



PETRONAS CHEMICALS GROUP BERHAD 199801003704 (459830-K)

For immediate release

PCG Posts Higher PAT of RM703 million in 1Q 2024

- EBITDA of RM1.2 billion
- EBITDA margin of 16%

Kuala Lumpur, 29 May – PETRONAS Chemicals Group Berhad (PCG) posted Profit After Tax (PAT) of RM703 million for the first quarter in the Financial Year Ending 31 December 2024 on the back of improved sales volume and product margins.

The chemicals sector saw average prices of selected products increased in 1Q 2024 against 4Q 2023 due to seasonal demand recovery amidst the current industry downcycle. The Group attributed the improvement in profitability to lower operating costs, higher ethylene and aromatic spreads and better performance from its specialties segment.

Key highlights 1Q 2024 vs 4Q 2023

- **Revenue** rose 4% to **RM7.5 billion** (4Q 2023: RM7.2 billion) supported by stronger USD against MYR and higher volumes from Pengerang Integrated Complex.
- **Earnings Before Interest, Taxation, Depreciation and Amortisation (EBITDA)** surged 77% to **RM1.2 billion** (4Q 2023: RM655 million) due to lower costs of fuel, energy, utilities and maintenance, higher product spreads, higher contribution from Perstorp Group as well as positive foreign exchange impact. **EBITDA margin** during the quarter expanded to 16% (4Q 2023: 9%).
- **Profit after Tax (PAT)** more than quadrupled to **RM703 million** (4Q 2023: RM142 million) in line with higher EBITDA and unrealised foreign exchange gains.
- **Plant utilisation rate was recorded at 87%** (4Q 2023: 84%) during the quarter contributing to marginal increase in production volume.

Commenting on the results, Mazuin Ismail, Managing Director/Chief Executive Officer of PCG said “We are pleased to have progressed from last quarter having stabilised our plant utilisation rates and production volume. Our diversified portfolio of products has worked in our favour as improvement in the Olefins & Derivatives (O&D) segment helped counter the decline in



average product prices in our Fertiliser & Methanol (F&M) segment. Our specialties segment has significantly improved following higher sales volume and product margins.

“Our immediate attention is focused on ensuring our production capacities across all segments are optimised and runs smoothly. Five of our plants in both O&D and F&M segments are scheduled to undergo statutory turnaround this year. In 1Q 2024, we completed the turnaround exercise in PC Fertiliser (Kedah) as well as maintenance activities at several other plants.”

On the market outlook he added, “We anticipate movement in product prices to be mixed moving into the second quarter with some O&D products such as ethylene and aromatics are showing improvement on supply limitation while others are relatively unchanged. Urea demand has moderated due to delayed regional planting season caused by the hot weather, while methanol remains weak following muted downstream demand. Similarly, we are expecting divergent outlooks for the specialties segment as the construction sector continues to struggle with weak infrastructure growth and high interest rates, while products aimed at the automotive sector may see improved demand.”

“We remain cautious of the ongoing geopolitical tensions that are contributing to the volatility in energy and feedstock prices as well as the uncertain macroeconomic environment. In addition, we are mindful of the potential impact of new capacities entering the market, contributing to an oversupply situation that will likely continue to keep pressure on product prices and margins,” he concluded.

About PETRONAS Chemicals Group Berhad

PETRONAS Chemicals Group Berhad (PCG) is the leading integrated chemicals producer in Malaysia and one of the largest in Southeast Asia. It operates a number of world-class production sites in Malaysia, Asia-Pacific, Europe and North America. With a total combined production capacity of 15.4 million metric tons per annum (mtpa), it is involved primarily in manufacturing, marketing and selling a diversified range of chemical products, including olefins, polymers, fertilisers, methanol, other basic chemicals, derivative products and specialty chemicals.

Listed on Bursa Malaysia with more than three decades of experience in the chemicals industry, PCG is established as part of the PETRONAS Group to maximise value from Malaysia’s natural gas resources.

PCG is committed to ensuring that its business practices are in line with globally recognised standards for Economic, Environment, Social & Governance (EESG) practices. It is currently listed in the FTSE4Good Bursa Malaysia (F4GBM) Index and the Dow Jones Sustainability™ World Index.

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Further details on PCG can be found at www.petronaschemicals.com.my

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