



Ref. No: GSBG/CSDL/PDB/ADMIN/COMM/CORR/2025/10

23 April 2025

Minority Shareholders Watch Group  
Level 23-2, Menara AIA Sentral  
No. 30 Jalan Sultan Ismail  
50250 Kuala Lumpur

Attention: Dr. Ismet Yusoff  
Chief Executive Officer

Dear Sir,

**43<sup>rd</sup> ANNUAL GENERAL MEETING ("AGM") OF PETRONAS DAGANGAN BERHAD ("PDB" or "the Company") TO BE HELD ON 24 APRIL 2025**

With reference to your letter dated 17 April 2025 on the above, we thank you for taking the time to send us the list of questions following your review of our Integrated Report 2024. The responses are provided below, the same will be included in our AGM agenda and will be made publicly available on PDB's corporate website ([www.mymesra.com.my](http://www.mymesra.com.my)) from 24 April 2025.

**Operational & Financial Matters**

1. The recovery in travel and aviation boosted demand for Jet A-1, while strong domestic demand in the Retail and Commercial segments has significantly driven growth. Furthermore, stable oil prices averaging around USD80 per barrel created favourable conditions for revenue growth. Lower unemployment and a steady Overnight Policy Rate contributed to greater consumer spending, benefiting the Group's Retail and Convenience segments. (Source: Page 19 of the Integrated Report (IR) 2024).

- (a) Amidst the ongoing tariff uncertainties and OPEC+'s decision to increase production, Brent crude oil prices have recently declined below USD80 per barrel. To what extent will this impact the Group?

**PDB:**

There is minimal impact to PDB as we operate in the Malaysian domestic market. However, there may be inflationary effects indirectly impacting its operating environment and business, which we will closely monitor.

PDB's strategies will continue to anchor on our MFT 50 30 0 aspiration, delivering our brand promise of making everyday life simpler and better. We aim to maintain robust financial performance by emphasizing value maximisation and cost discipline in our core businesses, while expanding through the convenience segment and adopting cleaner energy solutions.

Open

**PETRONAS DAGANGAN BERHAD** (198201008499 (88222-D))

Level 28, Tower 1, PETRONAS Twin Towers, Kuala Lumpur City Centre, 50088 Kuala Lumpur, Malaysia

Tel : +(603) 2051 5000

[www.mymesra.com.my](http://www.mymesra.com.my)

**PETRONAS DAGANGAN BERHAD (198201008499 (88222-D)  
-43<sup>rd</sup> ANNUAL GENERAL MEETING ("AGM") OF PETRONAS DAGANGAN BERHAD ("PDB" or "the Company") TO BE HELD ON 24 APRIL 2025 (cont')**

- (b) Many factors and conditions seemed favourable and significantly drove the Group's growth in 2024. How confident is the Board that these tailwinds will remain intact in 2025, and what indicators is management tracking to assess potential macroeconomic risks that could disrupt this trajectory?

PDB:

We are positive about Malaysia's economic growth prospects in 2025, driven by sustained consumer spending and continuous investment activities.

Management tracks several key macroeconomic indicators related to the petroleum product market and domestic consumption including commodity prices, domestic economic growth, inflation and currency strength. Government policy, regulatory changes and market sentiments are also closely monitored.

- (c) Beyond the current momentum, what does management identify as the most impactful growth engines for the Group in the short-to-medium term? Specifically, what are the margin growth targets, particularly in the Retail, Commercial and Convenience segments?

PDB:

Capitalising on the positive domestic economic outlook in 2025, PDB will enhance market presence, grow high-value segments, and innovate customer experiences through Kedai Mesra, Café Mesra, PETRONAS Shop, and Setel.

Our medium-term strategy focuses on advancing offerings through convenience and low-carbon solutions, such as expanding battery swap stations, commercialising Sustainable Aviation Fuel (SAF) supply, and promoting biodiesel.

All business segments grew, with Retail segment remains the highest margin contributor, while the Convenience segment's margin growth has outpaced the core businesses in 2024.

2. The Group's trade receivables that were past due more than 90 days have increased significantly from RM23.4 million in FYE2023 to RM46.8 million in FYE2024. (Source: Page 330 of the IR 2024).

- (a) What difficulties did the Group face in recovering trade receivables that were more than 90 days overdue, especially with the notable rise in the outstanding amount?
- (b) (b) What are the profiles of these customers who make up the trade receivables overdue more than 90 days during FYE2024?

**PETRONAS DAGANGAN BERHAD (198201008499 (88222-D)  
-43<sup>rd</sup> ANNUAL GENERAL MEETING ("AGM") OF PETRONAS DAGANGAN BERHAD ("PDB" or "the Company") TO BE HELD ON 24 APRIL 2025 (cont')**

- (c) (c) How much of the total overdue amount has the Group collected to date?

PDB:

The increase in overdue receivables more than 90 days was mainly due to an isolated case among secured Commercial customers. As of today, over 80% of the customer's overdue amount has been recovered and is expected to be fully resolved by Q3 2025.

Sustainability

3. One of the Group's 2025 strategic priorities is to deliver net zero as such:

- Continued decarbonisation efforts via additional solar installation at PETRONAS stations and Biodiesel project
- Lay the foundation and strengthen green mobility initiatives by expanding EV charging infrastructures and battery swap stations while progressing the Sustainable Aviation Fuel (SAF) supply frameworks through strategic partnerships

(Source: Page 66 of the IR 2024)

Nonetheless, the Group highlighted their sustainability achievements as follows:

- Solarised 184 sites at PETRONAS stations with strategic partners as of 2024
- Signed offtake agreement with Malaysia Aviation Group for the supply of Sustainable Aviation Fuel (SAF) from 2027 until 2035
- Collaborated with Blueshark to validate the electric motorcycle and battery swap business at PETRONAS stations

(Source: Page 91 of the IR 2024)

- (a) What are the 2025 targets for solarising the extensive network of over 1,000 PETRONAS stations? Additionally, what criteria are used to determine station eligibility? Will smaller or remote stations be excluded from the rollout?

PDB:

In line with our MFT 0 target, the solarisation of our stations remains a key strategy for PDB, with plans to solarised 80 to 100 stations in 2025. The criteria set for the sites' solarisation are based on (1) the site assessment and (2) land lease status. Smaller stations with lower energy consumption may not be prioritised in the solarisation rollout based on the above two criteria.

**PETRONAS DAGANGAN BERHAD (198201008499 (88222-D)  
-43<sup>rd</sup> ANNUAL GENERAL MEETING ("AGM") OF PETRONAS DAGANGAN BERHAD ("PDB" or "the Company") TO BE HELD ON 24 APRIL 2025 (cont')**

- (b) What are the timelines for the delivery and performance milestones of the other SAF offtake agreements with PT Pertamina, SK Energy, AEG Fuels, Subang Skypark FBO Malaysia, and Jet Fuel International?

PDB:

The supply for all the SAF Offtake Agreements are expected to commence from 2027 onwards in line with Carbon Offsetting and Reduction Scheme for International Aviation (CORSIA) and National Energy Transition Roadmap (NETR).

- (c) The development of electric two-wheelers (E2W) reached a key milestone with expanding its battery swapping stations through a strategic partnership to 20 locations in 2024. What are the 2025 targets for locations and rider adoption, and how is PDB measuring this EV initiative's commercial or operational impact?

PDB:

PDB will leverage on utilisation and riders' data collected in collaboration with our Battery Swap Station (BSS) partner, Blueshark Ecosystem Sdn Bhd (BESB) for further evaluation and expansion consideration.

4. The Group's Used Cooking Oil (UCO) collection programme is gaining fast traction, contributing to environmental sustainability by recycling waste into valuable resources. These are just some of the steps taken that reflect its commitment to supporting the transition to a low-carbon future and reducing its environmental footprint. (Source: Page 16 of the IR 2024) PDB has expanded its UCO collection campaign to 54 PETRONAS stations, exceeding its target by collecting over 700 tonnes, benefitting more than 190,000 lives as of 2024. (Source: Page 21 of the IR 2024)

How was the figure of 190,000 lives determined, and what qualifies as a "benefit" under this initiative? What are the targets for 2025 in terms of expanding UCO collection volume, coverage across PETRONAS stations, and measurable social or environmental outcomes?

PDB:

The valuation is guided by data from the Department of Statistics Malaysia (DOSM) and strengthened through strategic collaborations with key stakeholders, including government, city councils, and corporate partners. Notable initiatives include Program Madani Rakyat, the UCO School Competition in Penang, and the Bazaar Ramadan Campaign in Klang Valley, which collectively support wider community engagement.

The initiative delivers both social and economic benefits. In terms of public awareness, it educates communities on the health risks associated with repeated use of UCO and highlights its role as a valuable feedstock in the production of

**PETRONAS DAGANGAN BERHAD (198201008499 (88222-D)  
-43<sup>rd</sup> ANNUAL GENERAL MEETING ("AGM") OF PETRONAS DAGANGAN BERHAD ("PDB" or "the  
Company") TO BE HELD ON 24 APRIL 2025 (cont')**

SAF. Additionally, the initiative provides direct monetary benefits to the public through cashback incentives for proper UCO collection.

We anticipate collection volume growth of 30% to 50% compared to 2024, supported by nationwide expansion which would translate into further positive impacts.

Yours faithfully  
for **PETRONAS DAGANGAN BERHAD**



**Norhashema Saleh**  
Company Secretary

- c.c.    1.    **YBhg Datuk Anuar Ahmad**  
Chairman  
PETRONAS Dagangan Berhad
2.    **Encik Azrul Osman Rani**  
Managing Director/Chief Executive Officer  
PETRONAS Dagangan Berhad
3.    **Puan Farzlina Ahmad Murad**  
Chief Financial Officer  
PETRONAS Dagangan Berhad
4.    **Puan Mek Yam @ Mariam Hassan**  
Joint Company Secretary  
PETRONAS Dagangan Berhad