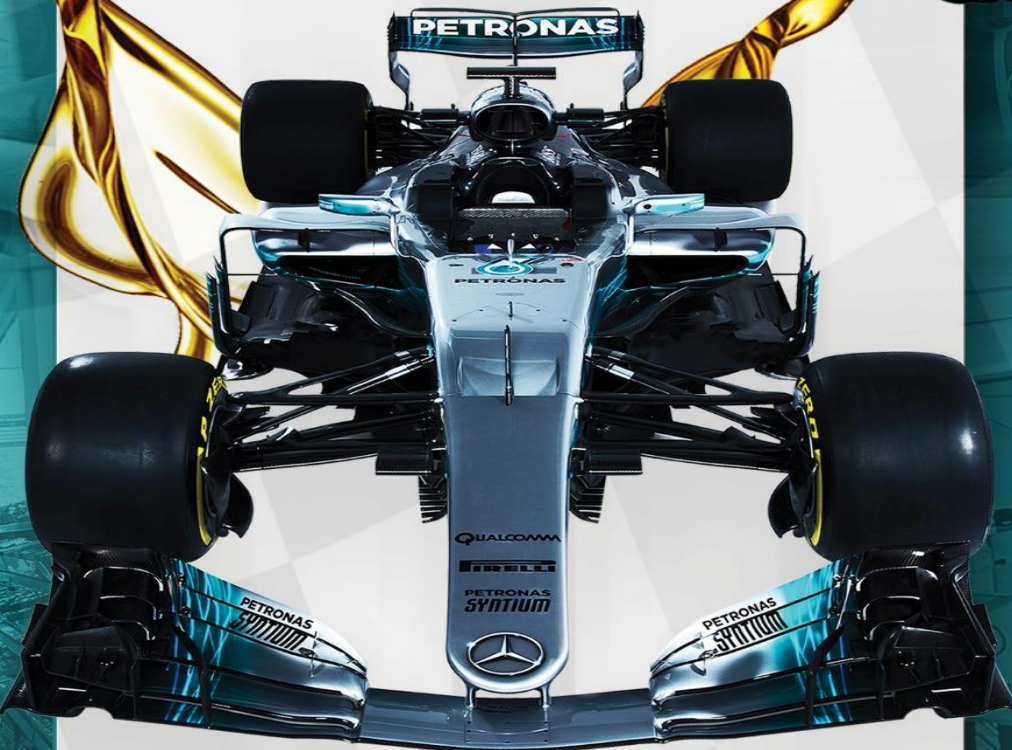




PLAY TO WIN



PLAY TO WIN



Presentation Outline

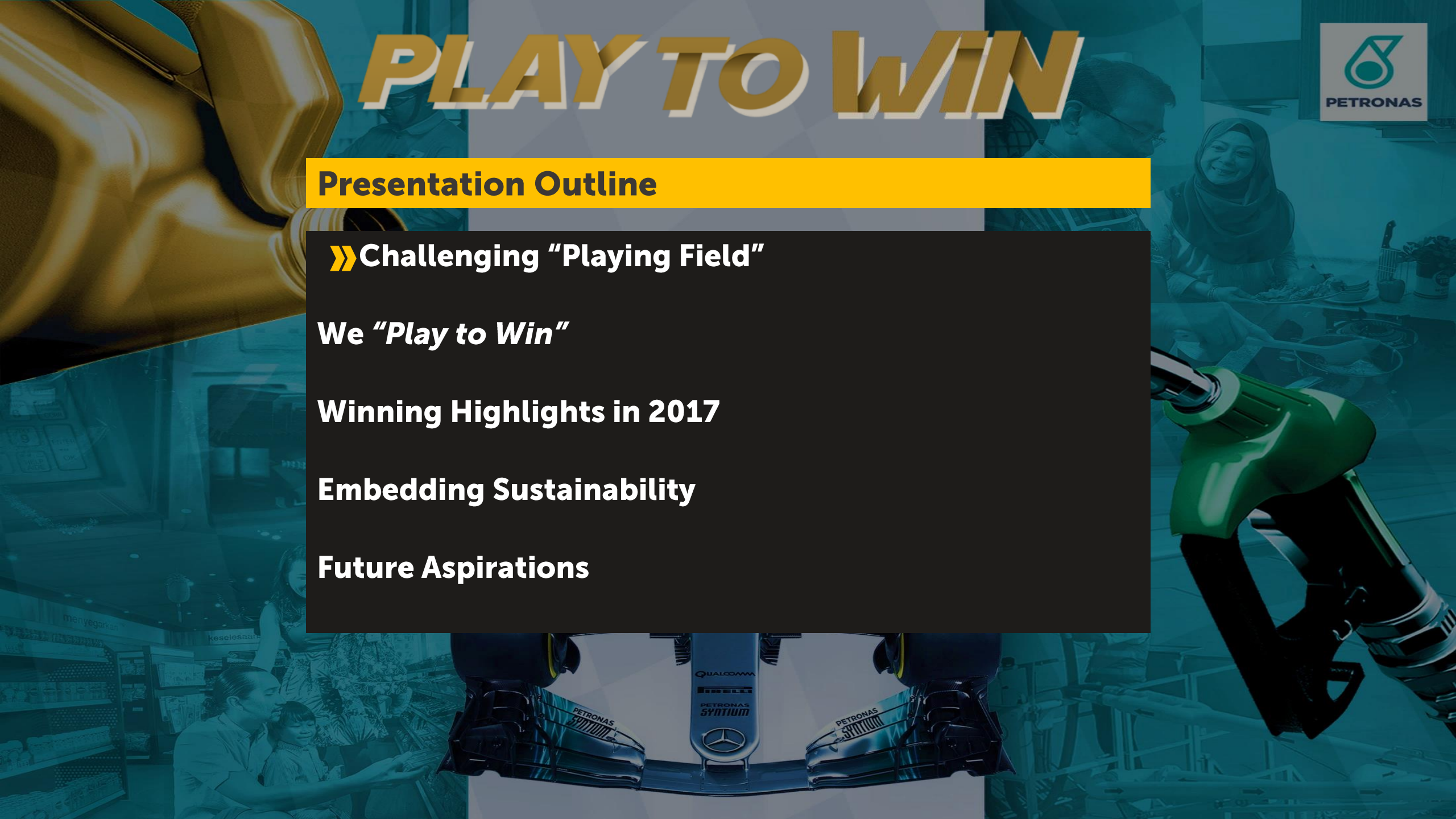
» Challenging "Playing Field"

We "Play to Win"

Winning Highlights in 2017

Embedding Sustainability

Future Aspirations



Key drivers impacting our business



» Dated Brent continued on an upward trend yet remained volatile

» Challenging business environment

» Changing megatrends in transportation

Crude oil continued on an upward trend yet remained volatile



USD/BBL

70

65

60

55

50

45

40

Jan-17

Feb-17

Mar-17

Apr-17

May-17

Jun-17

Jul-17

Aug-17

Sep-17

Oct-17

Nov-17

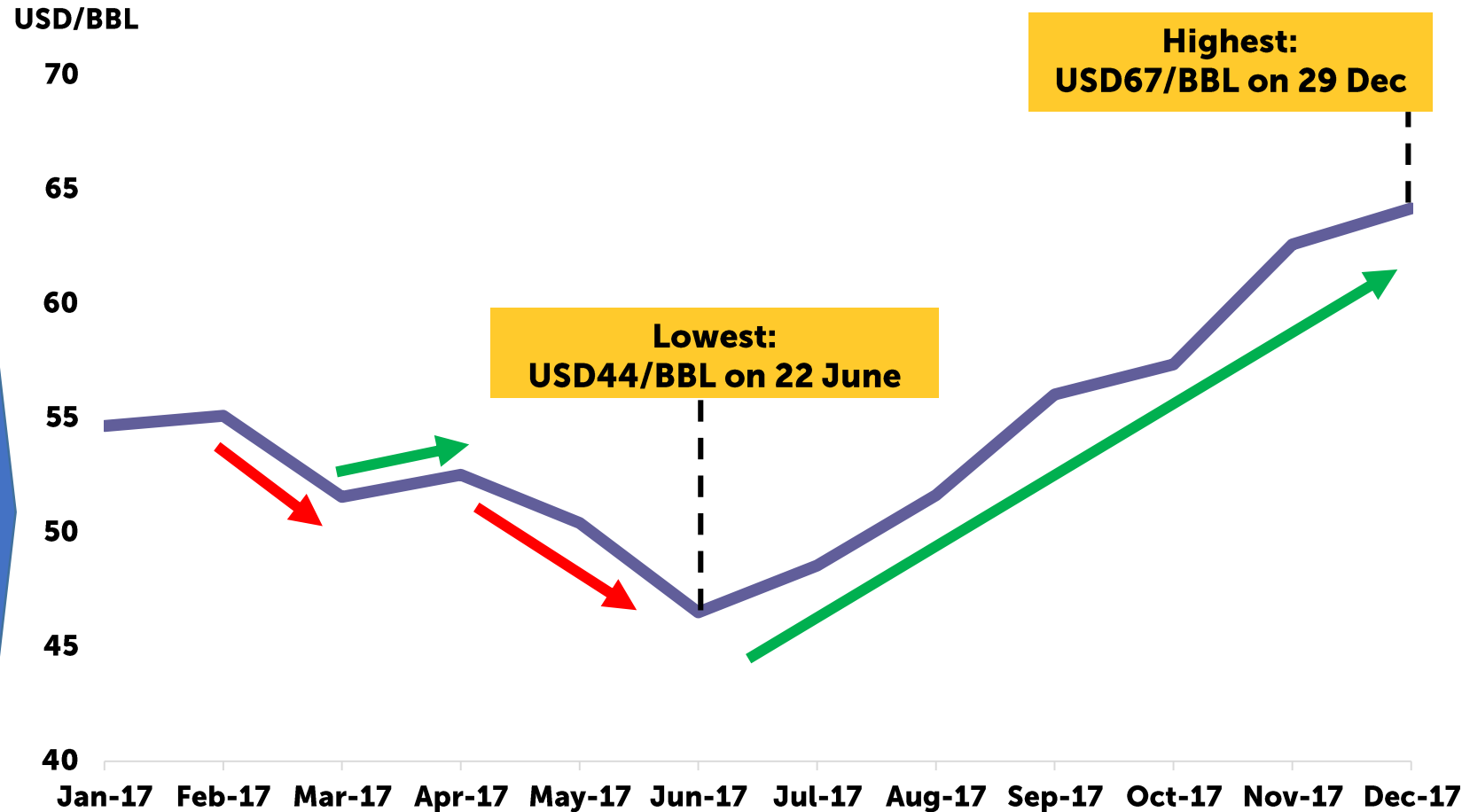
Dec-17

**Highest:
USD67/BBL on 29 Dec**

**Lowest:
USD44/BBL on 22 June**

FY2017

Average Price Dated Brent: USD54/BBL



Challenging business environment



3.7 Inflation Rate (%)
2016: 2.1% **(+1.6%)**

82.6 Consumer Sentiment Index
Optimum Threshold: 100 **(-17.4)**

576,635 Car Sales (Unit)
2016: 580,124 **(-0.6%)**

149.3 Manufacturing Index
Dec 2016: 141.7 **(+5.4%)**

Changing megatrends in transportation



» Increase in public transportation

» Energy Efficient Vehicle population upsurge

» Increase in ride hailing services

PLAY TO WIN



Presentation Outline

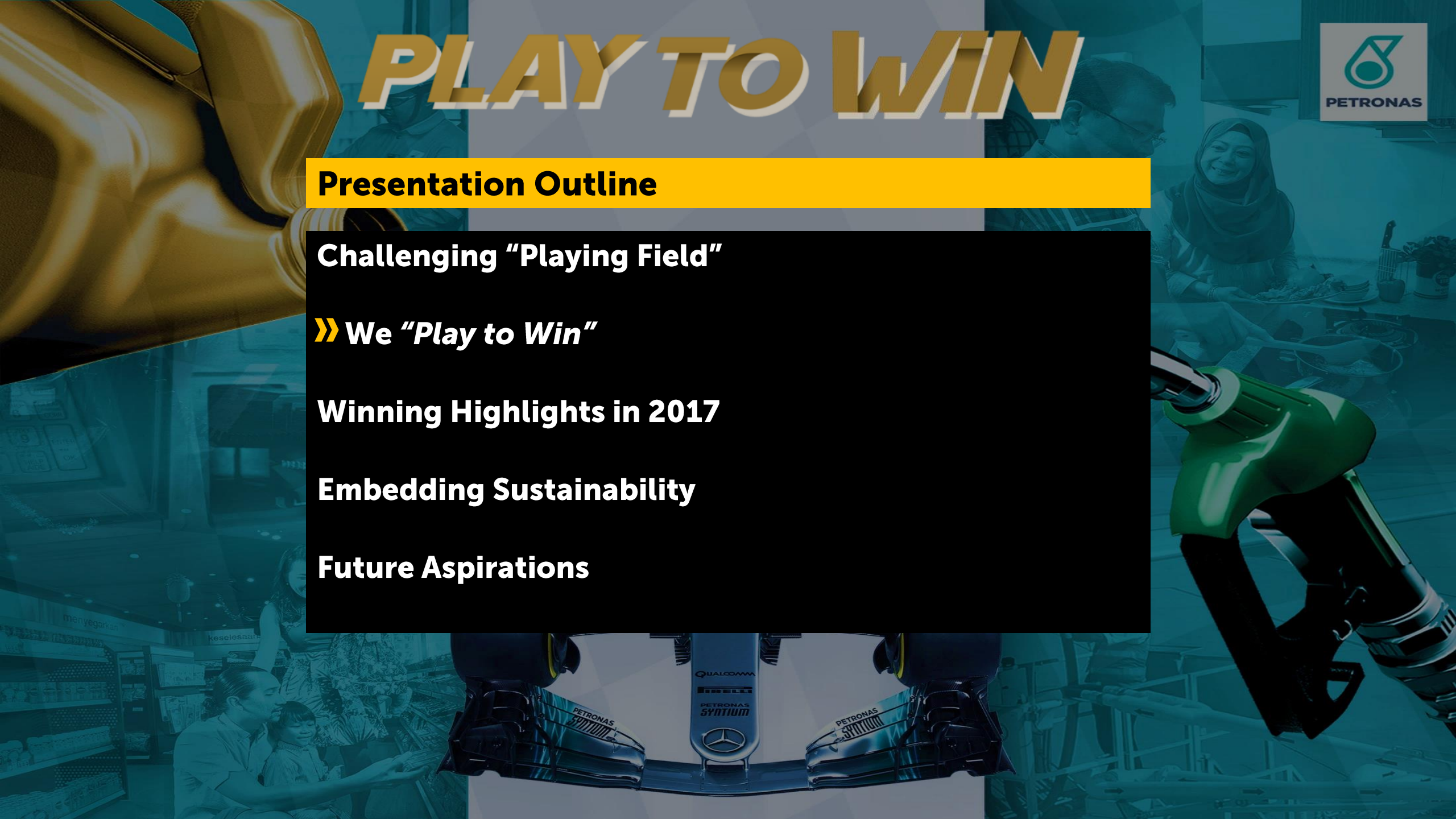
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We "Play to Win"



**Winning
Formula**



**High Performance
Culture**

Our Winning Formula

- 
- » **Strategies which are focused and aligned with our business goals**
 - » **A responsive retail organisation which offers superior products and services from the customers' lens**
 - » **Robust and energised employees to support business growth**
 - » **Operational Excellence and Cost Optimisation**

High-performance culture and commitment to excellence



RM5.6million

**Manpower cost for
employee training**

2,154

**Total training
man-days**

PETRONAS Cultural Beliefs

**RESULTS
MATTER**

I stretch my
limits to deliver
superior results

OWN IT!

I own the results
and don't blame
others

**FOCUSED
EXECUTION**

I plan, commit
and deliver with
discipline

**NURTURE
TRUST**

I always keep
my promise and
build mutual
trust

TELL ME

I seek, give and
act positively on
feedback

**SHARED
SUCCESS**

I collaborate for
the greater good
of PETRONAS

PLAY TO WIN



Presentation Outline

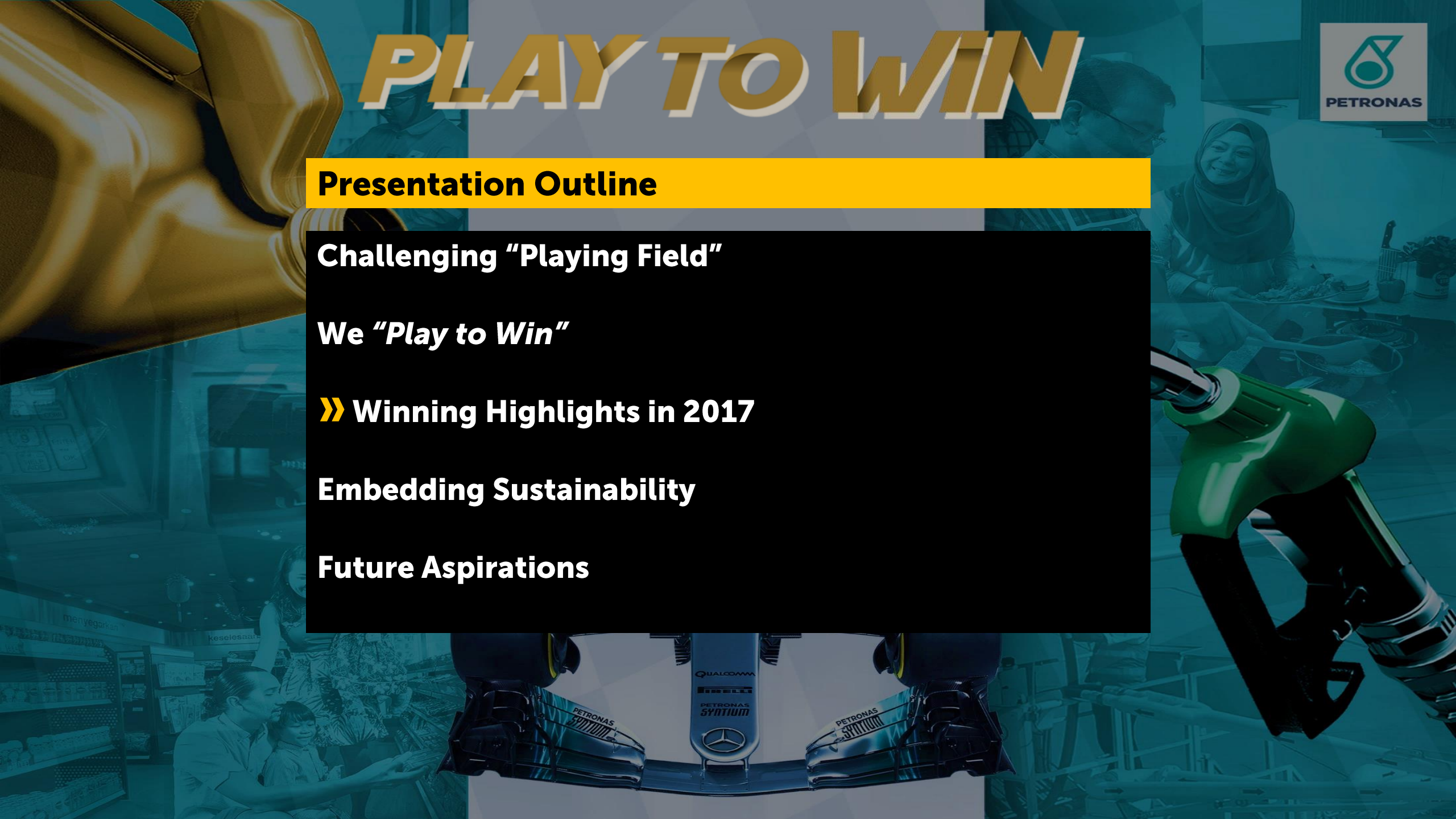
Challenging "Playing Field"

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Record breaking performances, highest since 35 years of incorporation



1,539.5 **PAT** (RM million)

1,896.3* **PBT** (RM million)

97 sen **Dividend** (RM sen)

78% **Dividend Payout Ratio** (%)

*Inclusive of discontinued operations

RETAIL BUSINESS

19%

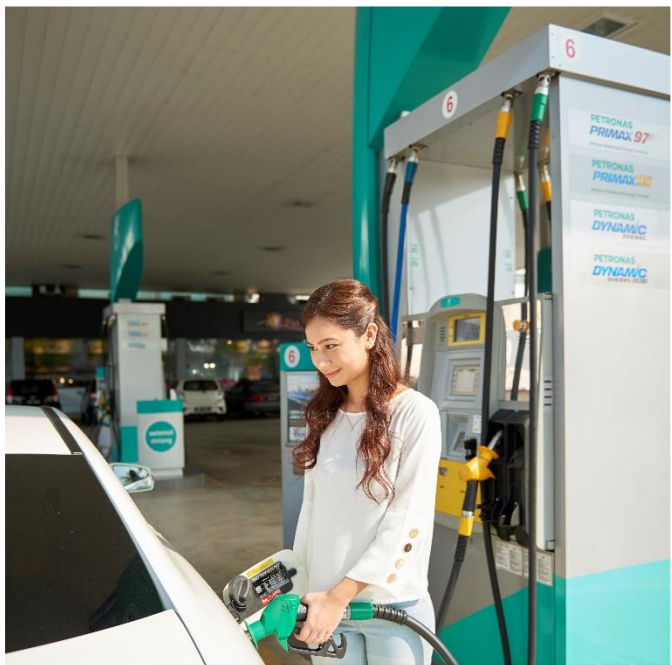
Margin Growth

4%

Non-Fuel Growth



We 'Play to Win' by uplifting customer experience



»» **World Class quality products**

»» **Customer-First Mindset**

»» **Reinforced strategic alliances**

»» **Revamped loyalty programme**

»» **Entered E-Commerce market**

We developed our fuel from success on the race tracks to road



Launched new PETRONAS Dynamic Diesel Euro 5 with Pro-Drive



CLEANS ENGINE

Cleans and protects critical diesel engine parts to prolong engine life.



EFFICIENT COMBUSTION

Improved combustion optimises engine performance and provides greater fuel economy.



SMOOTH DRIVE

Easier starting, less vibration and smoother acceleration for a better driving experience.

FY2017:

60

PETRONAS stations

PETRONAS Primax 97 is now available at more stations

NEW

**PETRONAS
PRIMAX 97**

with Advanced Energy Formula



**Protects
Engine**



**Better
Combustion**



**Improves
Drivability**

**FY2017:
>700
stations**

Mornings@Mesra provide breakfast solutions to morning commuters



FY2017:
>450
Available at
PETRONAS stations

A perfect day starts with a happy tummy.

Get **BREAKFAST ON-THE-GO**
with **MORNINGS@MESRA!**

Grab our Breakfast Combo* for only RM 5!

[Click to know more >](#)

PETRONAS stations and Kedai Mesra transformation



FY2017:

14

**New look and feel of
Kedai Mesra**

FY2017:

103

**Multi-Products
Dispenser**

Pursue strategic partnerships to elevate customer experience



THE MORNING AFTER™



Pursue strategic partnerships to elevate customer experience



We offer the highest loyalty point in the market



3X

**Mesra points
for every litre of any
fuel purchased**

We entered online market through e-commerce platforms



COMMERCIAL BUSINESS

11%

Margin Improvement

2%

Volume Growth



Achieved volume growth across main products



10%
Aviation Volume



5%
Diesel Volume



LPG BUSINESS

No. 1
Malaysia's
Cooking Gas

Highest Margin
Growth at
21%

Gas2u mobile application is the new way to order gas cylinders

KINI, ANDA BOLEH BUAT PESANAN GAS MEMASAK LEBIH MUDAH!



Hanya muat turun aplikasi mudah alih Gas2u. Ikuti panduan & buat pesanan gas masak anda.


Muat turun di

Dapatkan di  Google play

Muat turun pada iPhone  App Store



Cara membuat pesanan:

-  DAPAT
-  PILIH LOKASI
-  PILIH PRODUK
-  SILA SEDIA PENCANTIKAN
-  TETAPAN PESANAN
-  SIJAT PEMBAYARAN

Hanya terdapat di Lembah Klang.
Untuk sebarang pertanyaan, sila hubungi 03-4031 5454.

www.gas2u.com.my

Gas2u
The first cooking ordering application in Malaysia



**Top tier
premium
lubricant brand**

**12%
Margin Growth**

**LUBRICANT
BUSINESS**

Established value-adding strategic alliances and business partnerships



HONDA



PERODUA



SUNWAY[®]



IOI GROUP

WINNING OPERATIONS



Continuous pursuit of operational excellence

» **Integrated inventory management**

» **Cost optimisation**

» **Process simplification and enhancement through digitalisation**



We maintain optimum inventory and strike down costs



Average inventory holding
4 days



Freight costs reduction
RM12.9 million

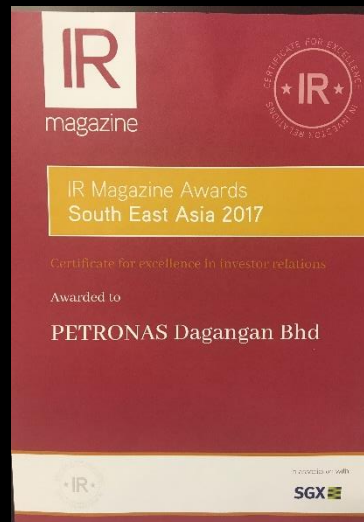
We simplify our process and go digital



**Digital Delivery
Notes System**

**New Refueling System
in KLIA**

We received 17 awards and recognitions



9 Corporate Governance Awards

4 HSE Awards

2 Brand Awards

2 CSI

PLAY TO WIN



Presentation Outline

Challenging "Playing Field"

We "Play to Win"

Winning Highlights in 2017

» Embedding Sustainability

Future Aspirations



**EMBEDDING
SUSTAINABILITY**

HSE remains our top priority



Transport Safety

Process Safety

Emergency Response

Nurture trust-based relationship with key stakeholders

Key Stakeholders



Government Authorities

Investors

Customers / Dealers

Contractors / Suppliers

Business Partners

Employee

How We Engage

**PETRONAS Mesralink
(1-300-88-8181)**

www.mymesra.com.my

**Engagement / Meetings /
Conference**

Reports



Increased availability of ChargeEV facilities



PETRONAS



TNBES

(424407 - M)



FY2017:

55 EV Stations

Reaching out to communities via CSR programmes

Water For Life >>>



>>> Benefitted **>2,000** residents

>>> Reached **>1,000** students

>>> Distributed **>1.6 million** cups of coffee

<<< PETRONAS StreetSmart



PETRONAS Coffee Break Campaign >>>



PLAY TO WIN



Presentation Outline

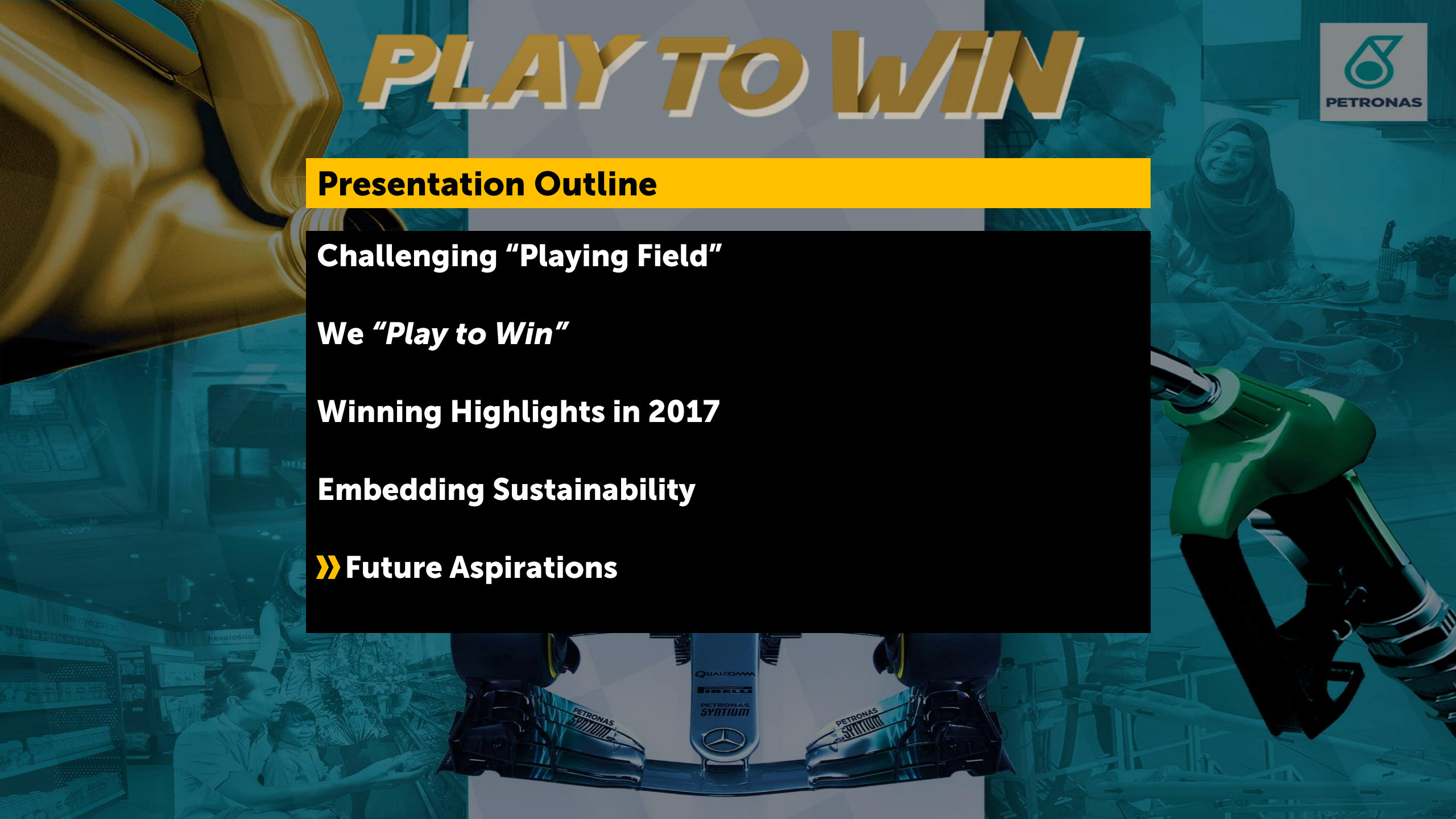
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» Future Aspirations



**PLAY
TO
WIN**



Future Aspirations



Retail market leader in Malaysia



Volume growth across all business segments



Digital and technology transformation

PLAY TO WIN



THANK YOU

www.mymesra.com.my