

**22 FEBRUARY 2024**

**MEDIA RELEASE**

**FOR PUBLICATION & BROADCAST**



## **PETRON ENDS 2023 WITH STRONG OPERATING PERFORMANCE**

**KUALA LUMPUR** – Petron Malaysia Refining & Marketing Bhd (PMRMB) posted a net profit of RM41 million in the fourth quarter of 2023 amid the still volatile market. The reversal from the RM21 million loss incurred for the same period last year was mainly driven by the 8% growth in the company's sales volume.

Despite the softening of oil prices, revenue for the quarter of RM4.5 billion was up 5% compared to the prior year, attributed mainly to higher volume. From \$94 per barrel in September, Dated Brent dropped 17% to \$78 in December. The sustained price decline during the quarter limited gross profit to RM32 million. This translated to an operating loss of RM30 million, a 36% reduction from the RM47 million loss incurred in the same quarter of 2022.

For full year 2023, PMRMB sold 10% more volume at 37.2 million barrels, supported by the growth in domestic demand, and 9% higher refinery production. However, the lower prices which prevailed during the year capped total revenue at RM17.2 billion, 6% down from 2022. Notwithstanding the drop in revenue, Petron's financial performance ended with its gross profit growing 6% to RM564 million, and operating income growing 10% to RM349 million compared to the prior year due to the Company's sustained efforts in mitigating the impact of oil price volatility, prudent opex spending, and optimized refining operations. However, net profit for 2023 of RM272 million came in lower than 2022's RM301 million due to higher tax expense with minimal investment tax allowance availed in 2023 compared to the previous year.

"2023 was another year of challenges due to the continued volatility in oil prices, a fragile global economic recovery, and ongoing geopolitical conflicts in the Middle East and Eastern Europe. Nevertheless, Petron demonstrated resilience and took necessary measures to overcome external

market uncertainties. Moving forward, PMRMB will continue to grow its retail presence, improve product quality, and increase efficiencies to ensure our robust and sustainable operations," said PMRMB Chairman Ramon S. Ang.

PMRMB and its sister companies operate more than 770 service stations nationwide. As the Group continues to grow the business, driving sustainability still remains a priority. In line with its ESG roadmap, Petron recently sealed a partnership with Universiti Putra Malaysia to further enhance carbon sequestration, biodiversity conservation, and circular economy projects.

**(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.