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**MEDIA RELEASE**

**FOR PUBLICATION & BROADCAST**



## **PETRON OVERCOMES MARKET CHALLENGES, RECORDS RM40 MILLION PROFIT IN Q2**

**KUALA LUMPUR** – Petron Malaysia Refining & Marketing Bhd’s (PMRMB) delivered RM40 million in net profit largely driven by a 9% growth in sales volume and supported by increased production at its Port Dickson Refinery. Retail volumes continued to exceed pre-pandemic levels supported by the robust domestic demand and volumes generated from newly opened Petron service stations.

The global oil price correction, which began in the second half of 2022 following the record-high price surge in the second quarter last year due to geopolitical conflicts, persisted in Q2 this year. High inflation and sustained interest hikes also added pressure on prices with average benchmark Dated Brent dropping by 31% to US\$79 per barrel during the quarter from US\$114 per barrel for the same period last year. Hence, despite the increase in sales volume, the Company’s revenues declined by 28% to RM4.1 billion as a result.

The significant correction in oil prices also resulted in the decline of regional refining cracks. Nevertheless, the Company generated an operating income of RM70 million owing to prudent risk management measures, effective cash management and various cost savings programs. Petron reported a net profit of RM40 million for the second quarter, lower than the same period in 2022 due to the exceptional market condition last year.

"Despite market challenges and global economic uncertainties, Petron's core business remained strong. We continued to record growth in our sales volume and maintained operational efficiencies across the business. Our way forward remains rooted in pursuing growth and sustainability, while delivering long-term value to our stakeholders," said PMRMB Chairman Ramon S. Ang.

Petron integrates sustainability into every aspect of its businesses. Keenly aware of its business impact to the environment, PMRMB takes steps to reduce its carbon footprint. A second Palm Oil Methyl Ester (PME) production plant is currently in the design stage which will eventually boost the Company's capacity to produce biodiesel blended with sustainable PME.

**(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.