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MEDIA RELEASE

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PETRON REPORTS PROFIT FOR 2024 DESPITE CHALLENGING YEAR

KUALA LUMPUR – Petron Malaysia Refining & Marketing Bhd (PMRMB) concluded 2024 with a net profit of RM18 million amid market challenges. Domestic sales volume reached 23.4 million barrels, slightly higher than the previous year. Commercial sales grew 14%, offsetting the temporary decline in retail sales as diesel demand dropped due to the targeted subsidy implementation. However, overall decline in prices during the year compared to the previous year and reduction in export sales resulted to lower revenues at RM15.9 billion.

Gross profit ended 51% lower at RM274 million largely due to the contraction in regional refining cracks reflecting the market sentiments on China's tepid economy and global oil demand slowdown. The average price of Dated Brent crude in 2024, while only 2% lower compared to 2023, continued to show volatility due to geopolitical tensions in the Middle East. Dated Brent fell by as much as 18% to \$74/bbl in December from its \$90/bbl peak in April, resulting to higher inventory holding costs.

As prices fell by 11% in the last quarter coupled by the decline in sales volume due to the reduced retail diesel demand post targeted subsidy and lower export sales, the company posted revenues of RM3.1 billion. Meanwhile, the company suffered a net loss of RM70 million during the fourth quarter owing to depressed regional refining cracks prevailing during the period and the costs related to repairs at Port Dickson Refinery, completed before year-end. Nevertheless, the full year net income still ended positive at RM18 million.

"2024 was full of challenges for the oil industry, and certainly for Petron. The oil market remained volatile amid the shift in domestic demand following the diesel targeted subsidy. Nevertheless, we kept

our prudent risk and resource management while pursuing programs that will yield higher returns in the long run,” said PMRMB Chairman Ramon S. Ang.

Petron opened its 800th service station under the Petron Malaysia Group, as well its 200th cash and carry Gasul LPG sales outlet. In terms of improving customer experience, the company further enhanced its 'One-Stop-Centre' offerings through Treats and PKedai marts selling locally made products, as well as by increasing its variety of food outlets and car services.

Highlighting safety and operational excellence, the Group¹ secured a record-breaking 15 awards at the 42nd Malaysian Society for Occupational Safety and Health (MSOSH) Award, including a **Platinum Award**, the highest honor in the competition. Petron was also the first oil and gas company to be given the **Gold Class 1 Award** for four of its retail service stations.

Beyond safety, PMRMB has maintained its best practices in environmental, social, and governance (ESG). The Company which has been part of FTSE4Good Bursa Malaysia (F4GBM) Index representing the top 18% of public listed companies leading in ESG, has further improved its ESG score from 3.1 to 3.4 in the year 2024.

(END)

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.

¹ Petron Malaysia Group comprises of PMRMB and its sister companies, Petron Fuel International Sdn. Bhd., and Petron Oil (M) Sdn. Bhd.