

FEBRUARY 23, 2021
MEDIA RELEASE
FOR PUBLICATION & BROADCAST



PETRON SUSTAINS RECOVERY AMID RE-IMPOSITION OF CMCO

KUALA LUMPUR – Petron Malaysia Refining & Marketing Bhd (PMRMB) stayed on the road to recovery as it posted a RM42 million net income in the fourth quarter of 2020, up 45% from the RM29 million income posted in the same quarter of the previous year.

Petron's sales volume in Q4 2020 was, however, still lagging versus the same quarter in 2019 due to the implementation of another Conditional Movement Control Order, slowing down movement and economic activity. The Company sold 6.8 million barrels during the said period against the 9.2 million barrels sold last year. The Company's revenues contracted by 48% to RM1.5 billion from RM2.9 billion in 2019.

Despite lower revenues, the Company's gross profit in the last quarter of 2020 rose 40% to RM136 million from RM97 million over the same period in the previous year mainly on improved refining margins and net inventory gains from recovering oil prices in the last quarter of 2020.

The benchmark Dated Brent crude price rallied to reach US\$50 per barrel in December 2020 from its September average of US\$41 as anticipation grows for the roll-out of effective COVID-19 vaccines.

PMRMB continued to manage its costs, effectively reducing its operating expenses by 12% or RM8 million during the fourth quarter. Its full year savings reached RM31 million equivalent to an 11% OPEX savings.

The positive results in the last two quarters of 2020 helped reduce Petron's net loss for the year to RM13 million, significantly scaling down the debilitating impact of the pandemic lockdowns in the first half.

“Dealing with multiple pressures, including an unprecedented crisis, prompted us to revisit our plans and strategies in 2020. We are slowly recovering from the impact of COVID-19 and we are confident that we can bounce back from this temporary setback. Our commitment to fuel growth and recovery remains as strong as we stand with Malaysia in its rebuilding efforts,” said PMRMB Chairman Ramon S. Ang.

Despite the challenging business environment, PMRMB together with its sister companies opened new stations, bringing the group’s retail network to over 720 in 2020.

“While we are focused on achieving financial recovery, expanding our retail network, enhancing our refinery’s capability, and increasing the efficiency of our operations still remain our key priorities. We will continue to deliver long-term growth and value to our customers and stakeholders,” Mr Ang added.

(ends)

CAUTIONARY NOTE: Statements in this release relating to future plans, projections, events, or conditions are forward-looking statements. Actual results, including project plans, timing, and capacities, could differ materially due to changes in long-term oil or gas prices or other market conditions affecting the oil and gas industry; political events or disturbances; the outcome of commercial negotiations; changes in technical or operating conditions; and other factors.

About Petron in Malaysia:

Petron Malaysia is a leading company in Malaysia’s downstream oil market. Its 88,000 barrel-per-day Port Dickson Refinery produces a wide variety of world-class fuels which is distributed through seven terminals strategically located across the country. Through more than 700 stations nationwide, it retails premium fuels namely Blaze 100 Euro 4M, Blaze 97, Blaze 95 Euro 4M, Turbo Diesel Euro 5 and Diesel Max. Petron is committed to

its vision to be the leading provider of total customer solutions in the oil sector and allied businesses. Please visit www.petron.com.my.