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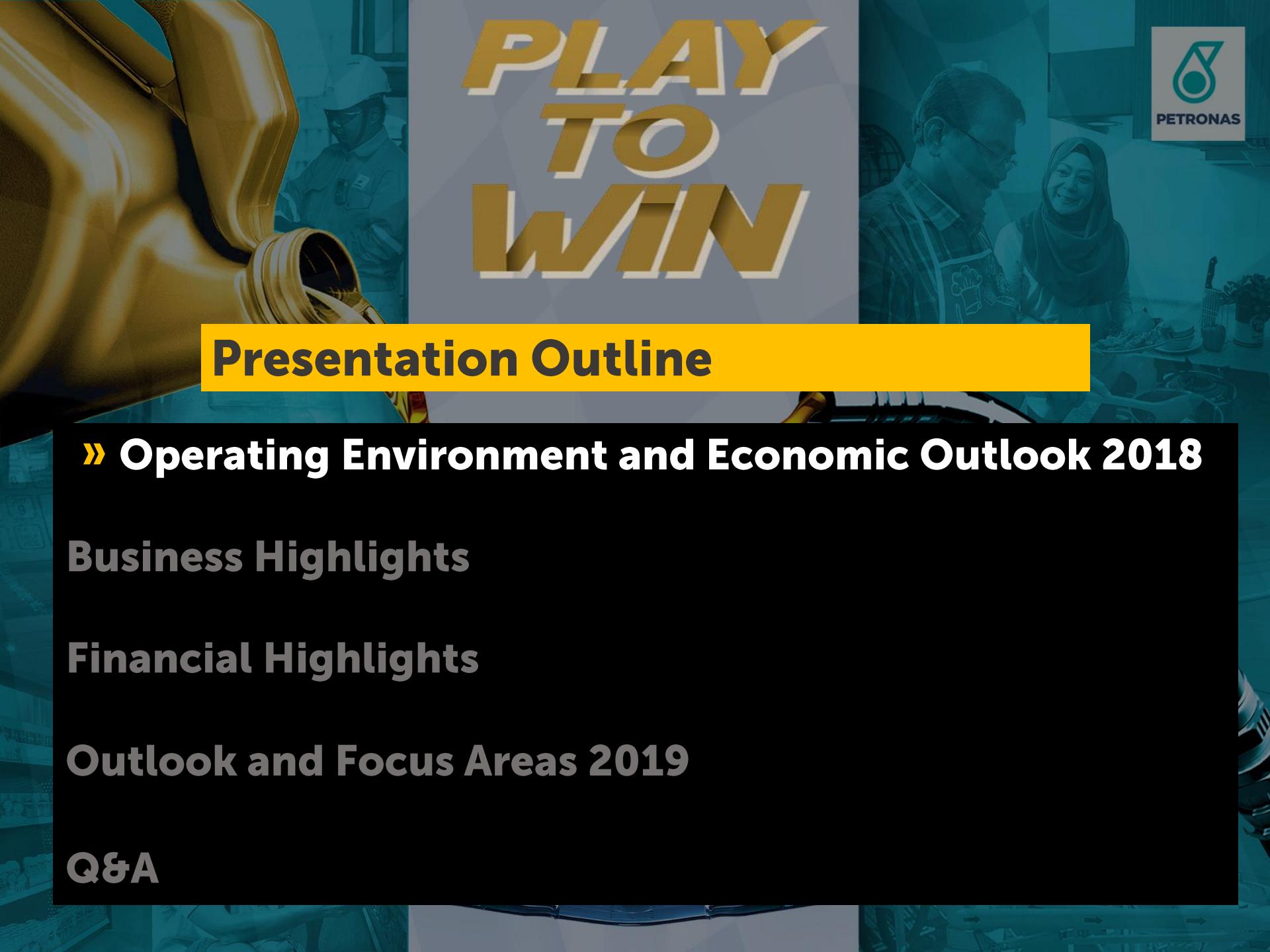
@2018 PETRONAS Dagangan Berhad



# 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

100

90

80

70

60

50

40

Diesel  
⬇️ 28%

Mogas  
⬇️ 32%

Oct-17 Nov-17 Dec-17 Jan-18 Feb-18 Mar-18 Apr-18 May-18 Jun-18 Jul-18 Aug-18 Sep-18 Oct-18 Nov-18 Dec-18

# Malaysia's economic indicators

## Gross Domestic Product (%)



**4.7** FY2018  **20%**  
**5.9** FY2017

## Inflation Rate (%)



**1.0** FY2018  **73%**  
**3.7** FY2017

## Manufacturing Index

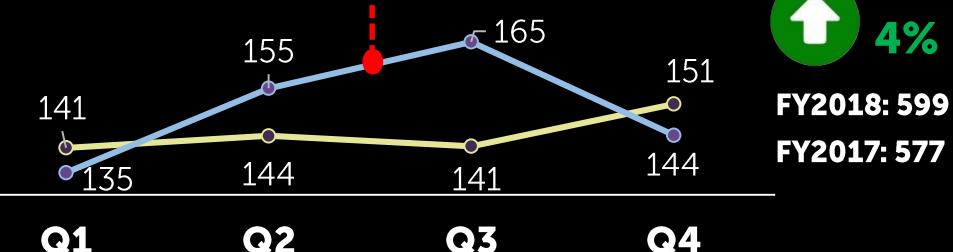


**118.7** Dec FY2018  **4%**  
**113.7** Dec FY2017

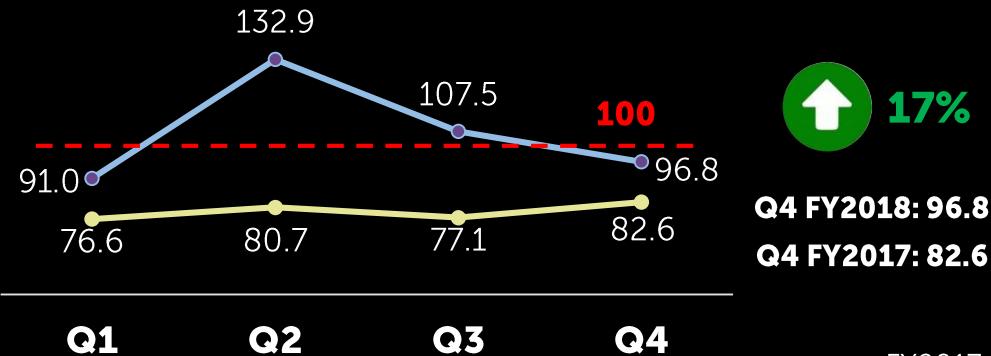
## Car Sales (Unit '000)



### Abolishment of GST



## Consumer Sentiment Index

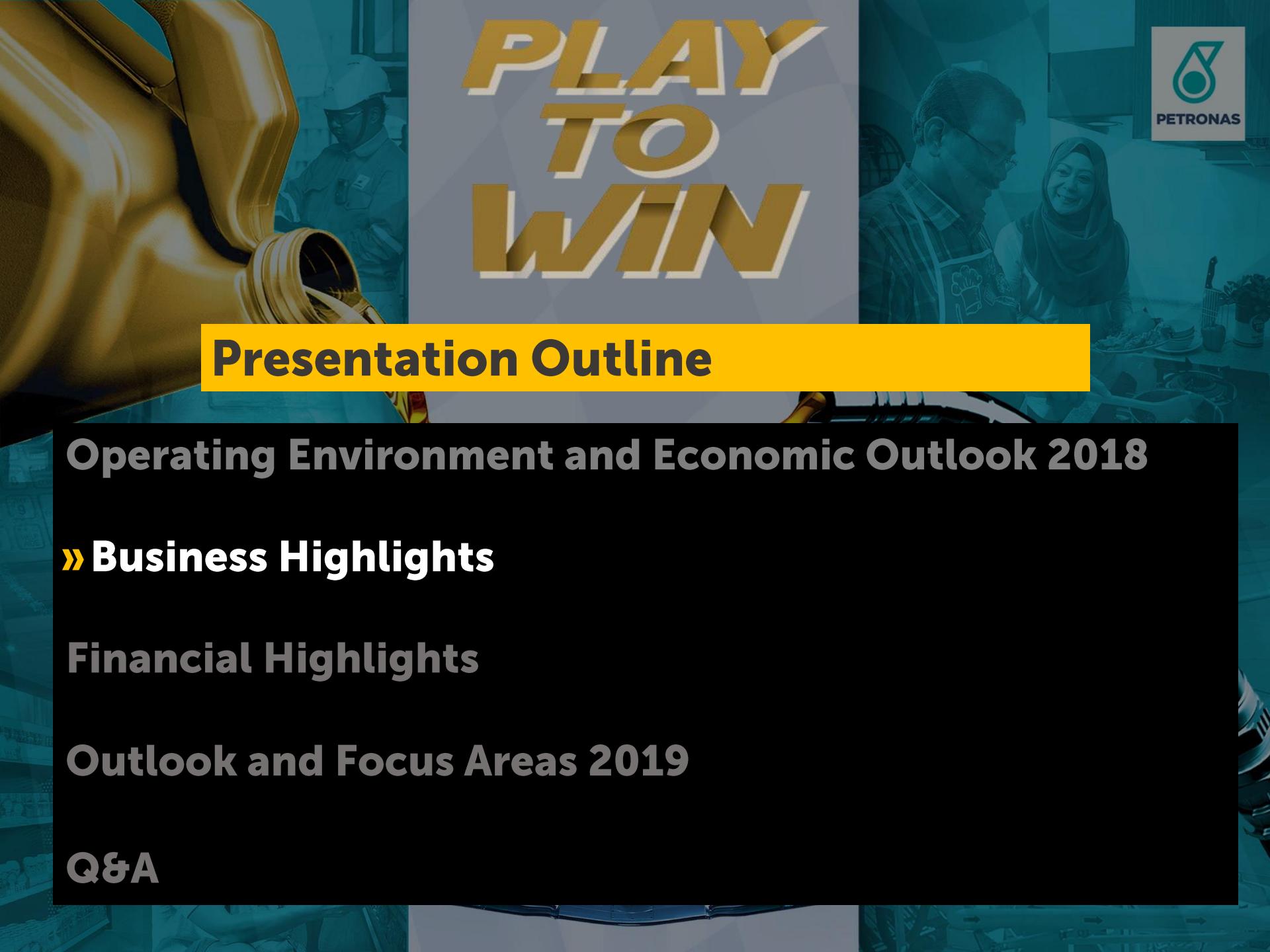


— FY2017  
 — FY2018

Source: BNM, DOS, MAA and MIER



**4%**  
**FY2018: 599**  
**FY2017: 577**



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# Business Highlights

**1 Aggressive asset refresh**

**2 Successful marketing campaigns**

**3 Strategic partnerships**

**4 Going digital**

**5 Putra Brand Award**

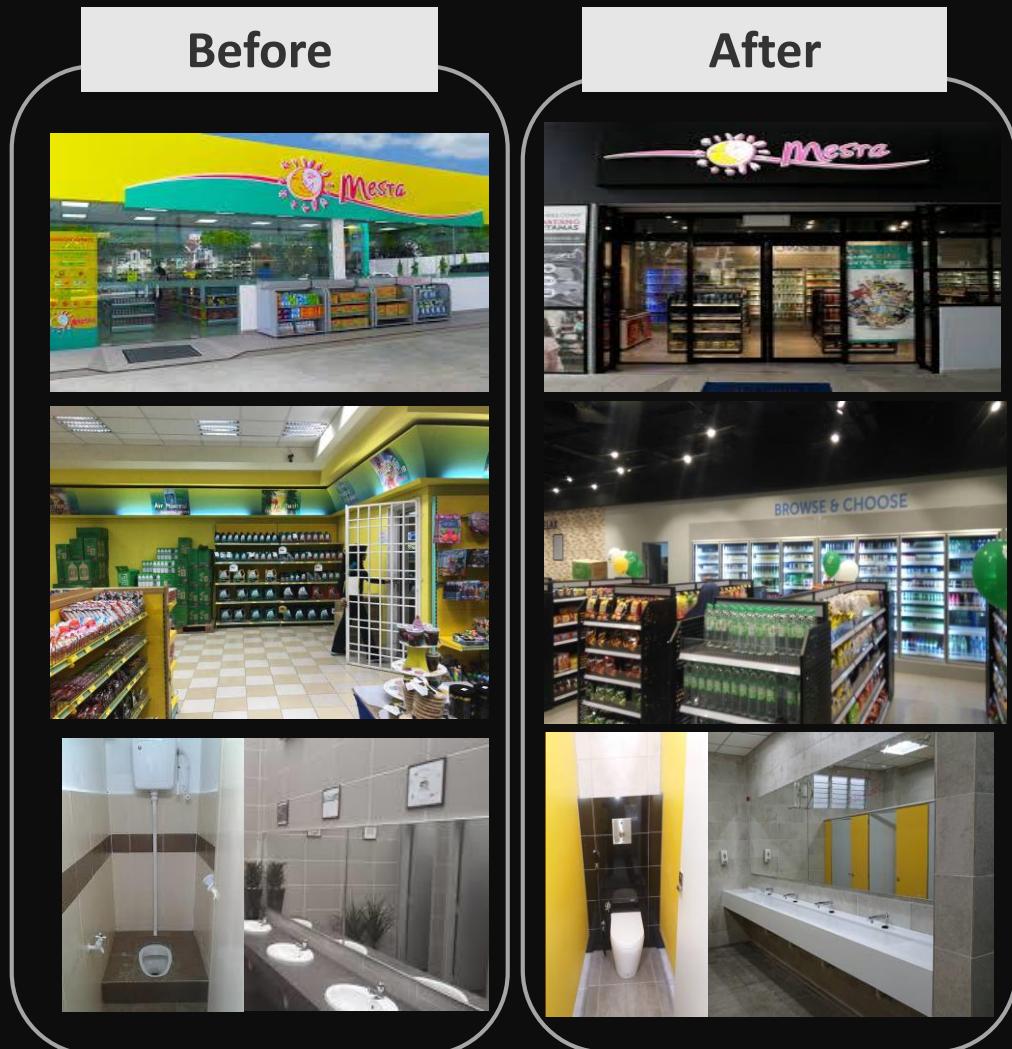
# Transforming our stations to elevate customers experience



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

## Outcome:

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



# 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

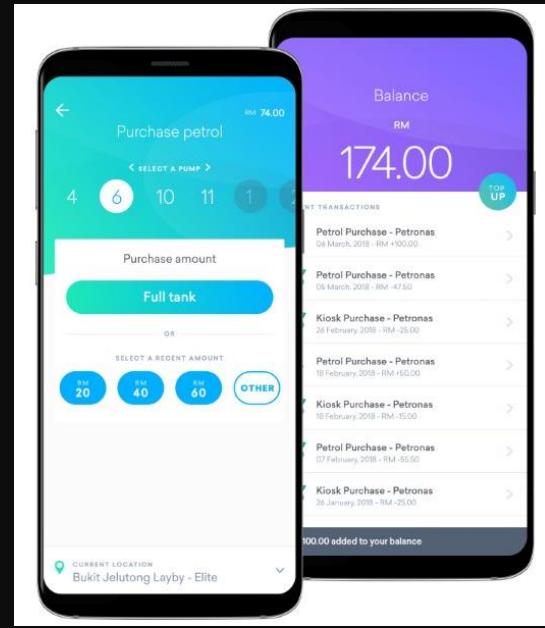
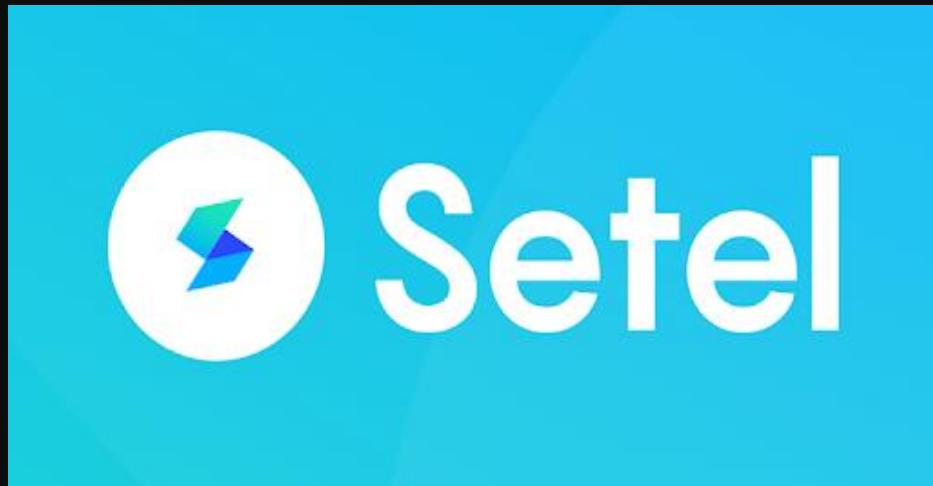


COMMON  
GROUND



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**

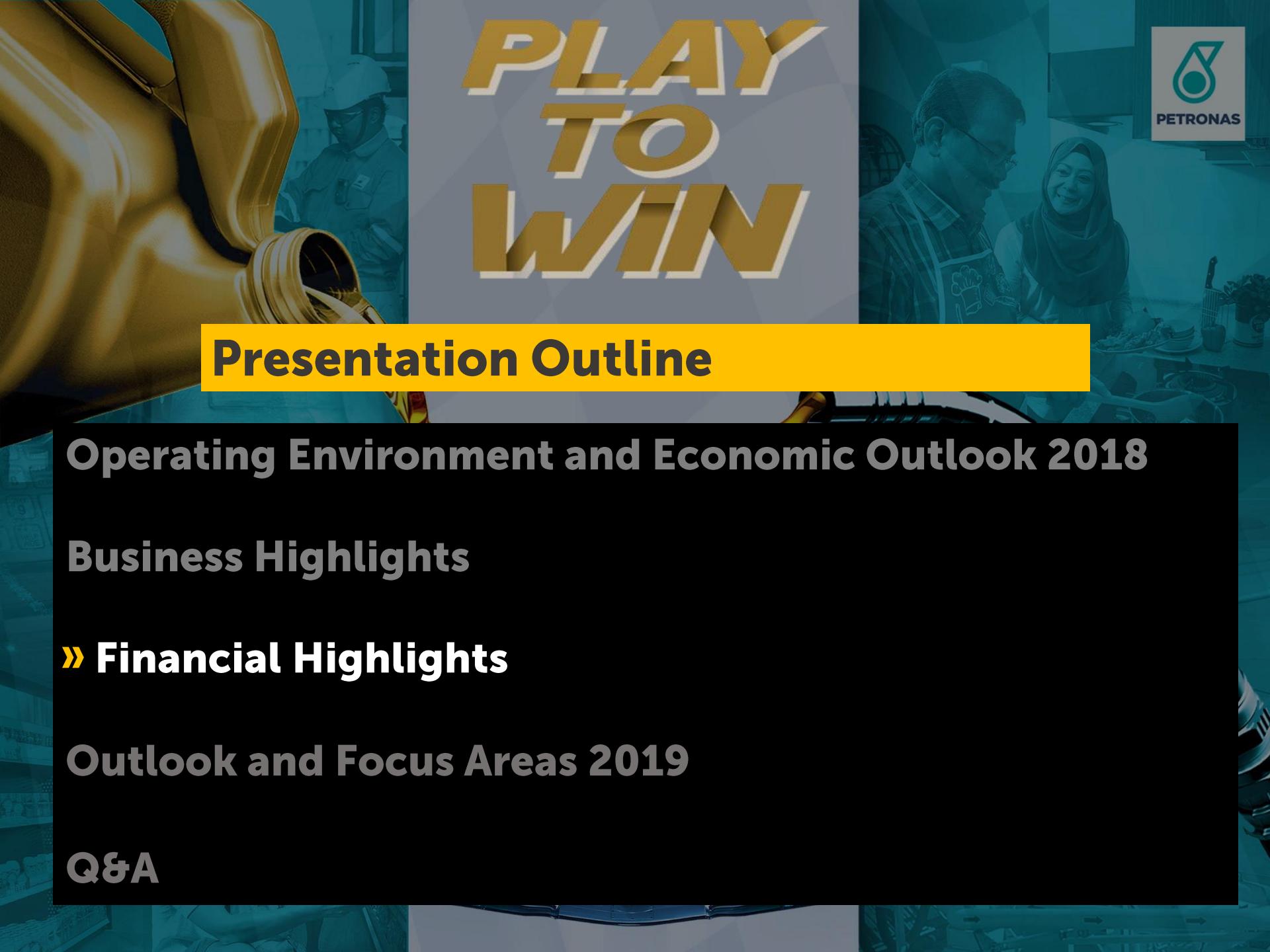
# Inaugural PUTRA brand of year award



Brand of The Year



Gold Award for Automotive -  
Fuel Lubricants and  
Accessories



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# Financial Highlights

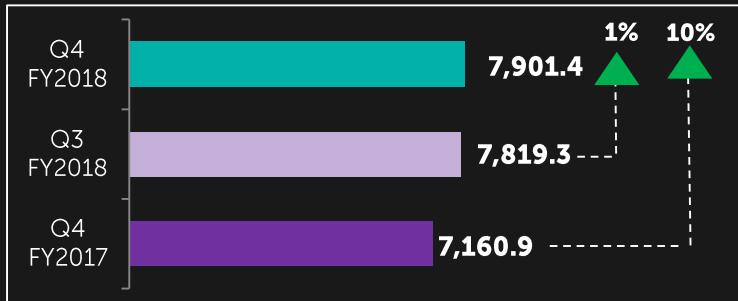
- 1 **Continuous volume growth since Q2 FY2018;**
- 2 **PBT for Q4 FY2018 was RM70.1 mil, 81% lower against SPLY; and**
- 3 **Interim dividend of 25 sen/share was declared for Q4 FY2018.**



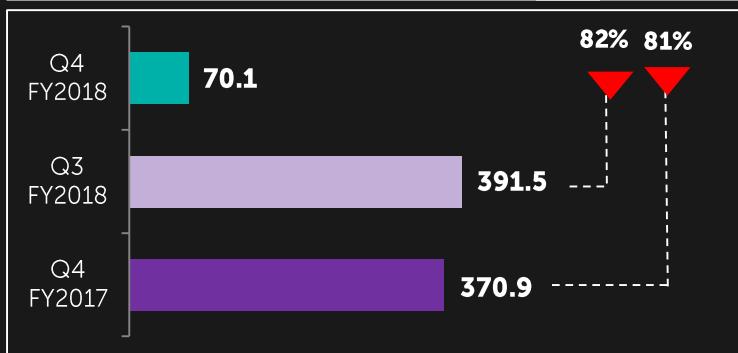
PETRONAS

# Group Financial Performance

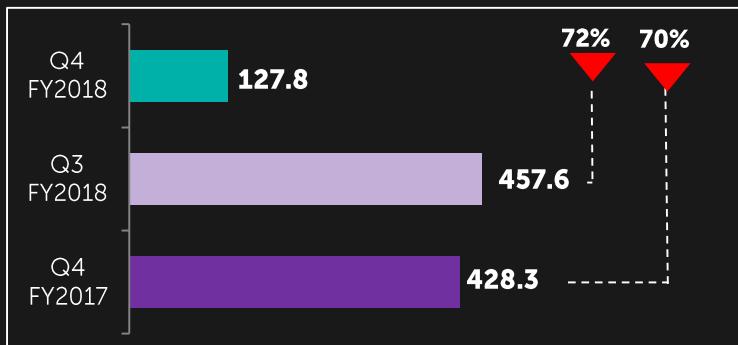
**FY2018 PBT and EBITDA continued to surpass RM1 billion and reached >80% from FY2017 despite challenging Q4 FY2018 performance**



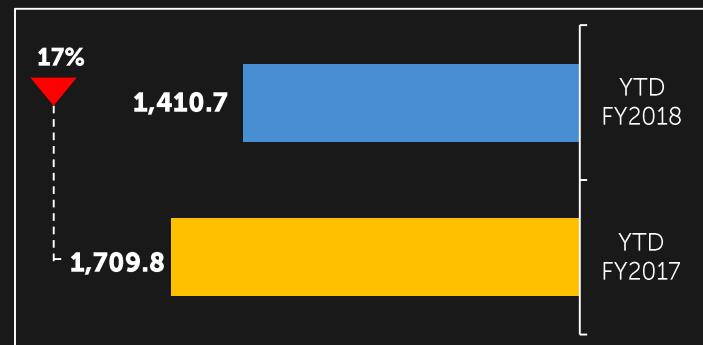
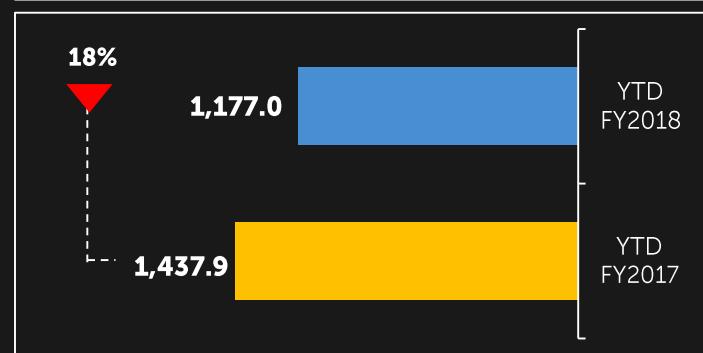
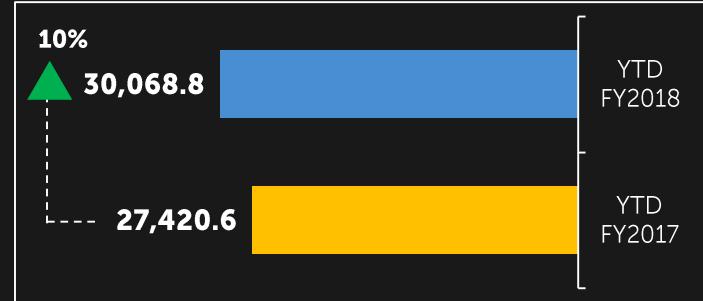
**Revenue**  
(RM mil)



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

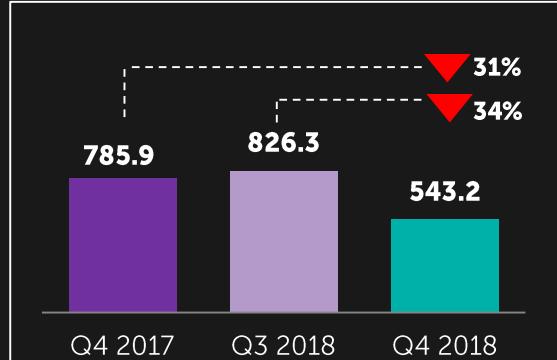


**EBITDA**  
[excluding disc operations]  
(RM mil)

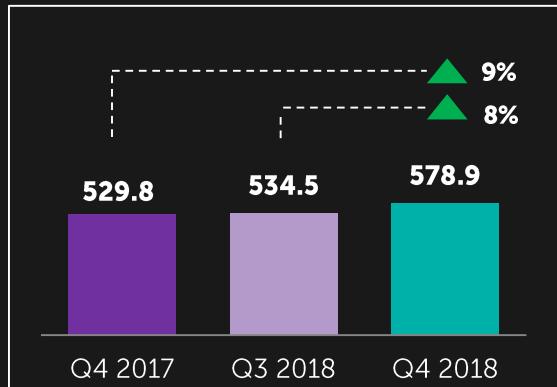
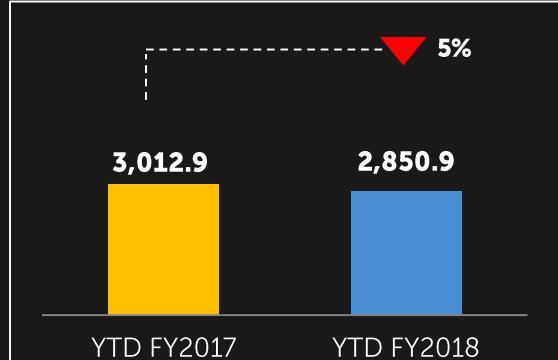


- EPS for the quarter was 4.7 sen, 23.3 sen and 22.5 sen lower compared to Q4 FY2017 and Q3 FY2018, respectively

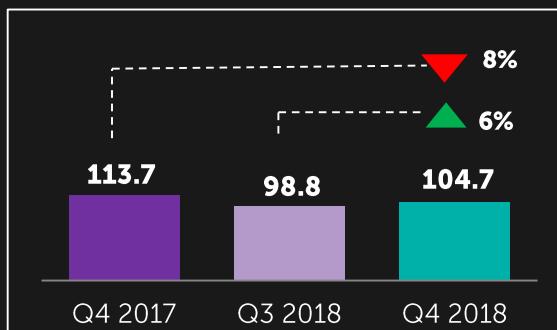
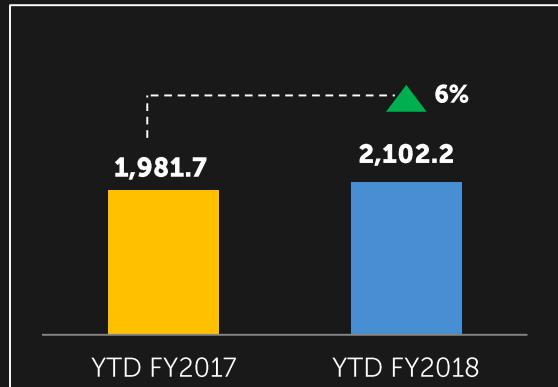
# Gross Profit lower by 5% against FY2017 primarily due to lower margins in Q4 FY2018



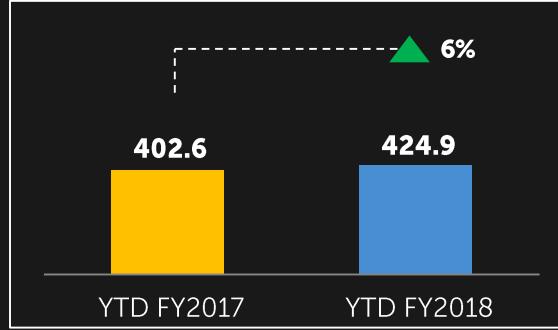
**Gross Profit**  
 [excluding disc. operations]  
 (RM mil)



**OPEX**  
 (RM mil)



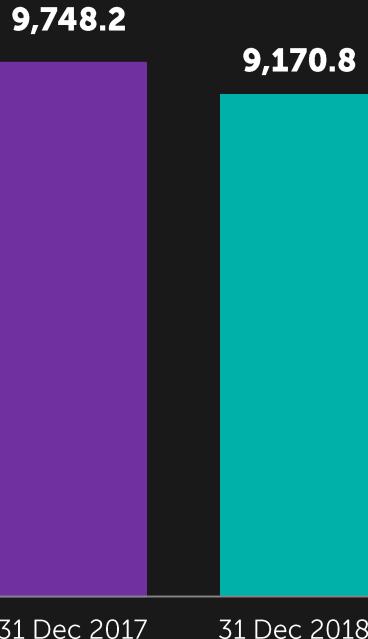
**Other Income**  
 (RM mil)



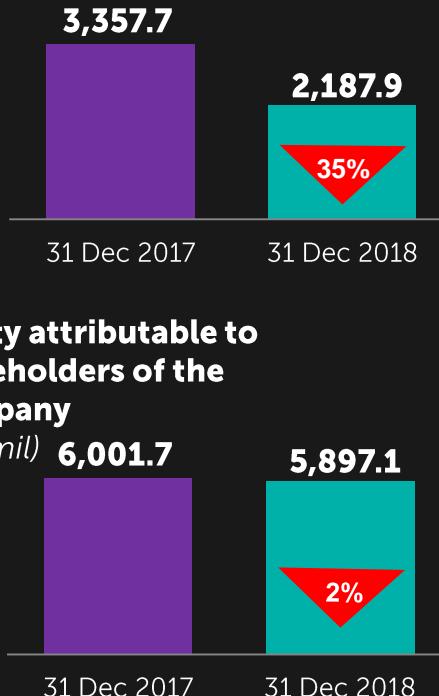
# Consolidated Statement of Financial Position

## Return on Equity stood at 14.6%

**Total Assets**  
(RM mil)



**Cash and Cash Equivalents**  
(RM mil)



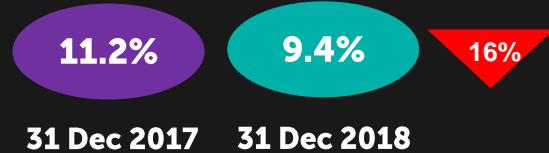
**Equity attributable to  
shareholders of the  
Company**



**Return on Equity\***

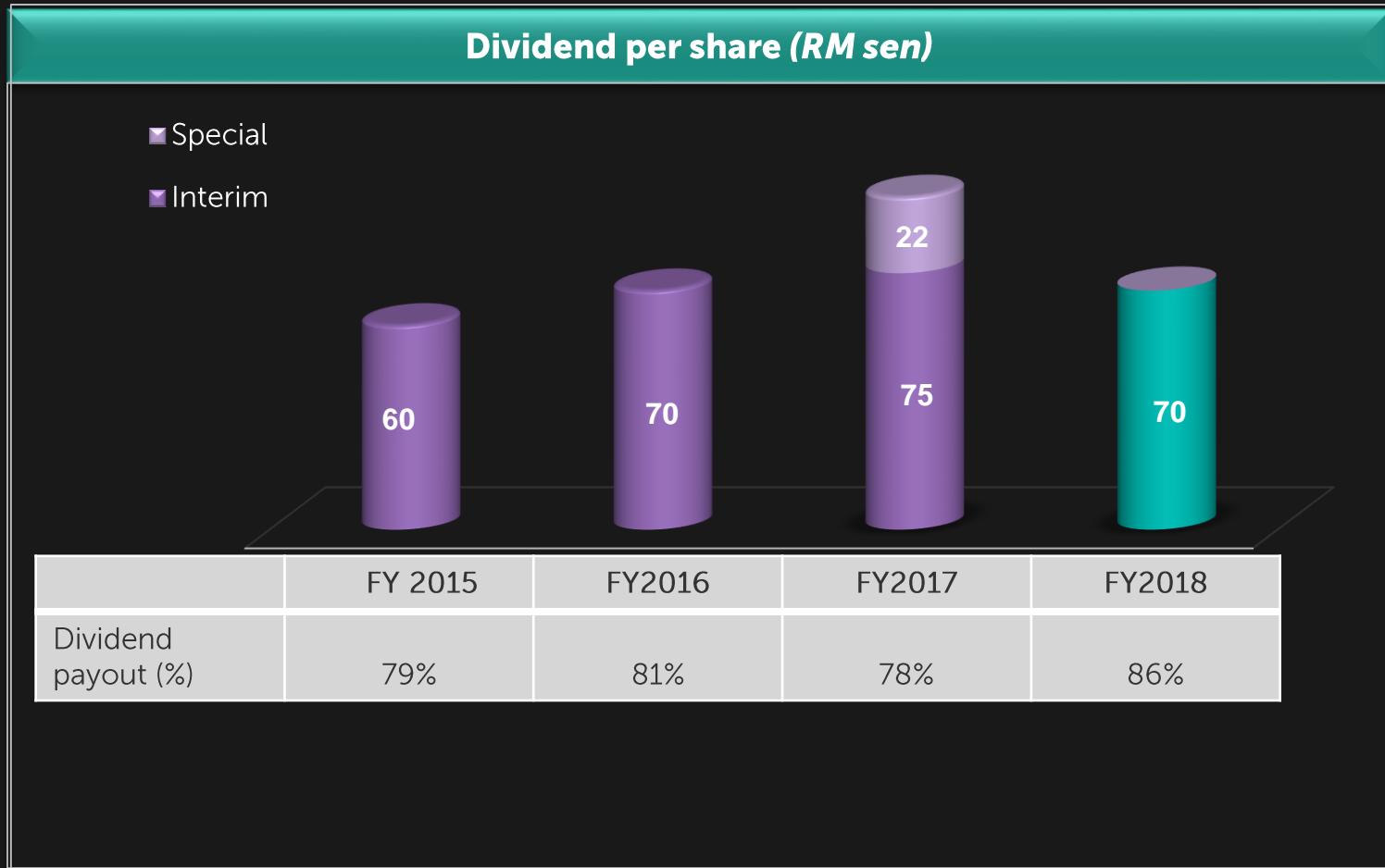


**Return on Total Assets\***

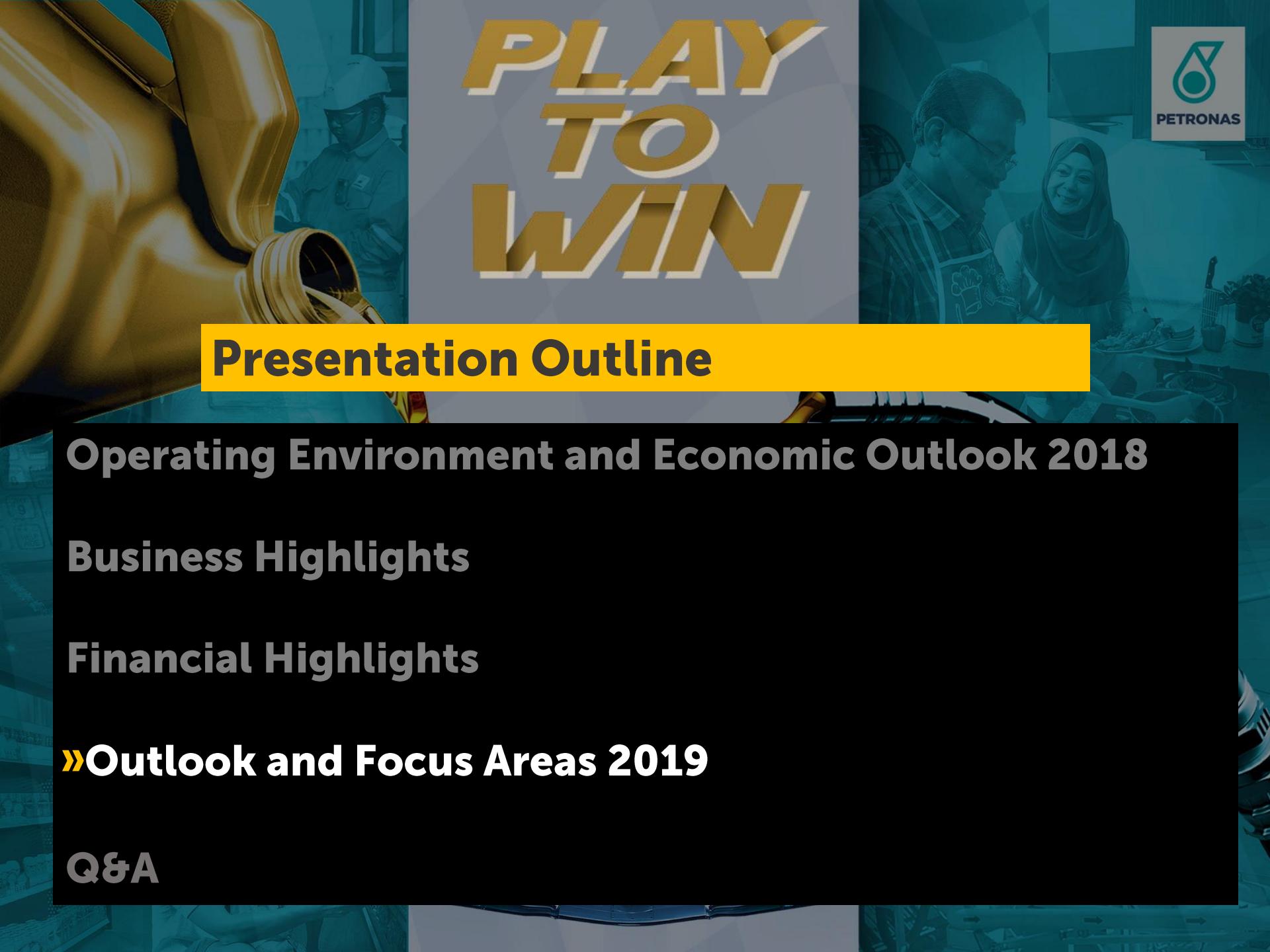


\*Excl. discontinued operations

# 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

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**Mechanism on fuel prices to be announced tomorrow (Jan 4)**

**NATION**  
Thursday, 3 Jan 2019  
4:50 PM MYT

By Hemanthani Sivanandan



**Targeted petrol subsidy recipients list almost ready**  
February 19, 2019, Tuesday at 12:01 AM

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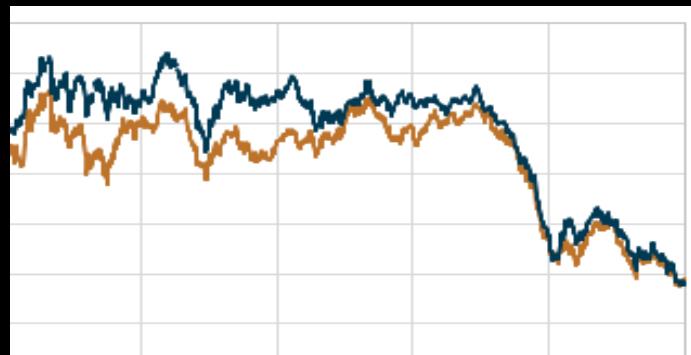
**PORT DICKSON:** The government is now in the final phase of identifying eligible recipients of targeted petrol subsidies to be implemented in the second quarter of this year.

Domestic Trade and Consumer Affairs Minister Datuk Seri Saifuddin Nasution Ismail said this was the result of a series of discussions held with gas station operators and consumer associations.

"In addition, the Ministry of Finance will also at any time announce the selected vendor to develop a targeted RON95 petrol subsidy programme implementation system," he said in his speech at the opening of the BHPetrol Sepang-Lukut fuel station owned by Seng Group of Companies here yesterday.

Saifuddin said it was the government's hope that the targeted petrol subsidies would be smoother as it is now.

## 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

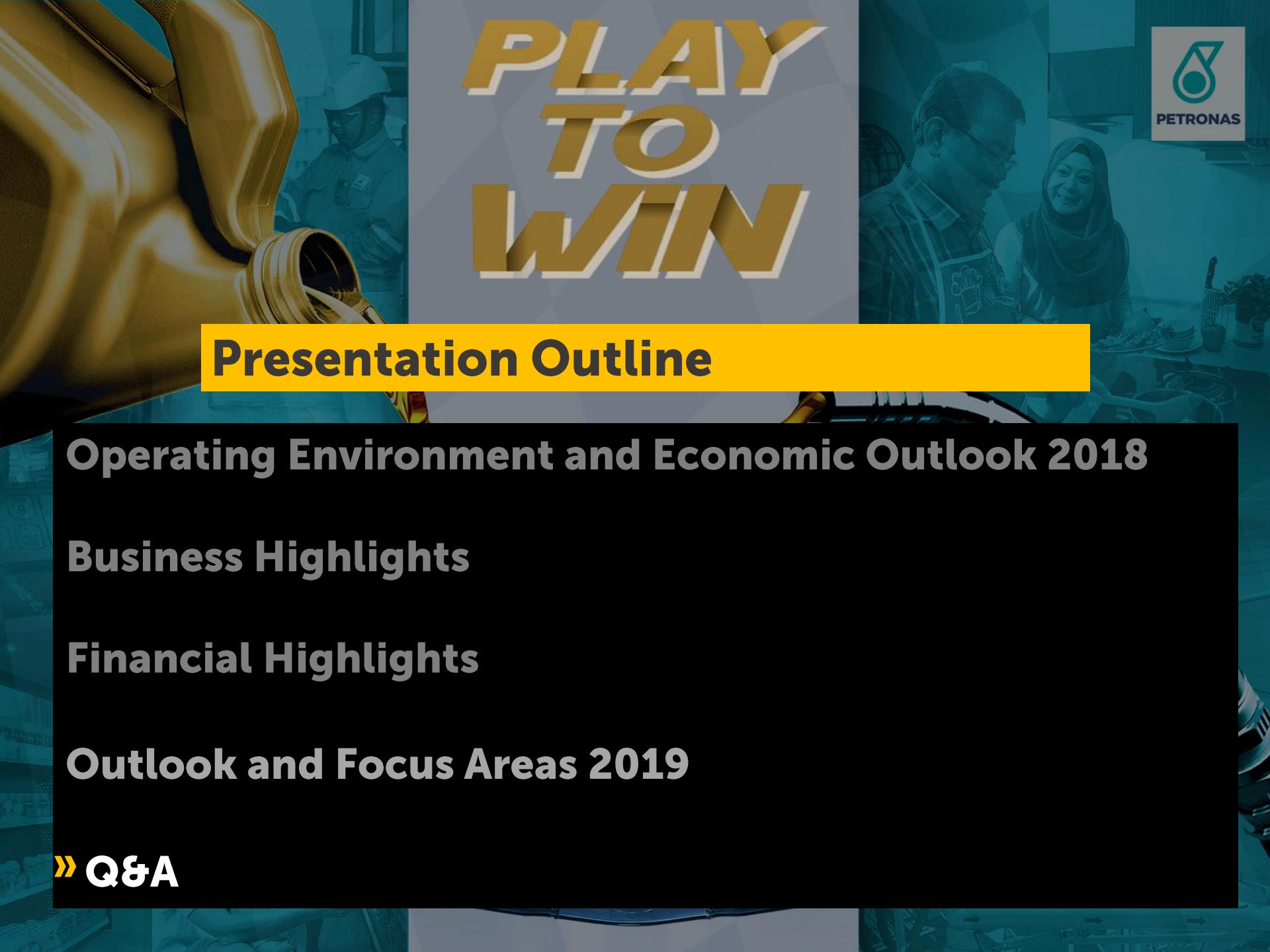
## 2 Increase non-fuel segment

## 3 Safe, Reliable and Efficient Operations

## 4 Digitally Enabled



**Creating seamless and frictionless customer experience**



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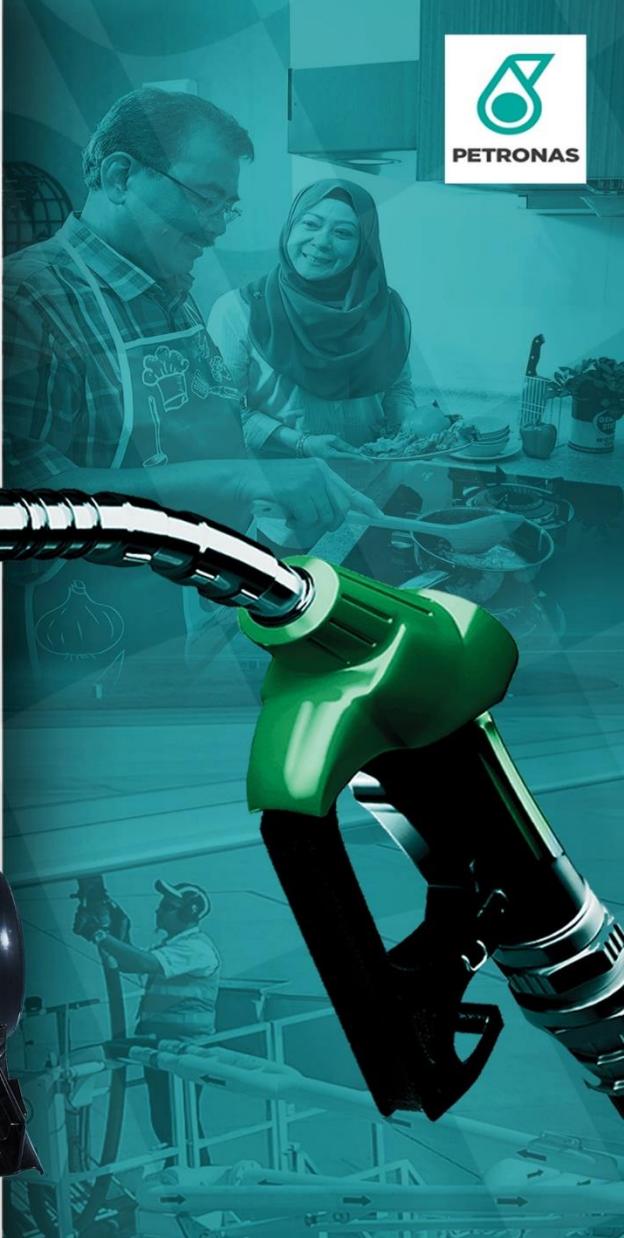
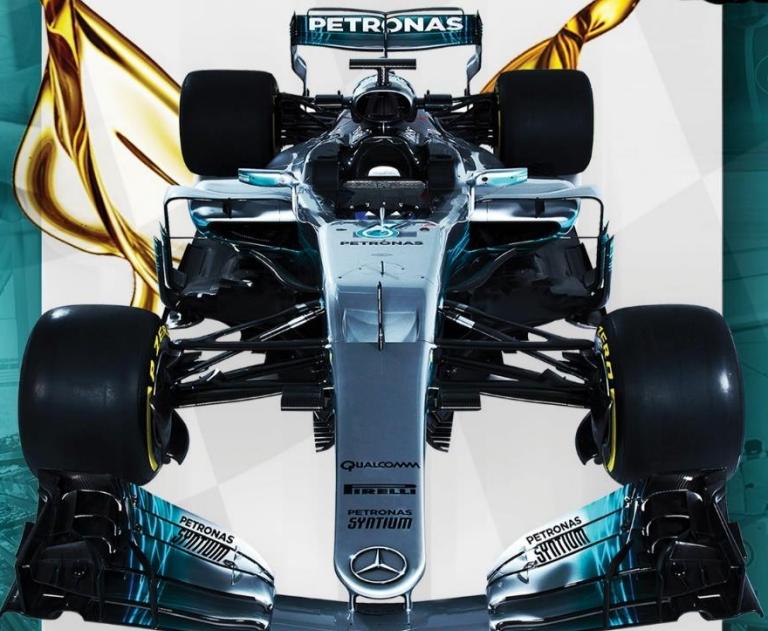
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