

TARIKH : 16 NOVEMBER 2022
AKHBAR : THE SUN
MUKA SURAT : 13

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► Nine-month profit after tax of RM1.3 billion, interim dividend of 18 sen declared for third quarter

KUALA LUMPUR: Petronas Gas Bhd (PetGas) closed the third quarter of 2022 (Q3'22) with a lower profit after tax (PAT) of RM1.3 billion on unfavourable foreign exchange movement and prosperity tax.

"The high energy prices and strong performing US dollar continue to influence PetGas's financial results. Nevertheless, we are committed to effectively manage our operations and assess growth opportunities to mitigate any adverse outcome from these external factors. PetGas remained profitable despite the challenging market environment that we are

currently in," said managing director and CEO Abdul Aziz Othman.

"As a gas infrastructure company, our business is based on capacity booking, in which currently are underpinned by long-term contracts. We have submitted our proposal with several recommendations as part of our effort to minimise the risk from gas price volatility and unfavourable foreign exchange movements. We shall wait for Suruhanjaya Tenaga's (Energy Commission) response on this," he added.

PetGas maintained its world-class reliability in across all its plants and facilities during the quarter, which saw steady earnings from the group's long-term contracts covering its gas processing, gas transportation and regasification segments. The group's average sales gas delivered has picked up, driven primarily by robust domestic demand.

In the first nine months of 2022, PetGas's revenue increased by 9% to RM4.53 billion compared with RM4.15 billion recorded in 2021, mainly driven by higher revenue from the

utilities segment on the back of higher product prices and higher electricity sales volume.

Gross profit was lower by 11% to RM1.88 billion from RM2.1 billion due to higher fuel gas cost, impacting operating costs across all segments. In tandem with lower gross profit, unfavourable foreign exchange movement and prosperity tax, PAT fell by 20% to RM1.3 billion.

Revenue for Q3 improved quarter-on-quarter by about 10% from RM1.43 billion to RM1.56 billion, mainly from higher Utilities revenue as a result of higher product prices in line with higher fuel gas price. Gross profit nevertheless declined by 19% from RM793 million to RM644 million due to higher operating costs across all segments, mainly related to fuel gas and internal gas consumption costs. In tandem with the lower gross profit and unfavourable foreign exchange movement, Q3 PAT decreased by 28% to RM443 million.

An interim dividend of 18 sen per ordinary share was declared for Q3'22, similar to the dividend declared in Q3'21.