

**MINUTES OF THE 65TH ANNUAL GENERAL MEETING OF
PETRON MALAYSIA REFINING & MARKETING BHD
(June 13, 2024)**

Time and Place

The 65th Annual General Meeting (“AGM” or “Meeting”) of **PETRON MALAYSIA REFINING & MARKETING BHD** (the “Company” or “PMRMB”) was held on June 13, 2024 at The Ballroom, SIME DARBY CONVENTION CENTRE, 1A, Jalan Bukit Kiara, 6000 Kuala Lumpur, Malaysia. The meeting commenced at 2:00 p.m.

Attendance – Directors

The following members of the Board of Directors the Company were present at the meeting:

Mr. Ramon S. Ang (Chairman) – absent with apology
Y. Bhg Datuk Nik Mohd Hasyudeen Yusoff (Independent Director)
Ms. Chua See Hua (Independent Director)
Mr. Fong Seow Kee (Independent Director)
Mr. Antonio Martin Cailao (Independent Director)
Y. Bhg. Dato’ Noorizah Abdul Hamid (Independent Director)
Mr. Lubin B. Nepomuceno (Executive Director/Chief Executive Officer)
Ms. Aurora T. Calderon (Executive Director)
Ms. Jacqueline L. Ang (Executive Director)

In attendance were the following officers:

Pn. Faridah Ali (General Manager)
Mr. Mark Tristan D. Caparas (Chief Finance Officer)
Mr. Manoj Devadasan (General Counsel/Company Secretary)

CALL TO ORDER / NOTICE / PROXIES / QUORUM

Following confirmation that the Notice of Meeting was made publicly available to Shareholders on April 26, 2024, it was confirmed that a total of 656 shareholders (225 via proxies) had registered to attend the AGM. It was also confirmed that Mr. Lubin B. Nepomuceno, was the corporate representative of Petron

Oil & Gas International Sdn Bhd (“POGI”) and, as such, had the necessary right to propose, second and vote on all resolutions on behalf of POGI.

The Company Secretary informed the shareholders that in the absence of Mr. Ramon S. Ang, the Board requested Mr. Lubin B. Nepomuceno, to Chair the AGM.

There being a quorum in attendance, the Chairman of the AGM called the Meeting to order. The General Counsel/Company Secretary, Mr. Manoj Devadasan, recorded the minutes of the AGM.

VOTING PROCESS

The Chairman requested the Company Secretary to inform the shareholders of the voting process.

Mr. Manoj Devadasan informed the shareholders/proxies that to meet compliance with best practices in Corporate Governance and for Shareholders’ convenience, a fully electronic voting process was adopted. The Shareholders/proxies were also informed that, as in the past AGMs under Petron, the voting by poll will be conducted after the formal proposal and seconding of all the Resolutions. Shareholders/proxies were further informed that an Independent Scrutineer would be monitoring and verifying the tabulated votes.

PRESENTATION - COMPANY’S PERFORMANCE REPORT

The Chairman of the AGM then invited Puan Faridah Ali, General Manager, to deliver the Management’s presentation on the Company’s business performance for the year. Key highlights presented were as follows:

GLOBAL ECONOMY AND OIL PRICES

- In 2023, the global economy struggled with the impact of post-pandemic recalibrations amid continued geopolitical tensions in Europe and the Middle East, adding pressure and volatility to the oil market.
- In Malaysia, GDP growth normalized to 3.7% in 2023 from 8.7% in the prior year, in line with global trend but supported by strong domestic demand.
- Oil prices in 2023 corrected from the peak levels in 2022 but remained volatile.

- Dated Brent averaged US\$83 per barrel in 2023, which was about 18% lower than US\$101 per barrel average in 2022. Same trend in refining margins. While prices remained volatile, the regional refining margins were still healthy.
- The price volatility was driven by the ongoing geopolitical tension disrupting global supply, while high interest rates and inflation dampened global demand. The volatility continued into the first quarter of 2024, with the escalation of geopolitical tension.

FY2023 and Q1 2024 SALES VOLUME PERFORMANCE AND FINANCIAL RESULTS

- Petron continued to fuel and mobilise the nation through its top-of-the class products and unrivalled customer service.
- The Company's sales volume was up by 10% reaching 37.2 million barrels in 2023, marking the Company's highest volume.
- Domestic volume grew by 5% fueled by strong retail volume while Jet fuel sales grew by 33% from the recovery of air travel.
- In support of higher sales volume, the Company optimized its Port Dickson Refinery and increased its production by 10% and recorded better product yield.
- For full year 2023, total revenue reached 17.2 billion Ringgit, driven by higher sales volume but tempered by lower oil prices.
- Gross profit grew by 6% to RM564 million from higher sales volume and refinery production, at the back of healthy regional refinery margin.
- Through efficient spending, the Company was able to keep its operating expenses flat despite supporting higher sales volume. These resulted in an Operating Income of RM349 million, a 10% jump from the prior year.
- However, 2023 Net Profit of RM272 million was lower as the Company utilized in 2022 the reinvestment tax benefit from PDR investment.
- The Company had a good start for 2024 with an 18% increase in sales volume, reaching 9.8 million barrels. This was supported by the continued optimization of its Refinery production, and from its new service stations.
- Revenue increased by 22% to 4.7 billion, from higher sales volume and oil prices. While Operating Income increased by 6% to RM132 million, as the Company benefited from higher sales volume, effective selling and marketing programs and lower operating expenses.

RETAIL AND COMMERCIAL SALES PERFORMANCE

- In 2023, 23 new Petron service stations were added under the Group. Petron as a Group boasted a network of over 770 service stations nationwide, increasing rapidly to make its products more accessible for customers' convenience.
- The Group was the first in the market to offer 'Cash and Carry' LPG cooking gas at service stations. Today, the Group has more than 180 Petron stations selling Gasul LPG of which 44 were added in 2023.
- The Company is committed to continuously enhance its customers' experience, as it genuinely cares for the customers' diverse needs.
- The Indoor and Outdoor Payment Terminal Infrastructure were upgraded in 2023 that enabled contactless payment and redemption of loyalty points at the pumps.
- Additional customer services were added such as windscreen cleaning, tyre polish and giving away free beverages.
- The Group is proud of its clean toilet program. Currently, about 80% of Petron toilets rated by local authorities had received 4 to 5 stars ratings. 19 stations received clean toilet awards from local authorities in 2023.
- Petron is passionate about providing total customer solutions through its business alliances.
- Petron increased its non-fuel business and added new partners like Krispy Kreme and San Francisco Coffee into Petron's Treats stores and expanded its alliances with local and international brands such as Costa Coffee, Rotiboy, Kejap Food and Dunkin Donut. Today Petron has alliances at more than 200 service stations.
- Petron also offers other services such as money changer, car wash and car rental services for its customers' convenience.
- By providing a non-stop center for its customers, Petron generates non-fuel income and future-proof its business.
- Demand for jet fuel continued to recover post-pandemic. The Company secured new accounts and additional volume from its existing accounts which contributed to 33% improvement in its jet fuel sales. This was also made possible by the better refinery yield resulting in higher jet fuel production.
- In LPG, the Company injected more cylinders to support the growing business, focused on key growth areas.

- These sales performance strengthened the Company's presence and relevance in a dynamic and evolving marketplace.

REFINING AND DISTRIBUTION OPERATIONS

- The Company continued to improve its supply, refinery and distribution operations. Its strong focus to ensure reliable and optimized refinery operations resulted in a 10% growth in production volume. With better operational efficiency, the Company reduced the refinery's energy consumption by 4% for every barrel of processed crude.
- More than 95% of crude processed at Port Dickson Refinery (PDR) were Malaysia Crude Oil, in support of the local economy. The improved PDR operations allows diversification of crude processing of imported crudes.
- Petron is the only oil company in Malaysia that produces its own renewable Palm Oil Methyl Ester from Lumut PME plant to make high quality biodiesel. It is sustainably produced and certified by the Malaysia Sustainable Palm Oil, MSPO Council.
- With higher sales volume, Petron's truck deliveries increased by 4% and all product orders were successfully fulfilled and reached the service stations and commercial sector customers safely and reliably with zero incidents recorded.
- The Company's distribution and terminal operations remained flawless and recorded 35.46 million injury-free man-hours or 26.8 years without any Loss Time Injuries (LTI).

ADVANCING SUSTAINABILITY COMMITMENT

- The Company drives towards sustainability is evident in its Economic, Environmental and Social (EES) initiatives.
- These led to improved productivity, reduced carbon footprint and a more efficient and stronger business for the Company.
- Through the Company's Green Partnership with Universiti Putra Malaysia (UPM), the Company strengthened its efforts on carbon sequestration and biodiversity conservation at its 400 acres of green lung in PDR.
- The Company pursued circular economy initiatives by converting PDR's bio-sulphur by-product into fertilizer additive for animal feedstock.
- 400 trees were planted in 2023 by the Petron's employees and service station dealers throughout the country.
- To reduce energy consumption, the Petron installed solar panels, LED and solar powered lights.

- Petron increased its rainwater harvesting Initiatives throughout its facilities to reduce purchase water consumption.
- Petron is deeply committed towards a sustainable future in line with national and global sustainability objectives.

UPHOLDING EXCELLENCE ACROSS THE BUSINESS

- Petron continued to be recognized for its excellence in various aspects. At the 41st MSOSH Awards, the Group received a total of 9 awards – 3 Grand, 3 Gold Merit and 3 Gold Class 1 for outstanding safety performance.
- Petron is proud to have its Petron Senal Jaya service station to have won the Toilet of the Year Award 2023 from the Ministry of Local Government & Development, while Petron Stadium Hang Jebat won the ASEAN Public Toilet Award from the Ministry of Tourism Arts and Culture.
- Petron received numerous awards acknowledging Petron as the employer of choice amongst young graduates and these are Graduates' Choice Award and Malaysia's Leading Graduate Award.
- All these awards are testament to Petron being among Malaysia's top 5 most trusted companies for two (2) consecutive years.

QUESTIONS FROM SHAREHOLDERS/PROXIES

Written questions that had been submitted in advance by Shareholders were answered by the Chief Executive Officer and Management.

Shareholders/proxies present then posed questions relating to the Company, its performance, operations and audited accounts, to which the Chief Executive Officer and Management provided responses. Some key questions and responses given by the Company are as on Appendix 'A' herein.

In the interest of time, the Company Secretary informed the Shareholders/proxies that questions which could not be asked at the AGM can be emailed to the Company at petron.65thagm.questions@petron.com.my up to 4.00pm Friday June 14, 2024. The responses to the questions will be posted on the Company website.

FORMAL PROPOSAL OF RESOLUTIONS

Shareholders/proxies were reminded that at the end of the process of formal proposals in respect of each resolution as stated in the Notice of Meeting, the AGM would be temporarily adjourned for the poll voting process. Each of the ordinary resolutions per the Notice of Meeting, were then formally proposed and seconded.

TEMPORAY ADJOURNMENT / POLL VOTING

Following the formal proposal in respect of each of the Resolutions, the Chairman declared the registration of Shareholder/proxies to attend the AGM closed for purposes of conducting the voting. The AGM was temporarily adjourned by the Chairman at 3.10p.m. to allow the Shareholders/proxies to cast their votes. Messrs Tricor Investor Issuing House Services Sdn Bhd conducted the poll and the tabulation of votes. Messrs Coopers Professional Scrutineers Sdn Bhd acted as Independent Scrutineers.

DECLARATION OF RESULTS OF POLL

At 3.45 p.m., the AGM was re-convened by the Chairman. Returning Officer/Independent Scrutineer's Representative, Mr. Chuah Poo San, read out the results of the Poll that all the Resolutions tabled at the AGM, as stated below, were duly approved and carried:

- Resolution 1** - THAT the payment of final dividend of 23 sen per ordinary share for the year ended 31 December 2023, be and is hereby approved.
- Resolution 2** - THAT the re-election of Executive Director, Mr. Ramon S. Ang, as a Director of the Company in accordance with Articles 103 and 104 of the Company's Constitution, be and is hereby approved.
- Resolution 3** - THAT the re-election of Independent Director, Ms. Antonio M. Cailao, as a Director of the Company in accordance with Articles 103 and 104 of the Company's Constitution, be and is hereby approved.
- Resolution 4** - THAT the re-election of Independent Director, Y. Bhg Datuk Nik Mohd Hasyudeen Yusoff, as a Director of the Company in accordance with Articles 103 and 104 of the Company's Constitution, be and is hereby approved.

- Resolution 5** - THAT the election of Executive Director, Ms. Jacqueline L. Ang, as a Director of the Company in accordance with Article 109 of the Company's Constitution.
- Resolution 6** - THAT the payment of Directors' fees and benefits to the Independent Directors with effect from 1 January 2024 until the next Annual General Meeting of the Company, as follows:
- (a) Annual Directors Fees of RM112,320 to be paid to each Independent Director in 2024.
 - (b) The following payments from 1 January 2024 until the next Annual General Meeting in 2025:
 - (i) Attendance Allowance of RM3,000 per meeting for each Independent Director Chairperson of a Committee;
 - (ii) Attendance Allowance of RM2,500 per meeting for each Independent Director (who is not a Chairperson of a Committee);
 - (iii) (up to) RM700 per month in fuel allowance /claims by each Independent Director; and
 - (c) An ex-gratia bonus payment of RM20,000 for each Independent Director who served a full term in 2023, for services rendered to the Company.
- be and is hereby approved.
- Resolution 7** - THAT the appointment of Messrs PricewaterhouseCoopers as Auditors of the Company for the financial year ending 31 December 2024, to hold office until the conclusion of the AGM in 2025 (with authorization to the Board of Directors to determine their remuneration), be and is hereby approved.
- Resolution 8** - THAT the renewal of existing Shareholders' Mandate for Recurrent Related Party Transactions of Revenue or Trading Nature, as follows:
- (a) Subject always to the Companies Act, 2016 ("the Act"), the Constitution of PMRMB and Main Market Listing Requirements of Bursa Securities, approval

be and is hereby given to the Company and/or its subsidiaries to enter into the recurrent related party transactions of revenue or trading nature with the related parties as specified in Section 2.5 of the Circular to Shareholders dated 26 April 2024 (“Circular”), provided that such transactions are necessary for day-to-day operations and carried out in the ordinary course of business and at arms-length basis on normal commercial terms which are not more favourable to the related parties than those generally available to the public and are not detrimental to the interest of the minority shareholders of the Company (“the Mandates”);

- (b) the Mandate shall commence immediately upon passing of this ordinary resolution and the authority conferred by such mandate shall continue to be in force until:
- (i) the conclusion of the next AGM of the Company following the forthcoming AGM, at which time it shall lapse, unless by a resolution passed at a general meeting, the mandate is again renewed; or
 - (ii) the expiration of the period within which the next AGM is required to be held pursuant to Section 340(2) of the Act (but must not extend to such extension as may be allowed pursuant to Section 340(4) of the Act); or
 - (iii) revoked or varied by a resolution passed by the shareholders in a general meeting.

whichever is the earlier;

- (c) and the Directors of the Company be and are hereby empowered and authorized to complete and do all such acts and things as they may consider expedient or necessary to give effect to this Ordinary Resolution.

be and is hereby approved.

(For voting on this resolution, major shareholder Petron Oil & Gas International Sdn Bhd abstained from voting due to its conflict of interest).

The Chairman then declared each Resolution as carried.

Adjournment

The Chairman thanked the Shareholders present for their participation and support. There being no further business, the Annual General Meeting was adjourned at 3:55 p.m. with a vote of thanks to the Chair.

Respectfully prepared/submitted by



MANOJ DEVADASAN
Corporate Secretary

Confirmed by the Board of Directors:



MR. RAMON S. ANG
Chairman

Date: 29th August 2024