

Move Like Never Before

✓ Smooth ✓ Responsive ✓ Efficient



NEW
PETRONAS
PRIMAX 95
with **Pro-Drive**

PETRONAS Dagangan Berhad

Corporate Briefing

***Non Deal Roadshow
Bangkok, Thailand
8 July 2019***

FUELLING
GROWTH

Open



About Us

Business Highlights

- ❖ Retail
- ❖ Commercial
- ❖ LPG
- ❖ Lubricant

Operational Excellence

Performance Highlights

Future Aspirations

FUELLING
GR • WTH

About Us

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Operational Excellence

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Future Aspirations

FUELLING
GR • WTH

PetDag is the marketing subsidiary of PETRONAS

- **PETRONAS Dagangan Berhad ("PetDag") is the marketing subsidiary of Petroliaam Nasional Berhad ("PETRONAS").**
- **Its principal activities are the marketing and distribution of petroleum products in the domestic and regional markets.**
- **PetDag was incorporated on 5 August 1982 and was converted to a public company on 21 August 1993. PETRONAS owns 69.9% of PDB's shares.**
- **Shares of the Company were listed on the Main Board of the Bursa Malaysia Securities Berhad on 8 March 1994.**

PetDag has diversified portfolio and is the leading marketer and retailer in Malaysia

RETAIL

Offers Fuel and Non-Fuel Products and services at more than 1,000 stations and 700 *Kedai Mesra* nationwide



COMMERCIAL

Sells and markets bulk petroleum products with market leadership in domestic commercial market



LPG

Malaysia's No.1 Cooking Gas that sells and markets LPG to household, commercial and industrial customers



LUBRICANT

Top tier lubricant player via extensive range of lubricant products



Current product price mechanisms

Business

Products

Price Mechanism



RETAIL

All products

Automatic Pricing Mechanism



COMMERCIAL

All products

Market Price



LPG

Household

Automatic Pricing Mechanism

Bulk –
Commercial/
Industrial

Market Price

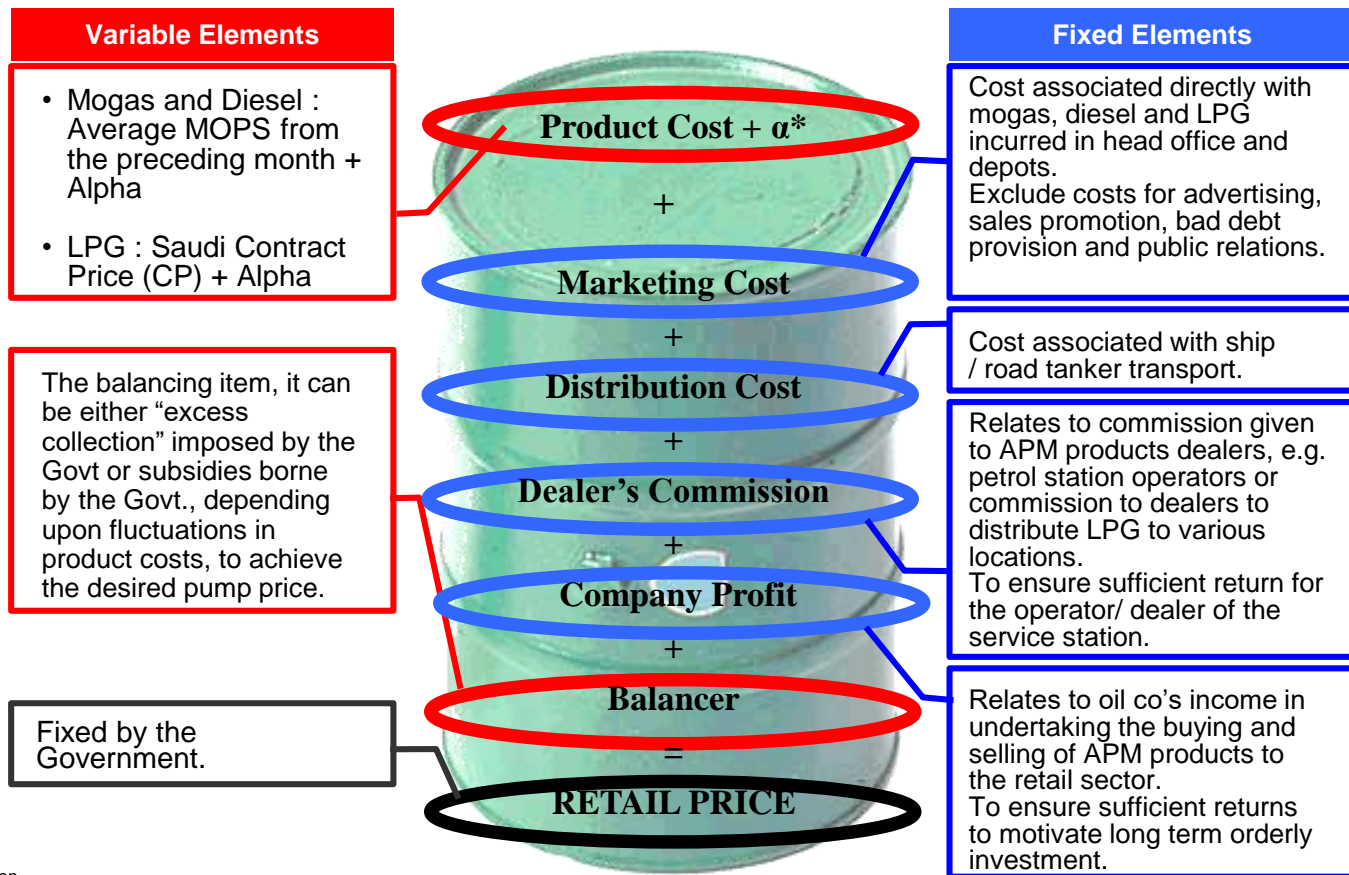


LUBRICANT

All products

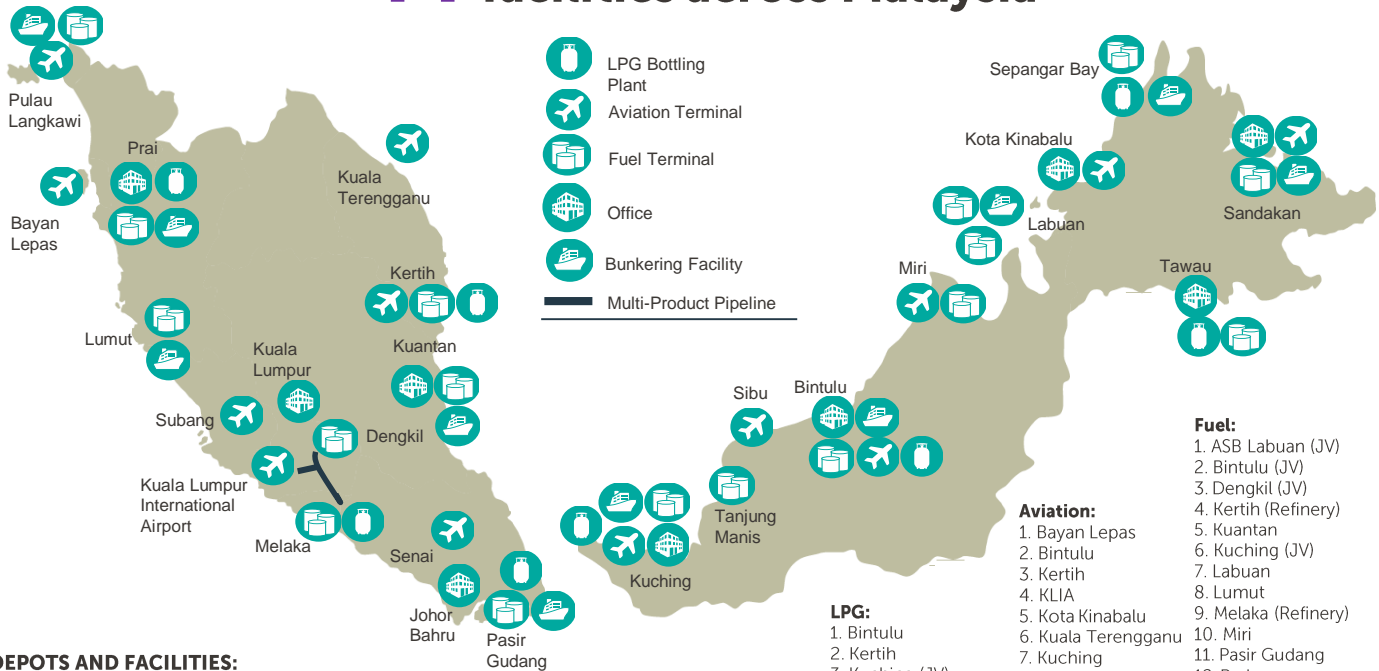
Market Price

Automatic Pricing Mechanism (APM)



Extensive supply and distribution infrastructure nationwide

44 facilities across Malaysia



- Fuel:**
1. ASB Labuan (JV)
 2. Bintulu (JV)
 3. Dengkil (JV)
 4. Kertih (Refinery)
 5. Kuantan
 6. Kuching (JV)
 7. Labuan
 8. Lumut
 9. Melaka (Refinery)
 10. Miri
 11. Pasir Gudang
 12. Prai
 13. Pulau Langkawi
 14. Sandakan
 15. Sepang Bay
 16. Tanjung Manis (JV)
 17. Tawau (JV)

- Aviation:**
1. Bayan Lepas
 2. Bintulu
 3. Kertih
 4. KLIA
 5. Kota Kinabalu
 6. Kuala Terengganu
 7. Kuching
 8. Miri
 9. Pulau Langkawi
 10. Sandakan
 11. Senai
 12. Sibul
 13. Subang

- LPG:**
1. Bintulu
 2. Kertih
 3. Kuching (JV)
 4. Melaka
 5. Pasir Gudang
 6. Prai
 7. Sepang Bay
 8. Tawau (JV)

- JV DEPOTS AND FACILITIES:**
1. ASB (Wilayah Persekutuan Labuan)
 2. IOT Management Sdn Bhd (Kuching)
 3. Kuala Lumpur Aviation Fuelling System Sdn Bhd (Sepang)
 4. PS Pipeline Sendirian Berhad/KVDT Fuel Terminal (Dengkil)
 5. PS Terminal Sendirian Berhad (Tawau and Bintulu)
 6. Tanjung Manis Oil Terminal Management Sdn Bhd (Tanjung Manis)

Integrated Value Chain

1

2

3

4

5



SUPPLY CHAIN

PETRONAS SYSTEM



Malaysia Refining
Company Sdn Bhd

PETRONAS Penapisan
(Terengganu) Sdn Bhd



Trans Thai-Malaysia
(Malaysia) Sdn Bhd

Malaysia LNG
Sdn Bhd

IMPORT



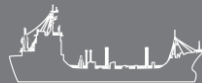
PETRONAS
Trading
Corporation
Sdn Bhd

PETRONAS
Lubricants
International
Sdn Bhd

3RD PARTY SUPPLY



PRIMARY DISTRIBUTION



Vessels



Direct from refinery
and gas plant

1

Melaka

2

Kertih

3

Bintulu



Multi-
Product
Pipeline

1

KUALA
LUMPUR
INTERNATIONAL
AIRPORT

2

KLANG VALLEY
DISTRIBUTION
TERMINAL



TERMINAL

PULAU LANGKAWI



PRAI



BAYAN LEPAS



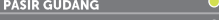
LUMUT



SUBANG



KLIA



MELAKA



PASIR GUDANG



SENAI



KUALA TERENGGANU



KERTIH



KUANTAN



KUCHING



TANJUNG MANIS



BINTULU



MIRI



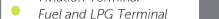
LABUAN



ASB LABUAN



KOTA KINABALU



TAWAU



SANDAKAN



SEPANGAR BAY

KVDT (DENGKIL)

● Aviation Terminal
● Fuel and LPG Terminal
● Fuel Terminal



SECONDARY
DISTRIBUTION



CUSTOMER

1

RETAIL
PETRONAS



2

COMMERCIAL



3

LPG



4

LUBRICANT



PDB'S
VALUE
CHAIN

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FUELLING
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The leading marketer and retailer in Malaysia

Retail Business comprise of 2 major components:

1 Fuel



**PETRONAS PRIMAX 97 WITH
ADVANCED ENERGY FORMULA**

**PETRONAS PRIMAX 95 WITH
PRO-DRIVE**

PETRONAS DYNAMIC DIESEL

**PETRONAS DYNAMIC DIESEL
EURO 5**

>1,000

PETRONAS Stations

2 Non Fuel: Kedai Mesra



>700

Kedai Mesra

Retail business models

COMPANY OWNED, DEALER OPERATED (CODO) STATIONS

- Under the CODO model, the PETRONAS station is owned and managed by the Company but is operated by an appointed Dealer.
- The Dealer, also known as an Operator is appointed by PDB through a series of screening processes.



DEALER OWNED, DEALER OPERATED (DODO) STATIONS

- Under the DODO model, the PETRONAS station is owned, managed and operated by a Dealer.
- The Dealer is also appointed by PDB through a series of screening processes. The Dealer sources the fuel products from the Company.





1 Consistent delivery of superior customer experience

2 Attracting traffic to the stations

3 Right station at the right place

4 Aggressive non-fuel growth

Transforming our stations to elevate customer experience

REFURBISHED

≈300

PETRONAS STATIONS

UPGRADED

>100

**MESRA NEW
LOOK AND FEEL**

OPENED

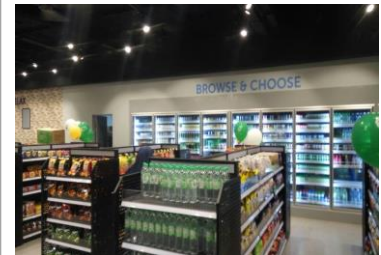
>30

**NEW Quick Service
Restaurants**

Before



After



Quality products with smooth and fast fuelling experience

Multi Product Dispenser



EXPANDED
>160
Multi-Product Dispenser

PETRONAS
PRIMAX 97

with Advanced Energy Formula

EXPANDED
>700

PETRONAS
DYNAMIC
DIESEL EURO 5
with Pro-Drive

EXPANDED
>140

Surge ahead with our new fuel...

NEW

PETRONAS ***PRIMAX 95*** *with Pro-Drive*

- ✓ **SMOOTH**
- ✓ **RESPONSIVE**
- ✓ **EFFICIENT**

AVAILABLE
>1,000



...and proven testimonials from our customers

NEW

**PETRONAS
PRIMAX 95**
with Pro-Drive

**Move like
never before**



Hoven Wen CH i get more milieage for this pro drive petrol. extra 30 to 40 km per tank.

Like Reply Message 1d

“I get **more mileage** for this pro-drive petrol. **Extra 30 to 40km per tank**”

-HOVEN WEN CH



Aiman Ismail Been using Petronas RON95 for years. My car definitely feels different this week. Better pickup and more efficient. Congrats Petronas!

Like Reply Message 1w

“My car definitely feels different. **Better pickup more efficient**”

-AIMAN ISMAIL



Lutfi Ashraf Terbaik petronas primax 95 with Pro Drive yg terbaru ni! Kereta rasa ringan. Dan minyak jimat. Enjin kereta senyap je. Memang berbeza dari primax 95 dlu. Mcm ni la minyak kebanggaan NEGARA KITA! 🇲🇾

Like Reply Message 4d

“**Terbaik mileage** PETRONAS Primax 95 with Pro-Drive! Memang **berbeza** dari Primax 95 dulu”

-LUTFI ASHRAF



Mohamad Amirudin Dah lama gila tak isi minyak petronas. 3 hari lepas saja aku isi. Aku mmg jenis minyak dan rik karing lentok merah baru nak isi. lepas tu o kan mileage. Tetiba rasa lain kat kereta aku. Rasa lebih ringan, lebih power dan lebih jimat. Punya la hairan sampai aku stalk page petronas kat fb. rupanya minyak baruuu pro-drive. Mmg isi petronas je lepas ni. Tahniah Petronas

Wow Reply Message 9d

“Tetibe rasa lain kat kereta aku. **Rasa lebih ringan, lebih power & lebih jimat.** Rupanya minyak baruuu Pro-Drive!”

-MOHAMAD AMIRUDIN



1

Consistent delivery of superior customer experience

2

Attracting traffic to the stations

3

Right station at the right place

4

Aggressive non-fuel growth

Successful year-round marketing campaigns



APRIL - DISEMBER 2018

MESRA BONANZA

**HANYA LERETKAN KAD MESRA
UNTUK MEMENANGI HADIAH HEBAT SETIAP BULAN!**

HADIAH UTAMA DENGAN PERBELANJAAN TERKUMPUL
RM500 DALAM MASA 2 BULAN

**3x WANG TUNAI BERNILAI
RM50,000**

* Berkahad untuk pengiraan
PETRONAS
Primas 17

3x
PAKEJ MENYAKSIKAN
PERLUBAAN FORMULA 1
DI LUAR NEGARA*
bernilai sehingga RM40,000
setiap satu

10x
PAKEJ PERCUTIAN
KE DESTINASI PILIHAN
bernilai sehingga RM20,000
setiap satu

14x
YAMAHA NXX 155cc
bernilai lebih RM10,000
setiap satu

14x
SAMSUNG S5* CURVED
SMART FULL HD TV
bernilai sehingga
RM43,700 setiap satu

HADIAH BULANAN DENGAN SETIAP PERBELANJAAN
RM30 DALAM SATU RESIT

GoPro

100,000 mata gajiran
Mesra bernilai
RM1,000

Watsons

LAZADA

Dengan tajuan bersama: CIMB BANK, Maybank, watsons, LAZADA, SAMSUNG

* Tertakluk terma dan syarat.

PETRONAS BRANDS

www.mymesra.com.my



**ARENA BOLA
PETRONAS**

**3x
RM3,000
TO GO SPEND IN
ADIDAS
STORE WEEKLY**

**3 PETRONAS STAFF STAND A CHANCE
TO WIN ADIDAS SHOPPING VOUCHERS
WORTH RM3,000**

SPEND RM40 ON
PETRONAS PRIMAS

PURCHASE 2 KOMBO
BOLA IN KEDAI MESRA

SWIPE MESRA CARD
FOR AUTOMATIC ENTRY!

Log on to
arenabola.petronas.mymesra.com.my
to redeem daily prizes!



**PETRONAS
CANTEEN
BREAK**

The safest journeys are blessed with heart.

Share your story with us on the safe journey home. We will reward you with a Petronas Canteen Break voucher worth RM5.00. Share your story on Facebook, Instagram, or Twitter with the hashtag #SafeJourneyHome. The contest ends on 31 December 2018. Terms and Conditions apply. Visit www.petronas.com.my/canteenbreak for more details.



**iftar
Mesra**

IFTAR 100 MATA GAJIRAN
BERNILAI RM1.00

IFTAR 150 MATA GAJIRAN
BERNILAI RM1.50

HANYA RM5.00

Key Initiatives

1


Focus on marketing efforts via *Mesra Bonanza* campaign


2

Provide attractive rewards to our customers

Increased customer loyalty through the BEST Loyalty Programme in industry



 **17%**
NEW
KAD MESRA SIGN-UPS

 **15%**
ACTIVE
KAD MESRA MEMBERS

Key Initiatives

- 1** Focus on targeted *Kad Mesra* promotions
- 2** Collaborate with strategic business partners

New payment solution for a seamless experience



**Introduced Setel,
1st integrated petrol e-payment
solution in Southeast Asia**

#10YEARCHALLENGE #SETELDALAMKERETA

2009



2019



Available at

>200

PETRONAS stations

Number of downloads

>100K

#WeSetelForYou

Positive user feedback validating the convenient and smooth solution

Setel (Unreleased) has a new Google Play review

★★★★★

I love this app. It is so convenient to fill up and to be able to track my monthly fuel usage as well as Mesra Points earned. Petronas, please increase your Setel stations. Tq

by **FREDERICK FRANCIS GABRIEL** — Share — Reply

April 10, 2019 | Locale: English

"I love this app.

It is so **convenient** to fill up and to be able to track my monthly fuel usage as well as **Mesra Points earned**. PETRONAS, please increase your Setel stations. Tq."

- **FREDERICK FRANCIS GABRIEL**

ReviewBot APP 12:34 PM

Setel (Unreleased) has a new Google Play review

★★★★★

terbaik, senang dan cepat. reload senang dan sangat cepat connect dgn pump. sangat berpuas hati dan recommend untuk guna apps ini

by **Mohd Ismail Ibrahim** — Share — Reply

April 8, 2019 | Locale: English

"Terbaik, senang dan cepat. Reload senang dan sangat cepat connect dgn pump. Sangat berpuas hati dan recommend untuk guna apps ini"

- **MOHD ISMAIL IBRAHIM**

ReviewBot APP 11:33 PM

Setel (Unreleased) has a new Google Play review

★★★★★

first time try this apps.. mudah pantas dan wow!!..

by **Ridh M** — Share — Reply

"First time try this apps..

Mudah, pantas dan WOW"

- **RIDH M**



Introduced innovative mobile fuel delivery service





1

Consistent delivery of superior customer experience

2

Attracting traffic to the stations

3

Right station at the right place

4

Aggressive non-fuel growth

We continue to expand our network



Silk Highway 2



Moyan, Sarawak



Open

Lenggong

>10

**NEW
PETRONAS STATIONS**

Key Initiatives

1

Right station at the right place

2

Expedite the roll-out of new stations and prioritising our land banks usage

PDB installed the 1st EV charging facility at petrol stations in Malaysia





1 Consistent delivery of superior customer experience

2 Attracting traffic to the stations

3 Right station at the right place

4 Aggressive non-fuel growth

Customised product offerings to meet customer's needs



Successful Mornings@Mesra breakfast campaign providing breakfast solutions on the go...



...and introduction of white label brands

Water Bottle



Mesra Bites



Mesra Wipes



Strategic partnerships to provide convenience

Co-Working Space



Banks and Others



Food Solutions



E-Commerce



Key Initiatives

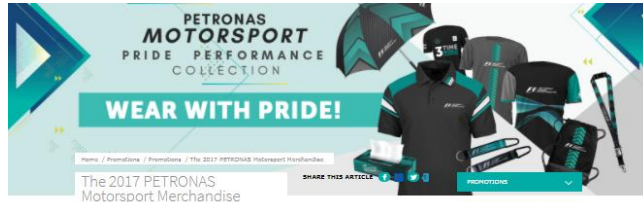
1

Collaborate with strategic business partners to bring better value to our customers

2

Enhance cross merchant relationships

Exclusive PETRONAS merchandise to expand our portfolio



About Us

Business Highlights

- ❖ Retail
- ❖ **Commercial**
- ❖ LPG
- ❖ Lubricant

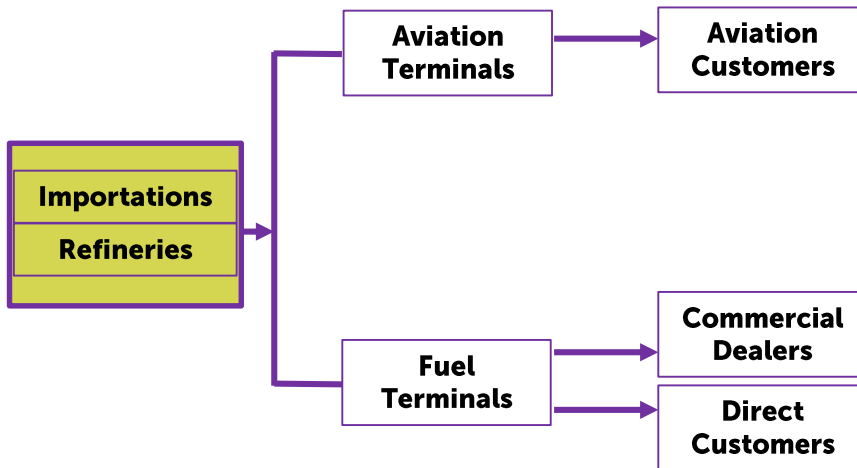
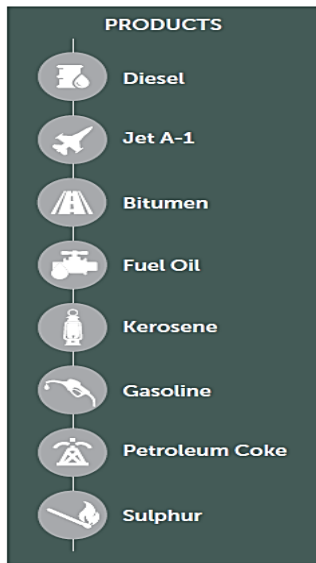
Operational Excellence

Performance Highlights

Future Aspirations

FUELLING
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Commercial Business Model, Product Mix & Market Segments



Industries Coverage

Agriculture
Construction
Transportation
Manufacturing

Services
Aviation
Bunker
Upstream

Government
Power & Utilities
Fishery
Timber

Command market leadership in Malaysia

Jet-A1

Airlines



Diesel

Upstream



Fuel Oil

Bunker



Inland



Industrial



Petcoke

Manufacturing



Power Generation & Agriculture



Sulphur

Manufacturing



Bitumen

Industrial



Project RAPID will provide more growth for Commercial Business in the future



RAPID's production capacity will be at **300,000**
barrel per day with **3.5** million metric tons per annum

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- ❖ **LPG**
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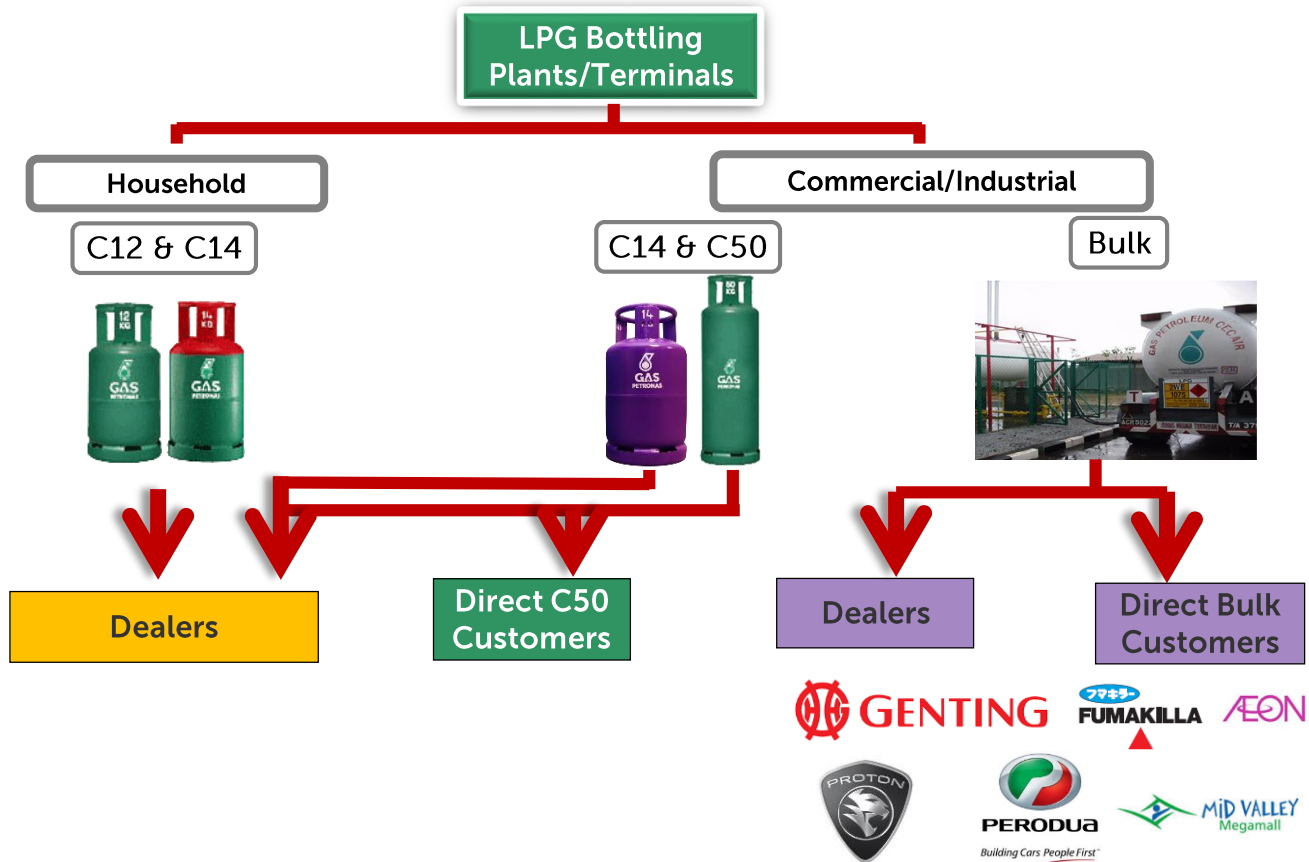
Operational Excellence

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FUELLING
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We are Malaysia's No.1 Cooking Gas and industrial LPG marketer



Gas2U application has changed the traditional way of ordering 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:

Disaparkan di Google play Muat turun pada iPhone App Store

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**

Widen the availability of LPG cylinders at selected location



LPG cylinders

**Now available at selected
PETRONAS stations to
provide greater
convenience for our
customers**

Fortify market leadership



**Launched LPG 14kg
cylinder for
commercial customers**

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FUELLING
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Continued to be the top tier lubricant player via extensive range of lubricant products



Passenger Vehicle Lubricants & Motorcycle Oil



Commercial Lubricants



Marine Lubricants



PETRONAS Syntium with °CoolTech™ cools better than any Lubricants in the market

PETRONAS Syntium with °CoolTech™



World-class products with customised solutions

**Continue to serve major
Original Equipment
Manufacturers**

**Secured a new long-term
contract with the
main rail operator**

Key Initiatives

- 1** Appointment of new and capable Market Execution Partners and Premium Dealers
- 2** Continuous improvements in supply chain and end-to-end solutions to our customers

Open



PROTON



PERODUA

HONDA



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Continue to optimise distribution costs

Integrated Inventory Management Strategy

from **9** to **4** days



Supply and distribution efficiency



Continuous cost reduction efforts



- **Higher frequency of inventory replenishment**
- **Close monitoring of inventory days**

- **Optimum vessel scheduling**
- **Optimum road tanker scheduling**

- **Prudent spending**
- **Review and consolidation of contracts**
- **Utilisation of in house experts**

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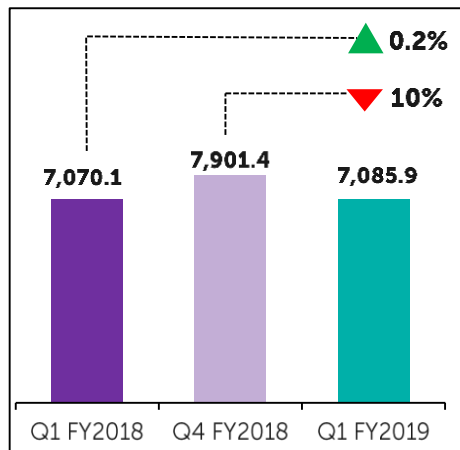
FUELLING
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Group Financial Performance

The Group recorded strong financial performance with an increase in PBT by 33% against Q1 FY2018

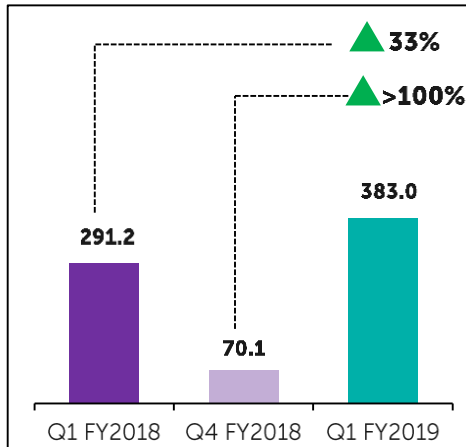
Revenue

(RM mil)



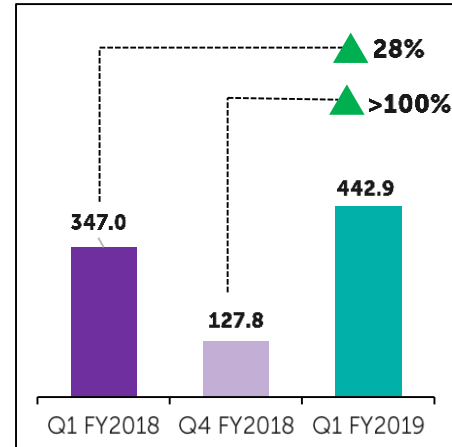
Profit Before Tax

(RM mil)



EBITDA

(RM mil)



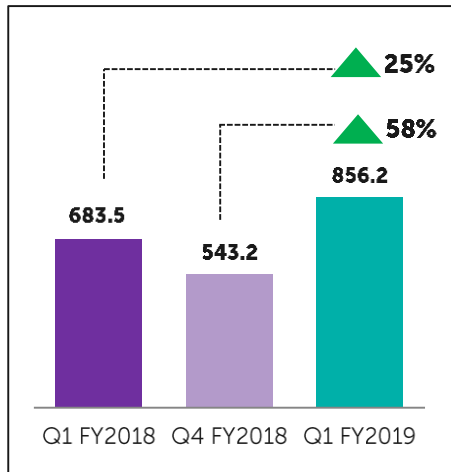
Item	Q1 FY2019	Q1 FY2018	Q4 FY2018
Average Selling Price (RM)	1.88	1.94	2.06
EPS (sen)	29.3	22.0	4.7

Gross Profit was higher by 25% against Q1 FY2018

Due to higher margins whilst Other Income was higher by 17% offset by higher OPEX by 20%

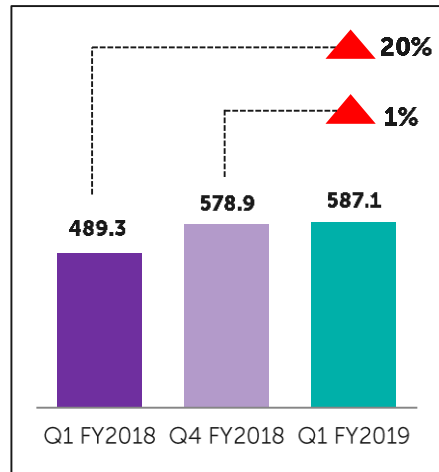
Gross Profit

(RM mil)



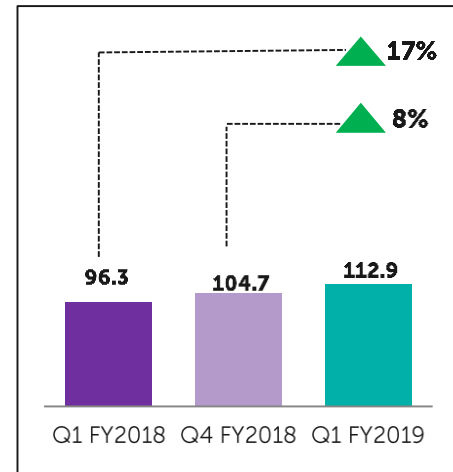
OPEX

(RM mil)



Other Income

(RM mil)



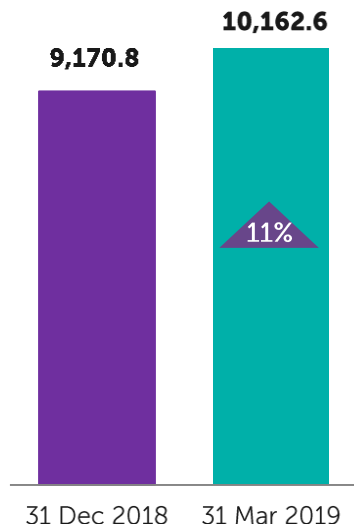
Impact of Dealer's Commission

Item	Q1 FY2019 vs Q1 FY2018	Q1 FY2019 vs Q4 FY2018
Higher Gross Profit	RM 58 million	RM 52 million
Higher OPEX	RM 58 million	RM 52 million

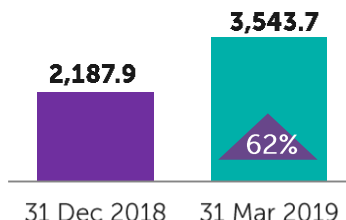
Consolidated Statement of Financial Position

Improved Return on Equity and strengthen cash position.

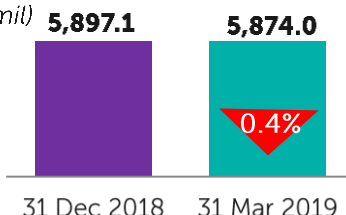
Total Assets
(RM mil)



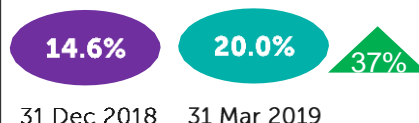
Cash and Cash Equivalents
(RM mil)



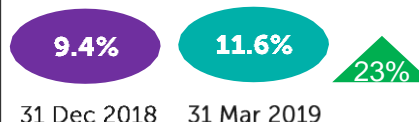
Equity attributable to shareholders of the Company
(RM mil)



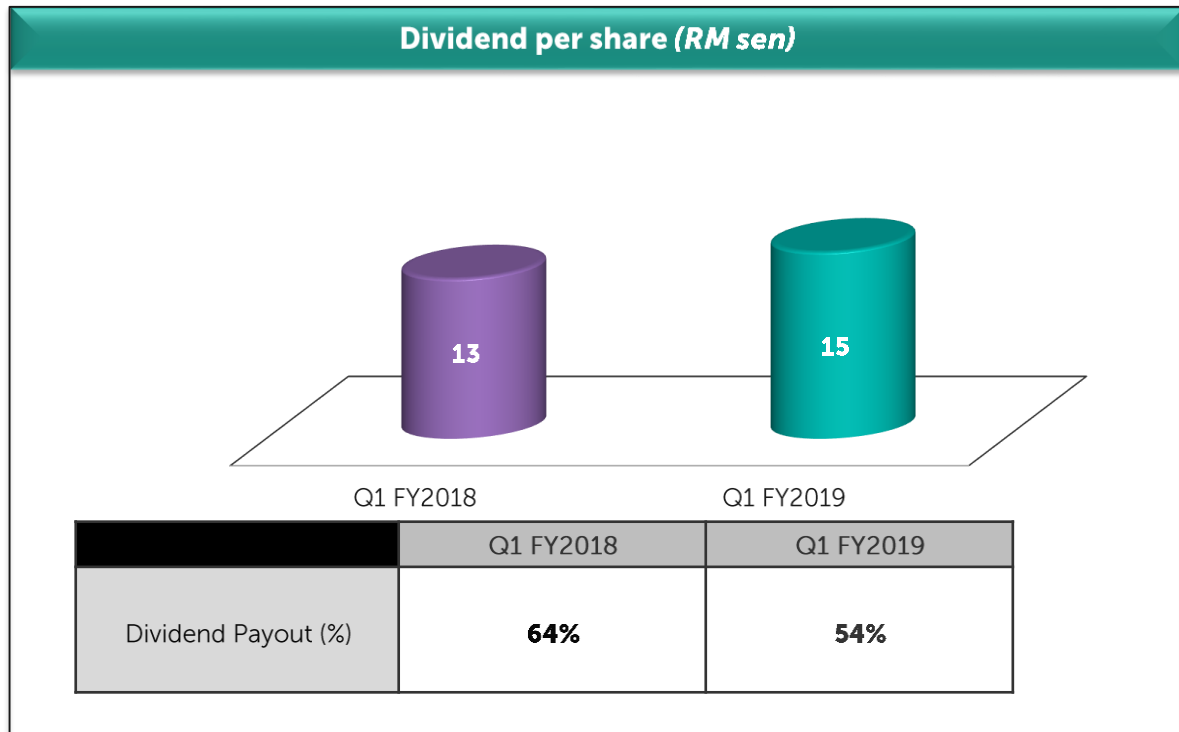
Return on Equity



Return on Total Assets

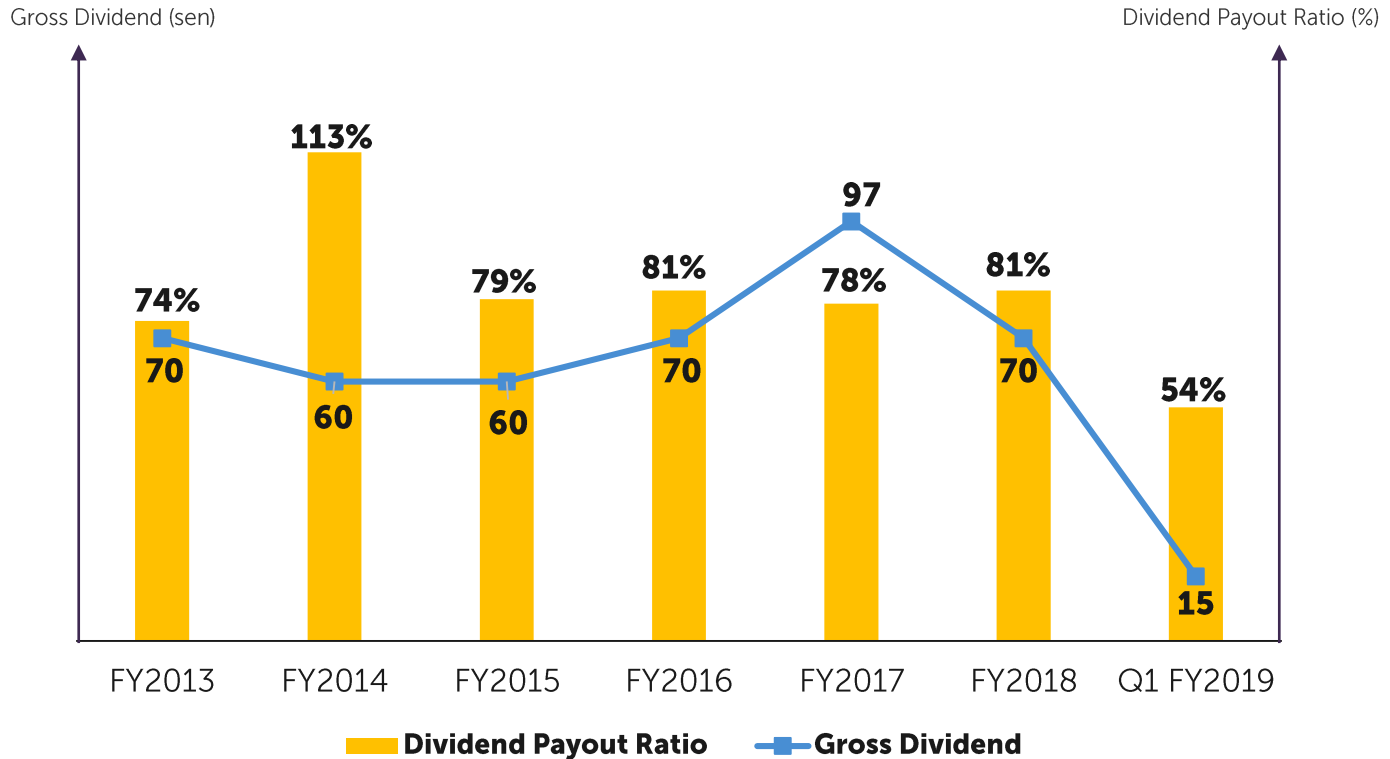


For Q1 FY2019, PetDag has declared dividend amounting to 15 sen/share



For Q1 FY2019, PetDag has declared dividend of 15.0 sen, with lower dividend payout as compared to Q1 FY2018

Consistent delivery of shareholders' value



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FUELLING
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Growing for the future, we will anchor on three strategic focus areas



Transforming Customers Experience



Market leadership



Leveraging Digital Innovation

THANK YOU
www.mymesra.com.my
Move Like Never Before