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## PETRONAS CHEMICALS GROUP BERHAD 199801003704 (459830-K)

For immediate release

# PCG posts PAT of RM809 million in 2Q 2024

- ***Cumulative 1H 2024 PAT of RM1.5 billion***
- ***Interim Dividend of RM800 million***

Kuala Lumpur, 16 August – PETRONAS Chemicals Group Berhad (PCG) registered Profit After Tax of RM809 million for its second quarter in the Financial Year Ending 31 December 2024. During the quarter, revenue grew 3% against 1Q 2024 to RM7.7 billion, mainly driven by higher sales volume in the Group's Fertiliser & Methanol segment and higher contribution from the Specialties segment.

Global oversupply of petrochemicals, low growth and geopolitical unrests amidst uncertain macroeconomic outlook continue to weigh heavily on the sector. Prices of selected olefin products remained high on temporary supply shortages stemming from logistics disruption and plant maintenance shutdowns in the Asia Pacific region, whereas supply availability placed downward pressure on prices of urea, propylene and mono-ethylene glycols. Margin compression due to high energy, chemical feedstock and other operational costs continued to pose challenges, particularly for downstream producers.

For the cumulative first half of FY2024 the Group Revenue expanded 4% year-on-year to RM15.2 billion following higher contributions from the Specialties segment coupled with positive foreign exchange impact. Earnings Before Interest, Taxation, Depreciation and Amortisation (EBITDA) improved 6% yoy to RM2.3 billion and PAT was higher by 29% at RM1.5 billion against 1H 2023. PCG announced first interim dividend payout of RM800 million representing 55% of 1H 2024 Profit After Tax and Non-Controlling Interests (PATANCI).

Key highlights 2Q 2024 vs 1Q 2024

- **Revenue** rose 3% to **RM7.7 billion** (1Q 2024: RM7.5 billion) on higher sales volume.
- **EBITDA** declined 4% to **RM1.1 billion** (1Q 2024: RM1.2 billion) due to higher plant operation cost from a joint operation entity. **EBITDA margin** contracted to 14% (1Q 2024: 16%).
- **Profit after Tax (PAT)** was higher by 15% at **RM809 million** (1Q 2024: RM703 million) mainly due to other income relating to revaluation of trade payables, partially offset by unrealised foreign exchange loss on revaluation of shareholders loan to a joint operation entity.
- First interim dividend of 10 sen per share, was declared for the financial year ending 31 December 2024. The **dividend amounting to RM800 million,** is payable in September 2024.
- **Plant utilisation rate improved at 89%** (1Q 2024: 87%) during the quarter contributing to marginal increase in production volume.

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PCG Managing Director/Chief Executive Officer, Mazuin Ismail commented, "The business landscape is becoming more complex, and the chemicals industry is feeling the impact of heightened volatility where we have to contend with a long period of overcapacity and low demand. PCG is steadfast in executing our business excellence initiatives to maintain efficiency and profitability while ensuring our future-proofing strategies, including decarbonisation, remain on track."

"Moving into the second half of the year, on the operations front, we have a few plant turnaround and maintenance activities planned, for which our immediate focus is for safe execution of these activities. Further to that, we are also looking forward to the commercial operations of our joint venture plant, PCG PCC Oxyalkylates in Kerteh, Terengganu."

"In the next few months, we anticipate that the Olefins & Derivatives segment will soften as supply returns following the end of regional shutdowns while downstream demand remains weak. Urea is forecast to firm up as the agricultural application picks up while supply availability continues to weigh down methanol.

The Specialties segment is expected to see limited recovery in the second half of the year as the global market conditions remain uncertain with ongoing geopolitical tension and continued slow recovery in market demand. Headwinds are expected to persist in the building and construction sector, while automotive sector shows indications of flattish demand in 2H 2024, despite selective improvement in the consumer goods sector," 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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