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PETRONAS DAGANGAN BERHAD

Analyst Briefing for Q4 FY2018

27 February 2019

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Presentation Outline

» Operating Environment and Economic Outlook 2018

Business Highlights

Financial Highlights

Outlook and Focus Areas 2019

Q&A

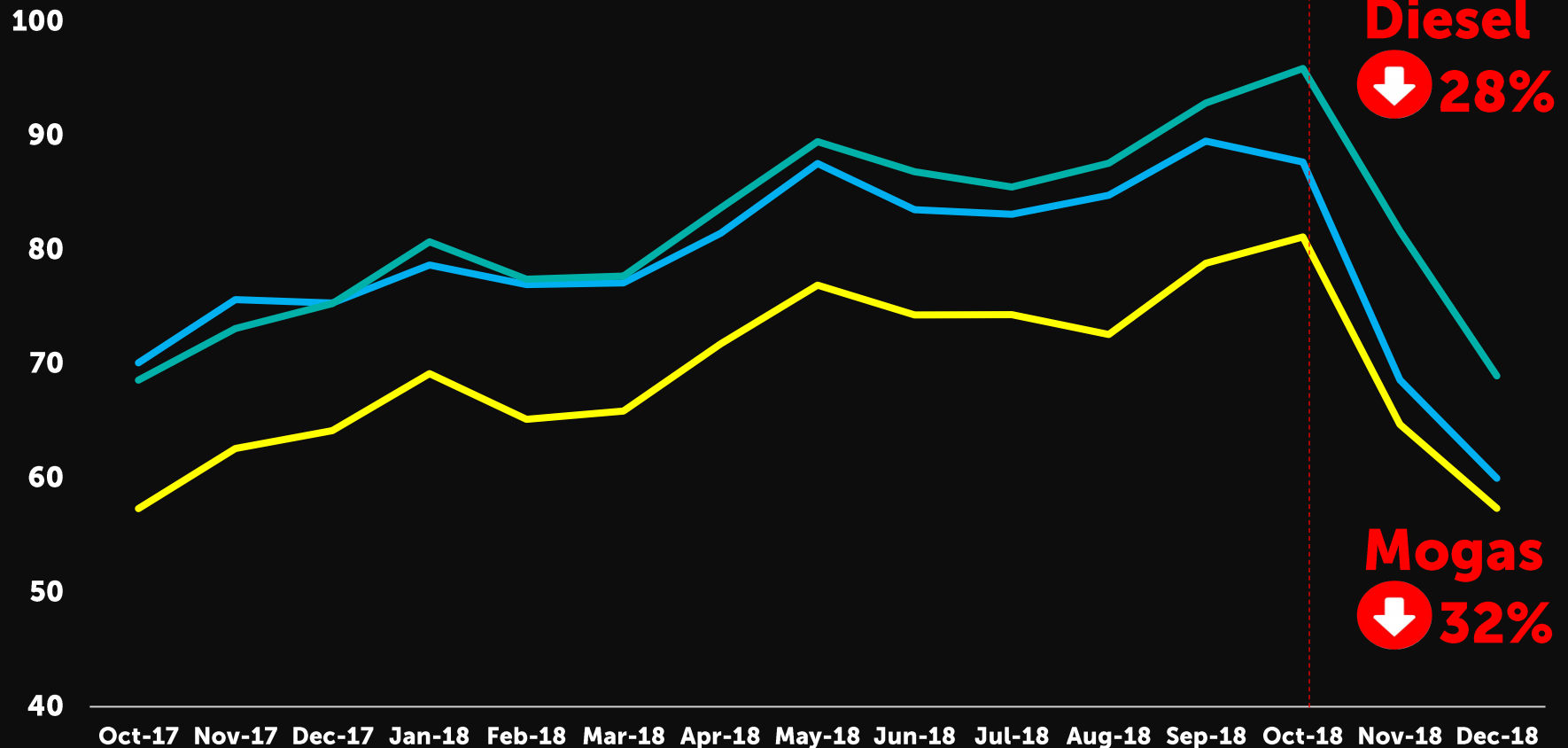
Dated Brent and Petroleum Product Prices experienced sharp drop since October 2018



USD/BBL

Dated Brent and Petroleum Product Prices

Dated Brent Mogas Diesel



Diesel
↓ 28%

Mogas
↓ 32%

Malaysia's economic indicators

Gross Domestic Product (%)



4.7 FY2018

5.9 FY2017



20%

Inflation Rate (%)



1.0 FY2018

3.7 FY2017



73%

Manufacturing Index



118.7 Dec FY2018

113.7 Dec FY2017

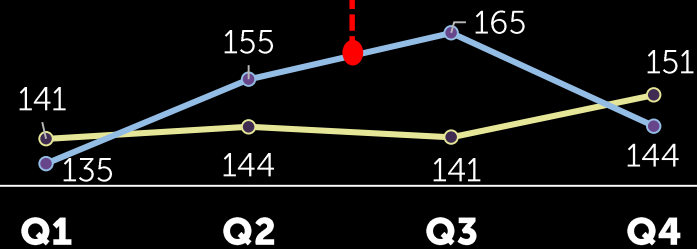


4%

Car Sales (Unit '000)



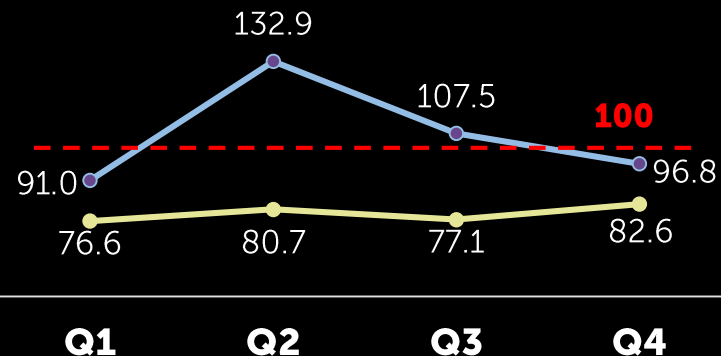
Abolishment of GST



4%

FY2018: 599
FY2017: 577

Consumer Sentiment Index



17%

Q4 FY2018: 96.8
Q4 FY2017: 82.6

— FY2017
— FY2018

Source: BNM, DOS, MAA and MIER

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Business Highlights

- 1 Aggressive asset refresh**

- 2 Successful marketing campaigns**

- 3 Strategic partnerships**

- 4 Going digital**

- 5 Putra Brand Award**

Transforming our stations to elevate customers experience

**≈300 PETRONAS
stations and convenience
stores upgrade**

Outcome:

- 1 Delighting customers experience
- 2 Increase in traffic at PETRONAS stations

Before



After



Growth yield through our attractive 3X loyalty programme and targeted marketing campaigns

1



Targeted promotions to encourage and retain loyal customers

2



Mesra points for every litre of any fuel purchased

Increase of **15%**
in *Kad Mesra* active users
and **17%**
new *Kad Mesra* members

We continue to pursue strategic partnerships to grow non-fuel business

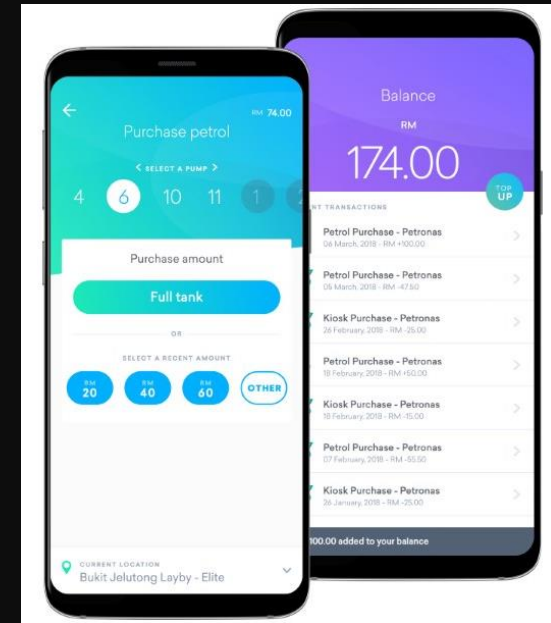


COMMON
GROUND



Towards **30%** non-fuel contribution

Setel is our e-payment solutions to create seamless and frictionless customer experience



Setel, e-payment solutions
available at 108
PETRONAS stations

Inaugural PUTRA brand of year award



Brand of The Year



**Gold Award for Automotive -
Fuel Lubricants and
Accessories**

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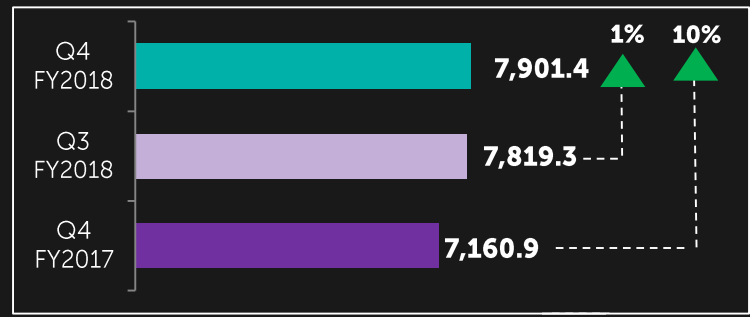
- 1 Continuous volume growth since Q2 FY2018;**

- 2 PBT for Q4 FY2018 was RM70.1 mil, 81% lower against SPLY; and**

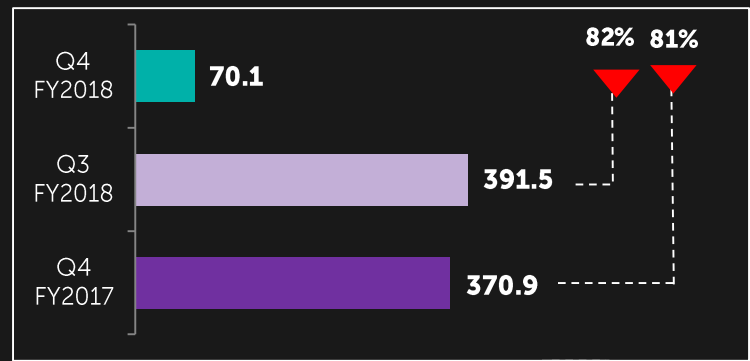
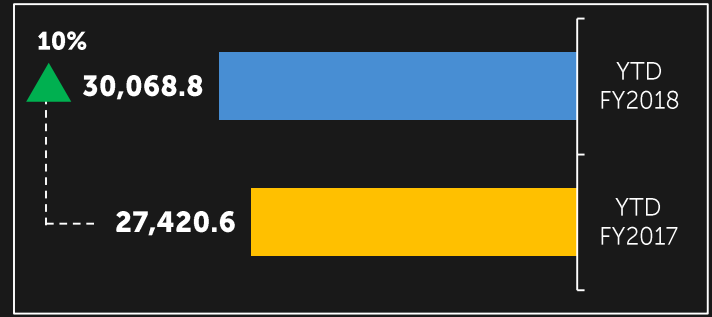
- 3 Interim dividend of 25 sen/share was declared for Q4 FY2018.**

Group Financial Performance

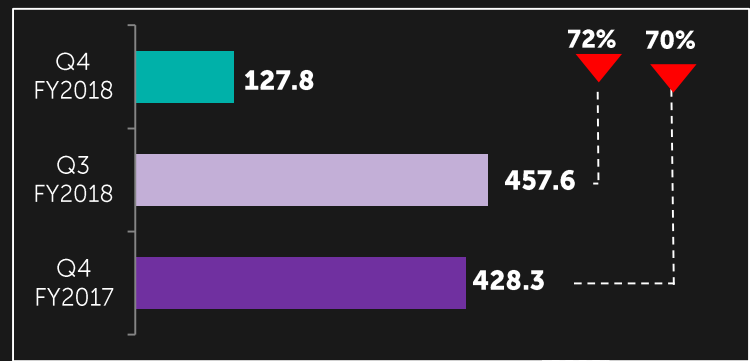
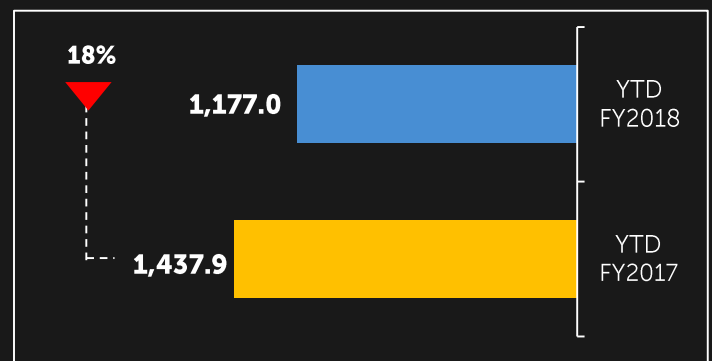
FY2018 PBT and EBITDA continued to surpass RM1 billion and reached >80% from FY2017 despite challenging Q4 FY2018 performance



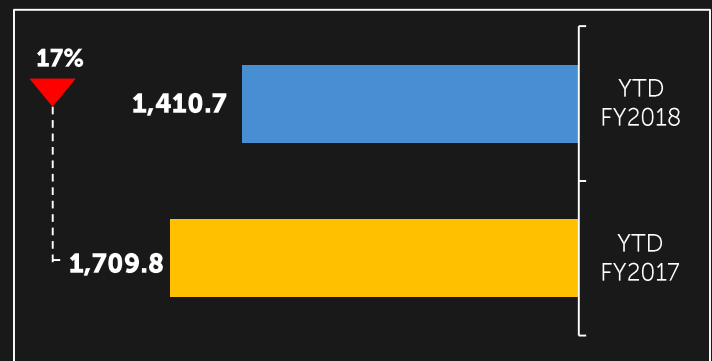
Revenue
(RM mil)



Profit Before Tax
[excluding disc. operations]
(RM mil)

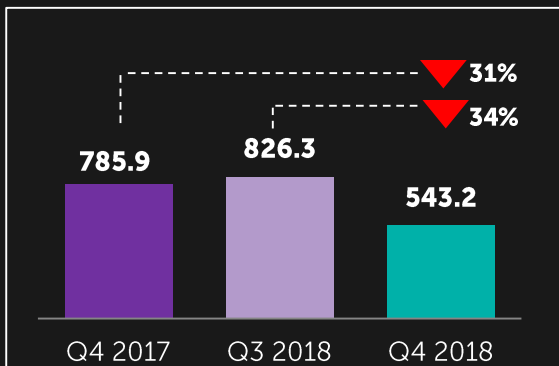


EBITDA
[excluding disc operations]
(RM mil)

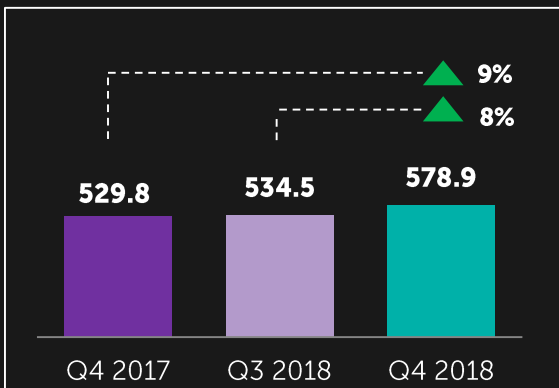
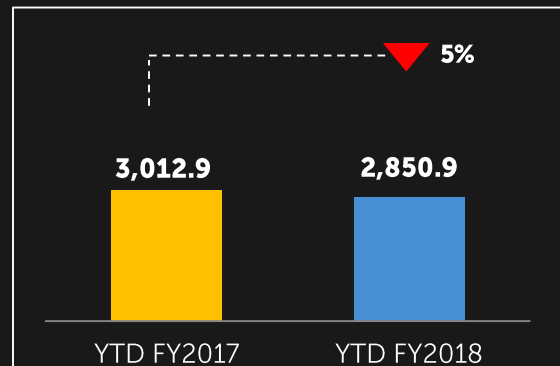


■ EPS for the quarter was 4.7 sen, 23.3 sen and 22.5 sen lower lower compared to Q4 FY2017 and Q3 FY2018, respectively

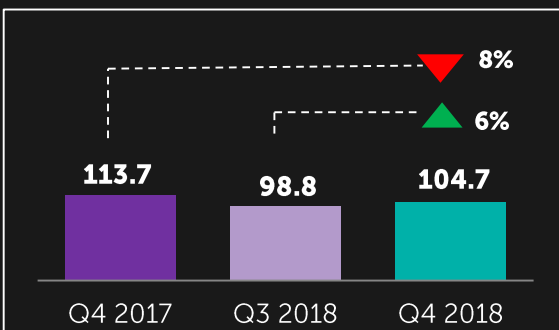
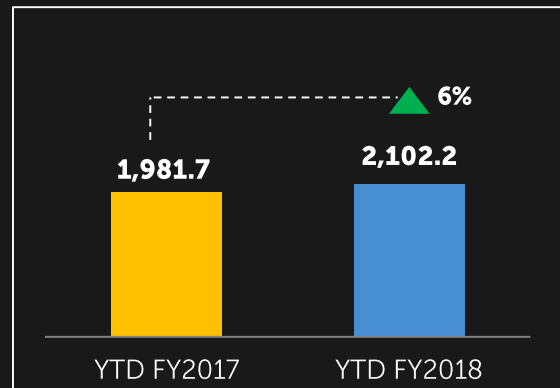
Gross Profit lower by 5% against FY2017 primarily due to lower margins in Q4 FY2018



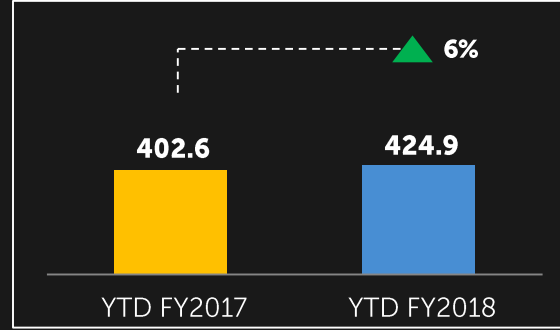
Gross Profit
[excluding disc. operations]
(RM mil)



OPEX
(RM mil)



Other Income
(RM mil)



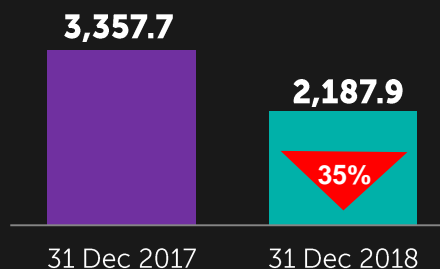
Consolidated Statement of Financial Position

Return on Equity stood at 14.6%

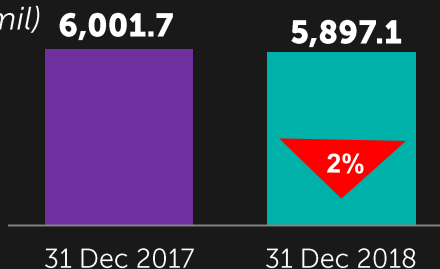
Total Assets (RM mil)



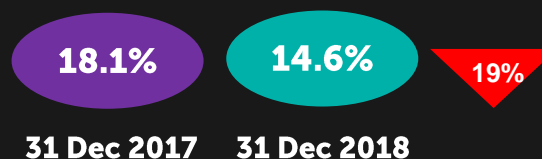
Cash and Cash Equivalents (RM mil)



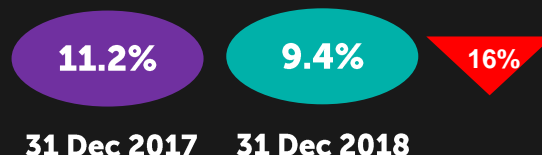
Equity attributable to shareholders of the Company (RM mil)



Return on Equity*

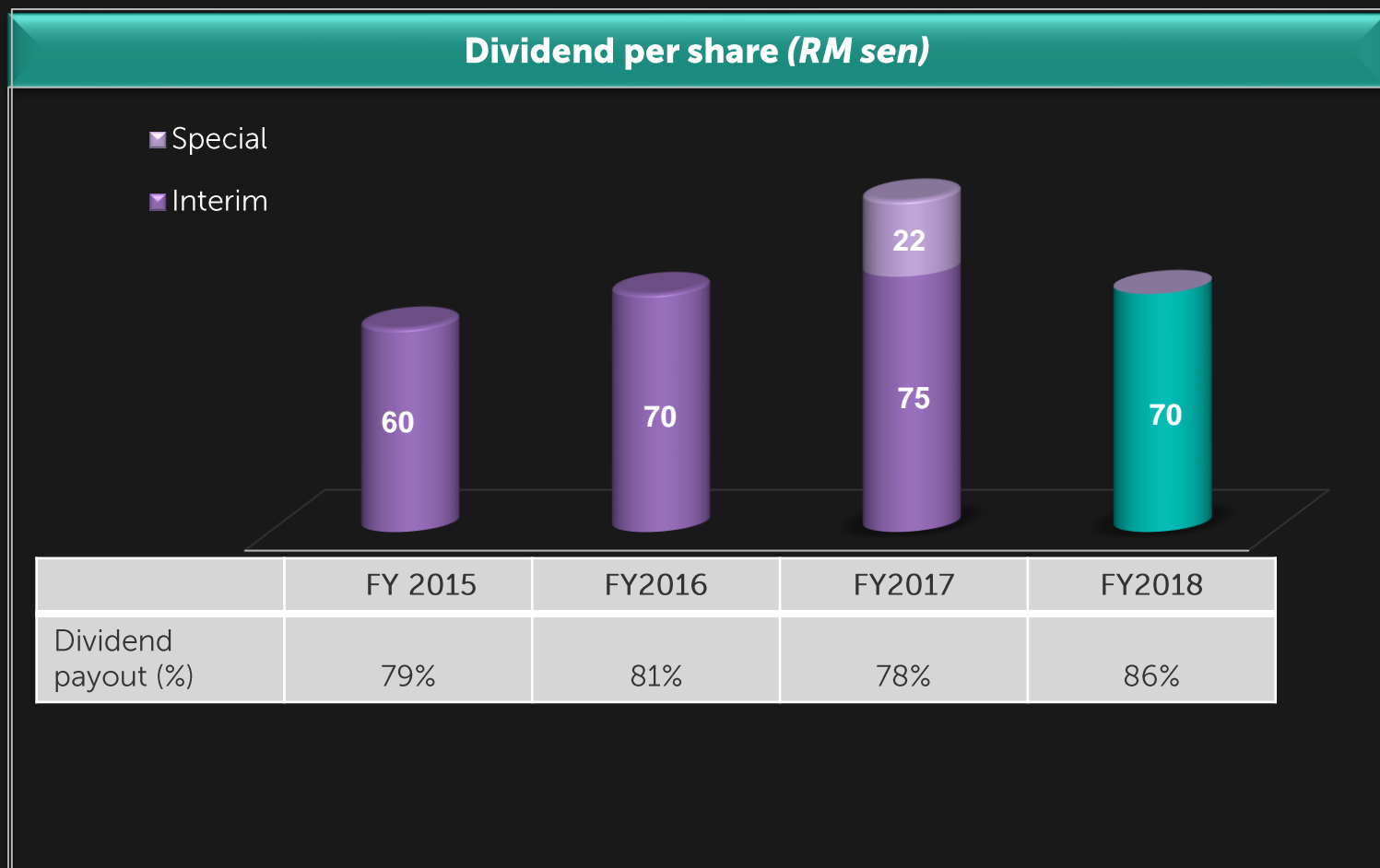


Return on Total Assets*



*Excl. discontinued operations

We consistently provide healthy returns to our shareholders that exceeds Company's minimum dividend policy of 50% of PAT



- For Q4 FY2018, PetDag has declared dividend of 25.0 sen, with higher dividend payout as compared to Q4 FY2017.

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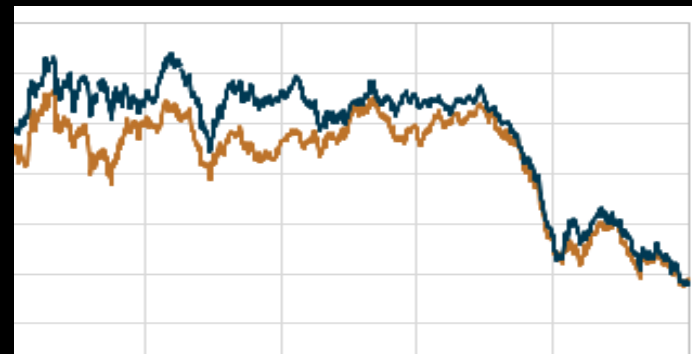
Outlook 2019

1 Retail Fuel Prices

- ❖ Weekly pump price commenced from 5 January 2019
- ❖ Implementation of targeted fuel subsidy in Q2 FY2019



2 Price volatility is expected to continue



Focus Areas 2019

1 Market Leadership

- Launched PETRONAS Primax 95 with Pro-Drive
- Strengthen dealership network
- Increase station productivity
- New sale channels

2 Increase non-fuel segment

3 Safe, Reliable and Efficient Operations

4 Digitally Enabled



**Creating seamless
and frictionless
customer
experience**



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