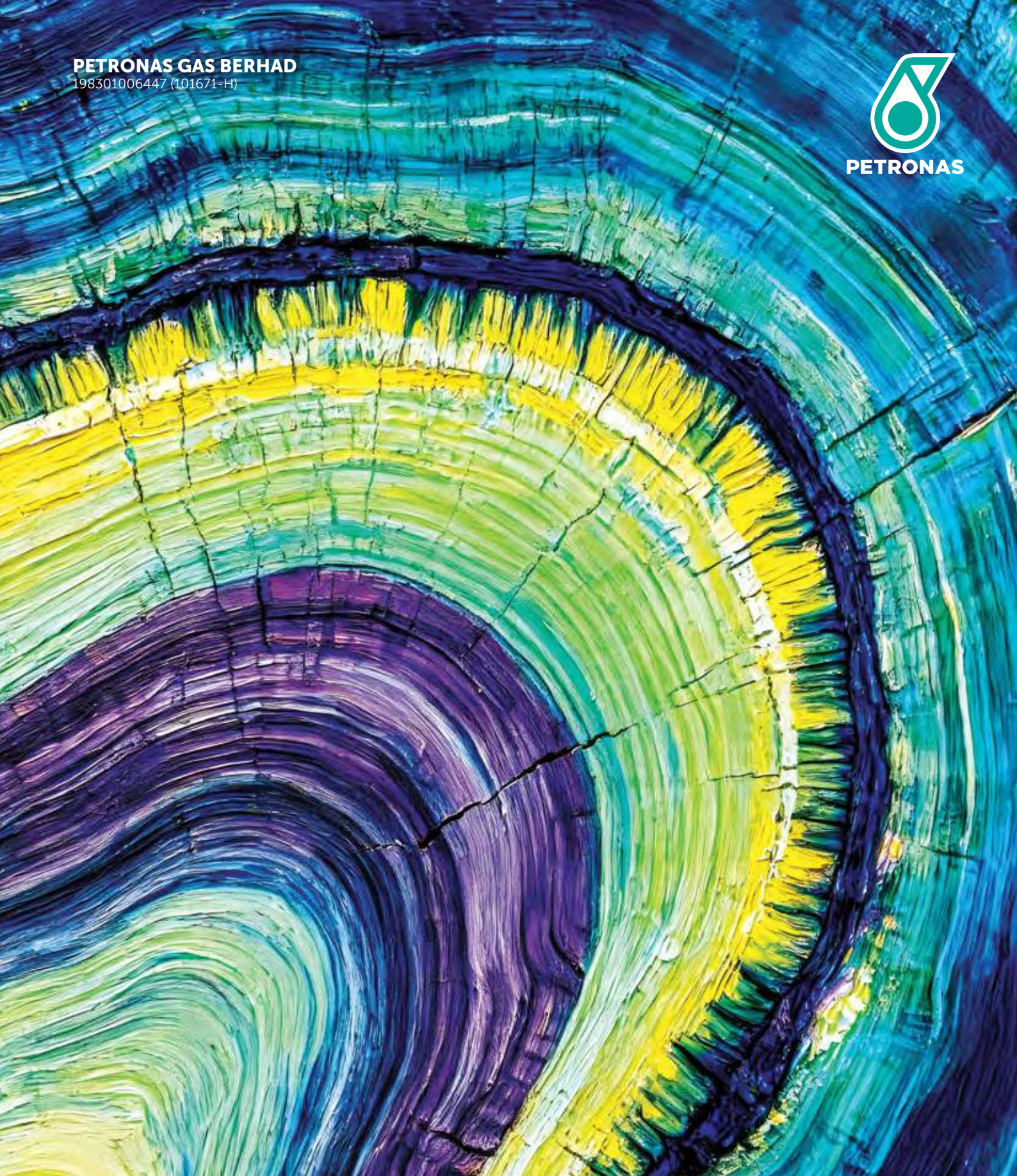


PETRONAS GAS BERHAD
198301006447 (101671-H)



PETRONAS



PROGRESSING WITH RESILIENCE

INTEGRATED REPORT 2025



This year's cover presents a powerful metaphor that captures the essence of our journey – the tree rings illustrate growth and resilience shaped over time.

Each tree ring symbolises steady progress, with each year adding depth and strength to our foundation. The circular feature echoes last year's cover, reinforcing continuity in our progress.

Our Reporting Suite

Integrated Report
The Integrated Report stands as the paramount document for our stakeholders, presenting our distinctive value creation proposition and exemplary performance delivery.

Sustainability Report

The Sustainability Report outlines our endeavours and steadfast commitment to foster a sustainable business strategically positioned for long-term success.



Scan the QR code to access the full version of our Integrated Report 2025 and Sustainability Report 2025. The reports are also accessible online on the PGB website.

About This Report

Integrated Reporting Approach

PETRONAS Gas Berhad (PGB or the Group) prepares this Report using an integrated reporting approach that connects financial performance, business activities and sustainability priorities within a single, coherent narrative. The Report is aligned with the International Integrated Reporting Framework and explains how strategy, governance, performance and prospects interact to create value in the short-, medium- and long-term. This approach enhances transparency and provides stakeholders with a clear and balanced view of the Group's operations and corporate conduct.

Regulations and Guidelines

- Companies Act 2016
- Bursa Malaysia Main Market Listing Requirements
- Malaysian Code on Corporate Governance 2021
- Bursa Malaysia's Corporate Governance Guide (4th Edition)
- Malaysian Financial Reporting Standards
- International Financial Reporting Standards S1 and S2

Scope and Boundary of Reporting

This Report covers the principal activities of the Group, including its business segments, subsidiaries and joint ventures. It is prepared to meet the information needs of long-term investors while providing relevant insight for other key stakeholders, including employees, customers, government agencies, regulators, suppliers and communities. The reporting period is from 1 January to 31 December 2025, unless otherwise stated.

Restatement of Information

Certain comparative data for 2023 and 2024 have been restated to reflect the standardisation of calculation methodologies or revised interpretations of applicable reporting requirements. Where restatements have been made, the basis for the changes is disclosed accordingly.

Our Governance and Sustainability Approach

Our Ability to Create and Protect Value

The Group's governance and sustainability approach is embedded within strategic decision-making across the short-, medium- and long-term. It aligns corporate objectives with broader societal considerations in the pursuit of sustainable value creation.

The governance framework establishes clear accountability, oversight and ethical conduct across the organisation. It guides leadership and corporate citizenship while safeguarding the integrity of operations. The sustainability approach complements this by integrating considerations of economic, environmental, social and governance into business planning and execution. Further details are set out in the Sustainability Report.

Read more about sustainability in our Sustainability Report.

Forward-Looking Statements

Certain statements in this Report, including those related to future plans, sustainability initiatives and energy transition efforts, are forward-looking in nature. These statements are based on current expectations and assumptions that are subject to risks, uncertainties and changes in circumstances. Actual outcomes may differ materially. PGB does not undertake to update these statements except as required by law or regulation.

Approval by the Board

PGB Board of Directors recognises its duty to uphold the integrity of this Integrated Report. In the Board's assessment, the Report comprehensively addresses all material issues pertinent to the Group's value creation and accurately reflects the integrated performance of PGB Group. Prepared in accordance with the Integrated Reporting Framework, this Report embodies our commitment to transparent and comprehensive reporting.

Datuk Adif Zulkifli
Chairman

Abdul Aziz Othman
Managing Director/Chief Executive Officer

43RD ANNUAL GENERAL MEETING OF PETRONAS GAS BERHAD

Date:
Wednesday,
10.00 a.m.
29 April 2026

Venue:
Grand Ballroom, Basement II, Shangri-La Kuala Lumpur,
11 Jalan Sultan Ismail,
50250 Kuala Lumpur, Malaysia

Inside This Report

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Our Six Capitals

F Financial The pool of funds that is available to an organisation for use in the production of goods or the provision of services and obtained through financing, such as debt, equity or grants, or generated through operations or investments.	N Natural All renewable and non-renewable environmental resources and processes that provide goods or services that support the past, current or future prosperity of an organisation, including air, water, land, minerals and forests, as well as biodiversity and ecosystem health.	M Manufactured Manufactured physical objects that are available to an organisation for use in the production of goods or the provision of services, including buildings, equipment and infrastructure.	I Intellectual Organisational, knowledge-based intangibles, including intellectual property, such as patents, copyrights, software, rights and licenses, as well as organisational capital such as tacit knowledge, systems, procedures and protocols.	H Human People's competencies, capabilities, experiences and motivations to innovate in alignment with an organisation's strategy.	SR Social and Relationship The institutions and the relationships within and between communities, groups of stakeholders and other networks and the ability to share information to enhance individual and collective well-being.
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Navigation Icons

- This icon tells you where you can find more information inside this Report.
- This icon tells you where you can find more information in the Sustainability Report.

Our Strategic Thrusts

- Operational Excellence
- Commercial Excellence
- Growth
- People and Culture

Material Matters

- Sustainable Value Creation
- Energy Management
- Climate Change Management
- Waste Management
- Water Management
- Biodiversity Management
- Pollution Management
- Occupational Safety & Health
- Talent Management
- Human Rights Management
- Sustainable Supply Chain
- Equal Opportunity, Diversity and Inclusion
- Community Engagement
- Business Ethics and Transparency
- Cybersecurity and Data Privacy

Key Stakeholder Groups

- Investors and Funding Institutions
- Customers
- Business Partners
- Suppliers and Vendors
- Employees and Unions
- Government Agencies and Authorities
- Communities
- Non-Governmental Organisations
- Media

Time Horizons for Value Creation

We categorise our strategic planning and performance evaluation across three time horizons:

Short-term (1-5 years):
Focuses on immediate operational goals, regulatory compliance and market responsiveness.

Medium-term (5-15 years):
Encompasses business growth strategies, infrastructure development and key investment milestones.

Long-term (>15 years):
Aligns with sustainability commitments, industry transformation and long-term stakeholder value creation.

This ensures clarity for stakeholders in assessing our strategies and objectives over different periods.

2025 Key Highlights

In 2025, PGB continued to deliver long-term value creation in line with the PGB Strategic Agenda. Performance across Gas Processing, Gas Transportation, Regasification and Utilities remained resilient, driven by sustained product reliability, disciplined asset management and ongoing enhancements in safety and operational oversight. The year also saw steady progress in growth initiatives, capability development and the wider adoption of digital tools to support governance and decision-making, alongside strengthened sustainability efforts across the value chain. These collective efforts reinforce PGB's long-term stability while maintaining maximised returns for shareholders.

Financial Highlights

Revenue

RM6.4
billion

2024: RM6.5 billion

Profit After Tax

RM1.8
billion

2024: RM1.9 billion

EBITDA

RM3.4
billion

2024: RM3.4 billion

Dividend Declared

72.0
sen per share

2024: 72.0 sen per share

Total Assets

RM19.8
billion

2024: RM18.8 billion

Market Capitalisation

RM35.9
billion

2024: RM35.0 billion

Earning per share

87.3
sen per share

2024: 92.8 sen per share

Total Equity

RM14.7
billion

2024: RM14.2 billion

Closing Share Price

RM18.14

2024: RM17.68

For further details, please refer to the Financial Review section on pages 60 to 73 of this Report.

Business Highlights

Operational Excellence

- Maintained **100 per cent Product Delivery Reliability** across all Gas Processing products
- Sustained above world-class **Overall Equipment Effectiveness** across Gas Processing, Regasification and Utilities segments

Health, Safety, Security, and Environment (HSSE)

- Recorded **Zero** Fatality, Major Loss of Primary Containment case and Major Security incident
- Recorded **One** Lost Time Injury and **One** Major Fire incident
- Proactive monitoring of leading indicators to **improve governance compliance and HSSE culture**

Strategic Growth

- Completed **expansion of Liquefied Natural Gas (LNG) storage facilities** at Regasification Terminal Pengerang
- Completed and **commenced operations of Kluang Compressor Station**
- Received **Letter of Notification and commenced development of 120MW power plant** in the Federal Territory of Labuan
- Achieved **Final Investment Decision for fibre optic infrastructure** project along Peninsular Gas Utilisation's Right-of-Way

Building Capabilities and Culture

- Achieved **high scores** on all cultural anchors for the in-house **Organisation Culture Assessment**
- Introduced **in-house leadership programmes to strengthen the leadership pipeline and build future-ready capabilities**
- Facilitated **307 participants** through the **Nurturing Young Leaders Programme**, including the Commercial Excellence Academy
- Launched the **Leading with Empathy programme for Managers and Senior Managers**, with **37 participants** equipped to foster inclusion and empathy across the organisation

Advancing Digital Technologies

- Utilised **low earth orbit satellite connectivity** for turnaround activities to maintain reliable on-site communications
- Introduced the **myGovernance Advisor AI Agent** under the PGB Generative AI Programme to enhance governance and assurance practices
- Strengthened operational efficiency and risk oversight through the **analytics-enhanced Electronic Permit to Work+ 2.0 Dashboard**



For further details, please refer to the Business Review on pages 52 to 59 of this Report.

2025 Key Highlights

Sustainability Highlights



Safeguard the Environment

Greenhouse Gas (GHG) Emissions

- Achieved a **175,778 tonnes CO₂e reduction** in GHG Emissions
- Included **three additional material Scope 3 categories**, comprising Categories 3, 10 and 15

Waste Management

- Achieved a **4R (Recover, Recycle, Reuse and Reduce) rate of 86 per cent**, exceeding the target of 65 per cent, showcasing our commitment to sustainable operations

Water Management

- Advanced **water efficiency initiatives** at selected Utilities and Gas Processing facilities, including condensate reuse, system refurbishment and leak rectification efforts
- Implemented measures such as **rainwater harvesting and optimisation of water treatment systems** to support reductions in freshwater dependency and improved water use efficiency

Energy Management

- Enhanced **energy management practices** through alignment of energy performance terminology with updated PETRONAS technical standards, in compliance with global standards
- Initiated **preparations to comply with the Energy Efficiency and Conservation Act requirements**, including energy governance enhancements where applicable
- Implemented **targeted energy efficiency initiatives** at selected Utilities facilities to improve turbine and heat recovery system performance



Positive Social Impact

Uplifting Lives

- Organised **Uplifting Lives festive initiatives nationwide** in collaboration with PETRONAS regional offices, Jabatan Kebajikan Masyarakat Malaysia and Yayasan PETRONAS
- Extended **aid to targeted beneficiaries and under-served communities** across multiple locations where PGB operates
- Organised **free market** to distribute pre-loved items to **communities in need** ahead of Aidilfitri

Planting Tomorrow

- First installation of a community solar project** in Melaka through the PGB-Yayasan Hijau Malaysia Solar Programme
- Participated in **turtle conservation activities** and coordinated **coastal clean-up initiatives** along the East Coast
- Supported **environmental awareness efforts** through Hari Alam Sekitar Negara in collaboration with the Department of Environment and local authorities

Powering Knowledge

- Supported Science, Technology, Engineering and Mathematics learning through **education assistance initiatives in Sabah**, including the provision of learning tools to students from underprivileged communities
- Contributed towards **improving learning infrastructure** at a secondary school in Sipitang, Sabah, in collaboration with Yayasan PETRONAS
- Improved **graduate employability** through the **Graduate Employability Enhancement Scheme** which saw the participation of **60 graduates** in 2025
- Continued **student engagement and academic support programmes** covering industry exposure, knowledge sharing and structured tuition for selected secondary school students



Responsible Governance

IFRS S1 and S2 Disclosure Compliance

- Progressed **PGB's alignment with International Financial Reporting Standards S1 and S2 disclosures** which will strengthen the integration of sustainability-related risks and opportunities including climate change into enterprise risk management, governance and financial reporting

FTSE4Good Rating

- Maintained a score of **4.7** in 2025



Corporate Governance



- PGB was recognised among the **Top 50 ASEAN Public Listed Companies** at the **ASEAN Corporate Governance Awards**

Bloomberg ESG Score

- Improved score from 5.31 in 2024 to **5.36** in 2025, surpassing the industry median

Awards and Recognitions

Reporting Awards

- Gold Award**, Australasian Reporting Award
- Best of Malaysia and Cover Design Categories**, Annual Report Competition Award, New York



Gas Transportation

Malaysia Technology Expo 2025 – International Innovation Awards

- Gold Award – Digital Management Asset Tracking** ICT Category
- Silver Award – Automation of LNG Drain Spool System Project** Protection of the Environment: Water, Wastewater and Sanitisation Category
- Bronze Award – Thermochromic Sticker for Hotspot Monitoring** Safety and Security Category



For further details on our sustainability achievements, please refer to our standalone Sustainability Report 2025.

Who We Are

Malaysia's leading gas infrastructure and utilities company and one of the largest companies on the local exchange in terms of market capitalisation, with core businesses in Gas Processing, Gas Transportation, Regasification and Utilities.

Statement of Purpose

A Progressive Energy and Solutions Partner Enriching Lives for a Sustainable Future

Shared Values



Loyalty



Professionalism



Integrity



Cohesiveness

How We Differentiate Ourselves



Our Profitable and Balanced Business Portfolio



Our Integrated Gas Infrastructure and Utilities Facilities



Our Operational Excellence and Reliable Product Delivery at Competitive Cost



Our High-Performing People

Cultural Beliefs



Customer Focused
I deliver solutions from the customer lens



Innovate Now
I challenge norms and push boundaries



Be Enterprising
I seek opportunities and make them happen



Speak Up
I express my views openly



Courage to Act
I take action to progress with pace

Who We Are Corporate Structure

PETRONAS Gas Berhad

Category	Company Name	Ownership
Subsidiary	Regas Terminal (Sg. Udang) Sdn. Bhd.	100% PGB
	PG Gas Processing Sdn. Bhd.	100% PGB
	PG Energia Sdn. Bhd.	100% PGB
	PG Transco Sdn. Bhd.	100% PGB
	PG Linkaranfibre Sdn. Bhd.	100% PG Energia Sdn. Bhd.
	PG Cold Energy 1 Sdn. Bhd. (formerly known as Regas Terminal (Pengerang) Sdn. Bhd.)	72.22% PG Energia Sdn. Bhd. 27.78% Dialog Equity (Three) Sdn. Bhd.
Joint Venture	PG Utilities East Sdn. Bhd.	100% PG Energia Sdn. Bhd.
	Sipitang Utilities Sdn. Bhd.	90% PG Energia Sdn. Bhd. 10% KAB Energy Holdings Sdn. Bhd.
	Pengerang LNG (Two) Sdn. Bhd.	65% PGB 25% Dialog LNG Sdn. Bhd. 10% Permodalan Darul Ta'zim Sdn. Bhd.
	Kimanis Power Sdn. Bhd.*	60% PGB 40% NRG Consortium (Sabah) Sdn. Bhd.
	Kimanis Power (Dua) Sdn. Bhd.*	60% PG Energia Sdn. Bhd. 40% NRG Consortium (Sabah) Sdn. Bhd.
	Kimanis O&M Sdn. Bhd.*	60% PGB 40% NRG Consortium (Sabah) Sdn. Bhd.
	Pengerang Gas Solutions Sdn. Bhd.*	51% PGB 49% Linde Malaysia Sdn. Bhd.
	Industrial Gases Solutions Sdn. Bhd.	50% PGB 50% Linde Malaysia Sdn. Bhd.
	Rancha Power Sdn. Bhd.*	60% PG Energia Sdn. Bhd. 20% Sustainable Power Sdn. Bhd. 20% SEC Power Sdn. Bhd.
Associate	Gas Malaysia Berhad	35.77% Public Shareholders 30.93% Anglo-Oriental (Annuities) Sdn. Bhd.
		18.50% Tokyo Gas-Mitsui & Co Holdings Sdn. Bhd. 14.80% PGB

* Although the Group has more than 50 per cent ownership, the Group treats these companies as joint ventures in accordance with Malaysian Financial Reporting Standard 10.

Where We Operate

Our Presence

Overview

2 Gas Processing Complexes	Total Gas Processing Capacity 1,750MMscfd			
2 Utilities Complexes	Electricity 256MW	Steam 1,080t/h	Oxygen 32,000Nm³/h	Nitrogen 77,740Nm³/h
1 Power Plant	Electricity 285MW			
1 Industrial Gases Plant	Oxygen 41,000Nm³/h	Nitrogen 22,500Nm³/h		
2 Regasification Terminals	Liquefied Natural Gas (LNG) Regas Capacity 990MMscfd			
2 Export Terminals	Tanjung Sulong Export Terminal 8,000DWT (Pressurised) 55,000DWT (Refrigerated)	Kertih Shared Marine Facilities 2,500DWT (Pressurised)		

2,675 km Overall Pipeline Length



Main Peninsular Gas Utilisation (PGU) Pipeline	Length (km)	Gas-in
PGU I : Kertih – Teluk Kalong	32	1983
PGU II	714	
Sector I : Teluk Kalong – Segamat	265	1991
Sector II : Segamat – Kapar	241	1991
Sector III : Segamat – Plentong	208	1991
PGU III	450	
Sector I : Meru – Lumut	184	1996
Sector II : Lumut – Gurun	130	1996
Sector III : Gurun – Pauh	136	1996
Loop 1 : Kertih – Segamat	266	1999
Loop 2 : Segamat – Meru	228	2000
Total	1,690	

Overall Pipeline	Length (km)
Main PGU	1,690
Lateral	510
Liquid	373
Sungai Udang	30
Pengerang	72
Total	2,675

Complex	GPP	Capacity (MMscfd)
Gas Processing Kertih (GPK)	2	250
	3	250
	4	250
Gas Processing Santong (GPS)	5	500
	6	500
Total		1,750

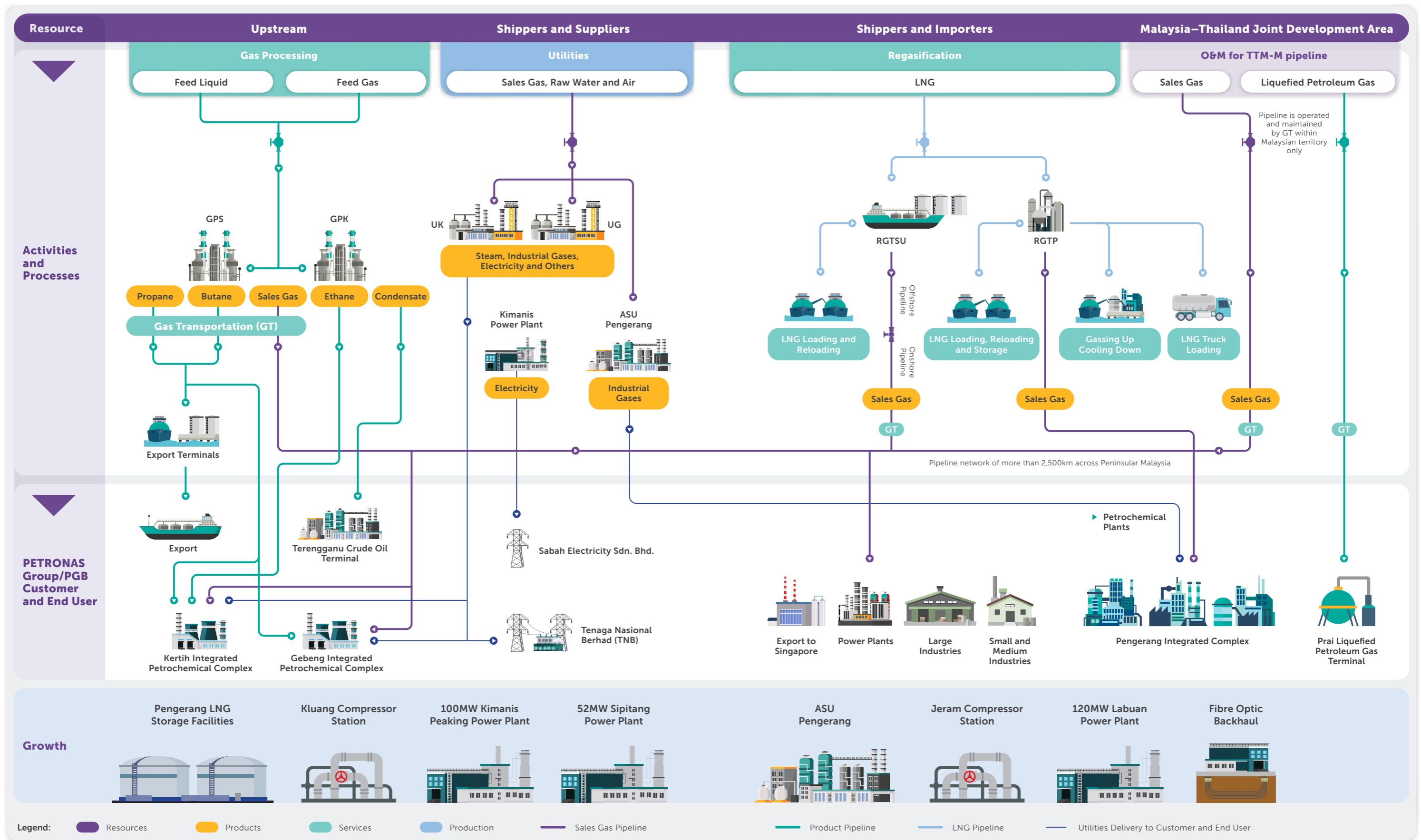
Product Capacity	Electricity (MW)	Steam (t/h)	Oxygen (Nm ³ /h)	Nitrogen (Nm ³ /h)
Utilities Kertih (UK)	160	600	32,000	69,500
Utilities Gebeng (UG)	96	480	–	8,240
Kimanis Power Plant	285	–	–	–
Air Separation Unit (ASU) Pengerang	–	–	41,000	22,500
Total	541	1,080	73,000	100,240

LNG Regasification Terminal	Capacity (MMscfd)
Regasification Terminal Sungai Udang (RGTSU)	500
Regasification Terminal Pengerang (RGTP)	490
Total	990

Operations and Maintenance (O&M) Services
Trans Thai-Malaysia (M) Sdn. Bhd. (TTM-M)

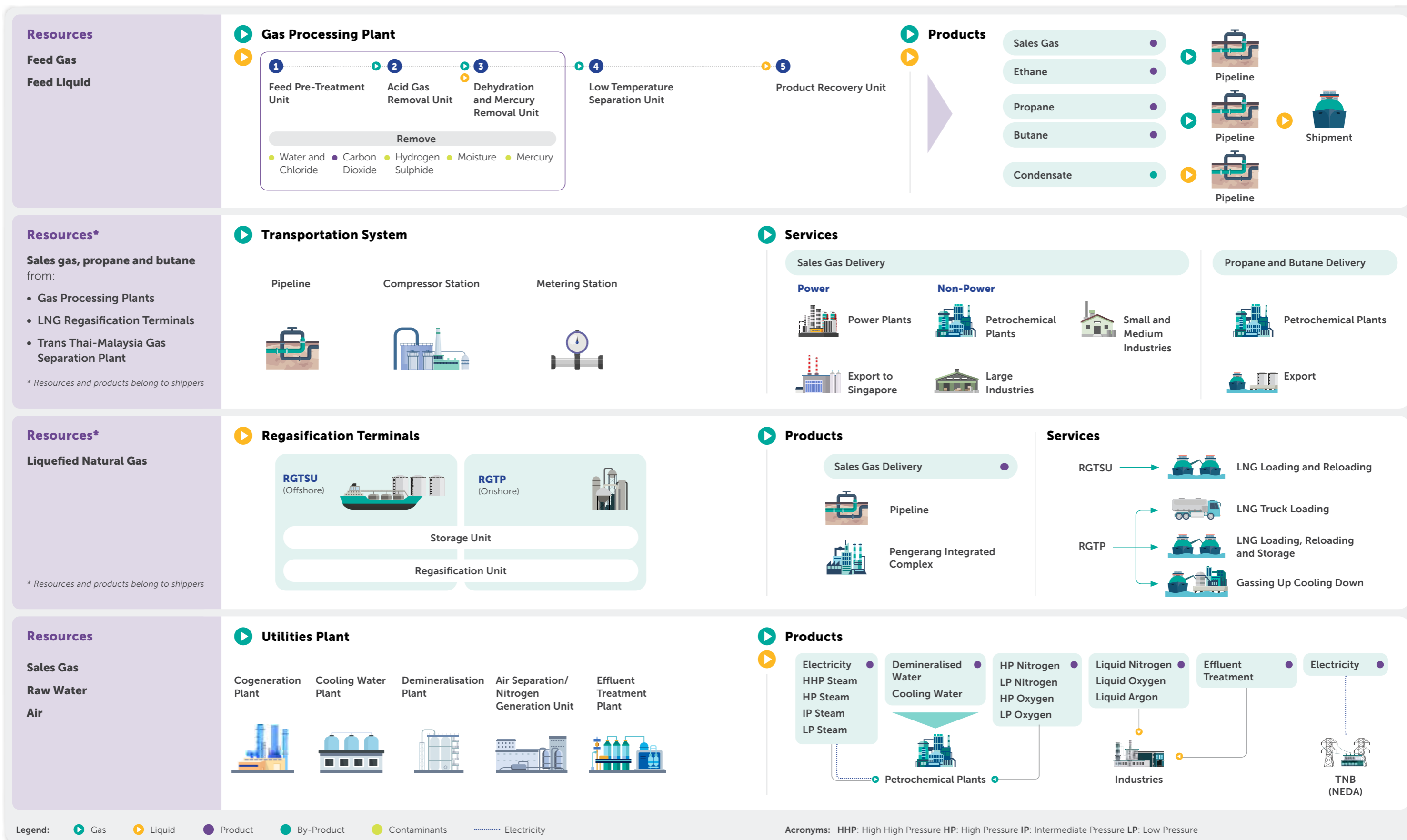
Where We Operate

Our Group Business Activities and Processes



Where We Operate

Our Group Business Activities and Processes



Chairman's Message



Dear Valued Shareholders,

2025 was a year that tested the resilience of our organisation and the strength of our convictions. In navigating a complex and demanding landscape, we remained steadfast in our duties and focused on safeguarding long-term value while upholding the trust placed in us.

Datuk Adif Zulkifli
Chairman



Stewarding Responsible Value Creation in a Shifting Energy Landscape

Navigating a Dynamic and Challenging Energy Landscape

The global energy landscape remained highly dynamic in the year under review. Geopolitical tensions, shifting trade policies and supply chain constraints continued to influence market behaviour, while foreign exchange fluctuations and a persistently high Service Producer Price Index added to the sector's cost pressures.

Concurrently, global energy demand expanded at a faster pace as cooling needs, industrial activity and data centre growth accelerated. While the growth of renewables continues to ramp up, natural gas is ultimately the key destination fuel globally due to its reliability, lower-carbon profile and ability to meet rising power demand.

Within this environment, we maintained disciplined cost management and focus on long-term strategic growth. This enabled the Group to safeguard business continuity and sustainability.

During the year, we also navigated an unprecedented incident at Putra Heights, which required focused recovery efforts and sustained support for the affected communities. The incident reinforced the importance of continuous enhancements, heightened vigilance and consistent engagement with stakeholders.

Amid these challenges, the Board continued to provide clear oversight, sound judgement and principled guidance, enabling PGB to respond with diligence and care, while continuing to progress with resilience.

Advancing National and Regional Energy Ambitions

Malaysia's policy direction continued to reinforce the importance of a secure and orderly energy transition. The National Energy Policy 2022–2040, the National Energy Transition Roadmap (NETR) and the 13th Malaysia Plan (RMK13) outline a pathway that balances economic growth with lower-carbon development. These policies recognise PGB's role as the nation's leading gas infrastructure operator in supporting energy security.

2025 also marks the conclusion of Regulatory Period 2 under the Government's Third-Party Access framework and the transition into Regulatory Period 3. As the regulatory framework evolves, PGB remains committed to uphold cost discipline and the long-term resilience of Malaysia's gas industry, while maintaining competitive tariffs.

Regionally, Malaysia's ASEAN Chairmanship in 2025 advanced regional energy cooperation with the endorsement of the ASEAN Plan of Action for Energy Cooperation (APAEC) 2026–2030, setting the strategic direction for energy security and

transition across the region. Amid rising electricity consumption and digital economy growth, Southeast Asia's demand for natural gas is expected to remain resilient, particularly in power generation.

Together, these developments highlight the relevance of PGB's role in supporting Malaysia's energy transition and the wider regional agenda. The Board continues to guide selected growth initiatives that align with these national imperatives.

This includes development of gas infrastructure to support power sector growth and exploration of new opportunities associated with digital connectivity along the pipeline network. These efforts reflect our strength and commitment to support Malaysia's energy transition objectives while contributing to sustainable shareholder value.

Upholding Strong Governance and Responsible Oversight

Strong governance remained fundamental to sustaining stakeholder confidence and supporting PGB's role in the nation's energy system. In 2025, the Board continued to strengthen its governance framework while overseeing a transition in the Board composition, which now has a majority of independent non-executive directors, reflective of best practices as recommended by the Malaysian Code on Corporate Governance.

The Board also reviewed its remuneration philosophy and framework, aligned with prevailing market conditions and PETRONAS' new standards.

We enhanced our governance disclosures in line with emerging sustainability and financial reporting requirements. PGB has addressed all International Financial Reporting Standards (IFRS) S2 climate-related disclosure expectations and is progressing to incorporate all IFRS S1 general sustainability disclosures. These efforts are supported by improvements to related internal systems, data structures and validation processes, consistent with our commitment to provide clear and credible information to stakeholders. We also completed a full materiality assessment in 2025, laying the foundation for a double materiality assessment in the future.

Regulatory developments remain a key focus for the Board. The evolving sustainability landscape, including regulations related to carbon pricing, national climate plans, solid waste management as well as Carbon Capture, Utilisation and Storage legislation, requires ongoing alignment between governance frameworks and business strategy. Management continues to assess the implications of these developments and provides regular updates to ensure that PGB is well-positioned to respond. Efforts in determining internal carbon tax impacts, for example, support long-term readiness by evaluating potential financial and operational challenges and developing strategies to safeguard the Group's competitiveness.

Embedding Sustainability Elements in Sustainable Value Creation

Sustainability is central to our long-term direction and guides how we strengthen our role as a national gas infrastructure operator. In 2025, we implemented initiatives under the PGB Sustainability Blueprint, which is built on the four lenses of Sustainable Value Creation, Safeguard the Environment, Positive Social Impact and Responsible Governance. We also initiated efforts to refresh the blueprint in 2026 to ensure that our ambitions are aligned with the evolving landscape and our reimagined business growth strategy.

Chairman's Message

In addition, we recalibrated our Net Zero Carbon Emissions by 2050 Pathway in alignment with business growth strategy and increased the visibility of emissions across the value chain through the assessment of material Scope 3 categories. These insights support long-term planning and help us balance growth with responsible environmental management. As the national sustainability landscape matures, we remain committed to integrating climate considerations into business decisions in a practical and informed manner.

Beyond our operational footprint, we continue to invest in community well-being through our three Social Impact Management pillars: Uplifting Lives, Planting Tomorrow and Powering Knowledge. In 2025, we initiated a collaboration with Yayasan Hijau Malaysia to install solar panels at the Masjid Tanah Sentral bus terminal in Alor Gajah, Melaka.

Recognition of Excellence

In 2025, PGB continued to be recognised for its commitment to excellence across the business, receiving awards that reflected strong performance in governance, innovation and corporate reporting.

We were recognised among the Top 50 ASEAN Public Listed Companies for Corporate Governance, affirming our focus on integrity, accountability and responsible stewardship. Our commitment to transparent reporting was also acknowledged through a Gold Award at the Australasian Reporting Awards and two Best of Category wins at the Annual Report Competition Awards in New York.

In addition, our innovation in digital tools that strengthen digitalisation, environmental performance and safety was recognised at the 24th Malaysia Technology Expo, where we received three awards under the International Innovation Award programme.

Putra Heights Response

We approached the aftermath of the Putra Heights incident with a clear focus on transparency, ensuring that engagement with affected and concerned communities was guided by fairness, empathy and care. Support for affected families was coordinated with state and federal agencies and guided by our commitment to act responsibly and respectfully. Immediately after the incident, PGB mobilised resources and volunteers at temporary relief centres to help ensure that affected families received support and were in a safe environment during a difficult period.

In addition, we reinforced trust and deepened cooperation with communities through programmes under PGBConnects such as the Tenang programme that focused on mental well-being and the Awareness and Action Programme to inculcate confidence in coexistence. We also strengthened outreach along the pipeline Right-of-Way and created more avenues for dialogue with residents, local authorities and government agencies to provide a clearer understanding of our operations. Furthermore, we continued to work together in areas where development intersects with our pipeline corridor, recognising that long-term coexistence depends on close collaboration among all stakeholders.

The Group also provided medical aid and partnered with government agencies to contribute towards property repair assistance.



Emergency Response Exercise at Taman Pelangi Indah, Ulu Tiram, Johor.

Delivering Shareholder Value

Despite a challenging operating environment in 2025, the Board remained committed to delivering consistent shareholder returns, in line with our dividend policy of distributing approximately 50 per cent of consolidated profit after tax and non-controlling interest.

For the financial year, we declared four single-tier interim dividends, totalling 72.0 sen net per share, with a total payout of RM1.4 billion. This represents a payout ratio of 82.5 per cent of our net earnings, underscoring the Board's commitment to delivering optimum returns to shareholders, while preserving balance sheet strength and supporting long-term growth priorities.

Guiding PGB Through a Changing Energy Landscape

Looking ahead to 2026 and beyond, the regional energy landscape is expected to be shaped by rising power demand, accelerated electrification and the continued expansion of data centres and digital infrastructure across ASEAN. These trends reveal the need for reliable and flexible energy systems as countries balance economic growth with decarbonisation objectives. Within this context, natural gas is expected to continue playing an important role in supporting grid stability and enabling the integration of renewable energy in the energy mix across the region. In addition, even as the global focus on sustainability has lost some momentum, we remain consistent in the execution of our sustainability commitments, having embedded them deeply into the business.

At the policy level, ASEAN cooperation will continue to deepen through initiatives which aim to strengthen cross-border interconnection and energy security. These regional efforts, alongside national transition pathways, are expected to drive higher demand for more resilient gas infrastructure and regasification utilisation, as well as explore potential new gas infrastructure. For Malaysia, the alignment of RMK13 and the NETR reinforces this direction by supporting supply security while advancing lower-carbon solutions.

The Board remains focused on guiding PGB through this period shaped by regulatory evolution, growing sustainability expectations and emerging opportunities across the energy landscape. This includes paying close attention to policy developments, national climate planning and the maturing sustainability reporting environment. These shifts will influence how energy companies plan and invest, and the Board will ensure that PGB is well-prepared to respond responsibly and competitively to meet evolving shareholder expectations.

Across these drivers, the Board's priority is consistent. We will continue to exercise disciplined oversight as PGB evolves beyond our core, maintains resilience, grows shareholder value and supports Malaysia's broader energy transition.

Acknowledgements

On behalf of the Board, I would like to acknowledge the communities affected by the incident at Putra Heights and thank them for their cooperation and patience during the response and recovery process. I also extend my appreciation to our employees for their professionalism and commitment throughout the year, including those who worked under demanding conditions to support safe operations and continuity of supply. I further record our recognition to the PETRONAS Group, our partners and stakeholders for their continued engagement and support, and to our shareholders for their confidence in PGB as we continue to advance our long-term priorities.

We also wish to express our gratitude to Datuk Yeow Kian Chai, Marina binti Md Taib and Hasliza binti Othman, who stepped down from the Board in 2025. Their contributions supported the strengthening of our governance and oversight. We also welcome Datuk Dr. Yatimah binti Sarjiman, Lim Li Ping, Yusa' bin Hassan and Izwan bin Ismail to the Board. Their experiences and perspectives will enhance the Board's effectiveness, actively supporting PGB's next phase of growth.

Finally, I extend my appreciation to my fellow Directors for their guidance and commitment during the year. We remain focused on supporting PGB as it continues to play an important role in Malaysia's evolving energy landscape.

Managing Director/ Chief Executive Officer's Review

Upholding Resilience, Discipline and Responsible Growth



Abdul Aziz Othman
Managing Director/
Chief Executive Officer

Dear Valued Shareholders,

The year 2025 was a challenging year for PGB as we navigated the evolving energy sector. Despite a demanding operating context, we maintained clarity of direction and delivered steady progress across our operational and growth priorities. Our teams delivered with resilience and dedication, ensuring that we continued to support the nation's energy security while responding to new and emerging risks.

Our Operating Environment

Malaysia's gas market in 2025 continued to see firm demand from industrial and power sectors, supported by economic activity and the steady role of natural gas as a destination fuel in the national energy mix. The energy landscape has evolved amid rising electricity consumption and growing data centre development, all of which require reliable gas transportation infrastructure and regasification capacity.

During the year, the industry also faced an unprecedented safety incident at Putra Heights that tested the resolve of our entire organisation. The incident required us to respond

decisively while maintaining operational continuity across the national gas network. These conditions required PGB to ensure the safety of the affected community, strong asset integrity, disciplined cost management and closer coordination with regulators and state planning authorities, while maintaining stability and growth.

With the Department of Occupational Safety and Health finding that the incident occurred due to effects of anthropogenic activities, we recognised that this is a new and emerging risk which needs to be brought under control.

Achievements Across Our Four Dimensions of Excellence

Throughout 2025, we remained focused on the four pillars of our Strategic Agenda. These pillars continued to guide our decisions and ensured that we upheld the standards as the nation's leading gas infrastructure and utilities company operator. Despite a demanding operating environment, PGB recorded steady progress across operations, projects, commercial activities and growth initiatives.



Operational Excellence

We continue to prioritise Overall Equipment Effectiveness (OEE) and Product Delivery Reliability across all operating segments.

- Maintained stable and consistent operating performance in Gas Processing, meeting all delivery requirements under the current incentive framework and sustaining maximum availability for key products
- Delivered strong incentive outcomes under the performance-based structure, reflecting disciplined operations and sound asset management practices
- Sustained dependable operations in the Utilities segment with OEE performance above planned levels across key products
- Ensured continuous and reliable gas supply despite the Putra Heights incident through close collaboration with shippers and other stakeholders, maintaining high Product Delivery Reliability
- Maintained steady performance at both regasification terminals, ensuring consistent supply to the national gas network

Commercial Excellence

Commercial activities remained focused on fulfilling contractual obligations and sustaining value.

- Completed a settlement with a customer over an outstanding electricity supply agreement dispute
- Obtained approval from Suruhanjaya Tenaga for the revision of tariffs for gas transportation and regasification services under Regulatory Period 3

Growth Excellence

Our growth agenda remained disciplined and focused on leveraging our existing strengths while advancing selected new opportunities.

Completed in 2025

- **Pengerang Liquefied Natural Gas (LNG) Storage Facilities:** Achieved Commercial Operation Date in August 2025. The facility has since supported LNG storage, ship-to-ship activities and enhanced system flexibility
- **Kluang Compressor Station:** Completed and achieved Initial Acceptance in October 2025. This facility increases the existing capacity in PGU II Sector 3 to cater to new gas demand from the southern region

Ongoing Projects

- **100MW Kimanis Peaking Power Plant:** Construction progressed steadily and remains on track for commercial operations in 2026. This project will support electricity reliability in Sabah
- **52MW Sipitang Power Plant:** Construction as planned towards targeted completion by end of 2026. This project will provide reliable power supply to an upcoming LNG project in Sipitang
- **Pengerang LNG-driven Air Separation Unit:** Construction continued as planned towards targeted completion in 2026. The project will supply industrial gases using cold energy recovered from regasification operations
- **120MW Labuan Power Plant:** Received the Letter of Notification and commenced development activities. The plant will support Labuan's power stability and future economic growth

New Project in 2025

- **Fibre Optic Backhaul Infrastructure:** Achieved Final Investment Decision to develop approximately 880km of fibre infrastructure along PGB's Right-of-Way. Since commencement in September 2025, the project has reached about 30 per cent completion, equivalent to about 130km constructed, remaining on track for Ready-for-Service in the first quarter of 2027, supporting long-term value creation and portfolio diversification

Managing Director/ Chief Executive Officer's Review

Delivering Sustainable Value

In 2025, despite a challenging operating environment, the Group maintained a resilient performance. We recorded revenue of RM6,373.8 million, a decline of 2.5 per cent compared to the previous year, mainly due to lower prices in the Utilities segment and lower Gas Transportation revenue, following a downward tariff adjustment arising from the sharing factor for the prior year's lower internal gas consumption.

Gross profit declined by 5.7 per cent to RM2,147.6 million, reflecting lower revenue, as well as costs incurred for gas supply restoration works and higher levels of maintenance activities. Notwithstanding this, profit before tax amounted to RM2,345.0 million, supported by a one-off income arising from a customer settlement related to an electricity supply agreement dispute. Profit after tax stood at RM1,836.5 million, underscoring the Group's ability to preserve earnings strength amid operational and cost pressures.

Driving a Generative HSSE Culture Across Operations

Safety remained a central focus throughout 2025. Across the organisation, we continued to cultivate a stronger generative Health, Safety, Security and Environment (HSSE) culture, which contributed to lower total recordable cases compared to the previous year.

This improvement was supported by several initiatives designed to reinforce risk awareness capability building and proactive safe behaviours. Key initiatives included the Personal Accountability Framework to clarify expectations for individual responsibility in managing HSSE risks, HSSE Month to build awareness and participation through engagement activities and the Walking Challenge to promote health and well-being while reinforcing generative culture behaviours. Capability building was also strengthened through the HSSE Clinic, which provided a platform for employees to clarify compliance requirements and share improvement ideas.

Operational preparedness was reinforced through Emergency Response Exercises to validate readiness and strengthen coordination with relevant authorities. The Awareness and Action Programme complemented these drills by engaging stakeholders and communities to raise awareness on pipeline safety and emergency preparedness. This included an emergency response strategy supported by an Incident Action Plan for the interconnecting pipeline via advanced targeted process safety and asset integrity initiatives. In addition, real-time risk management was further strengthened through enhancements to the Spot the Active Risk dashboard and HSSE leading indicators for earlier visibility and intervention.

Climate Action for Sustainability

Guided by the PGB Sustainability Blueprint and its four lenses, we focused on executing initiatives that integrate sustainability into day-to-day operations and investment decisions. Priority was placed on strengthening climate readiness, improving environmental management and embedding responsible practices across the value chain.

Incorporating Carbon Risk Exposure in Capital Planning

In 2025, we continued to embed sustainability elements into our operational and investment decisions through initiatives under the Sustainable Value Creation lens. A key focus was improving emissions data visibility of growth projects to support informed capital planning. We have conducted carbon footprint assessments for all major growth projects in 2025, including developments related to cold energy utilisation, fibre optic infrastructure and regasification facilities. These assessments quantified project-level carbon exposure, steering us to incorporate carbon considerations into early-stage evaluation processes.

Building on this data foundation, work progressed under the dedicated carbon tax readiness taskforce, established to assess the potential impact of future carbon pricing on our value chain. The taskforce will continue to monitor emerging regulatory requirements and assess the operational and financial implications to the Group to ensure we are prepared for the introduction of formal carbon mechanisms.

Decarbonisation and Scope 3 Emissions Studies

In parallel, we continue technical studies on long-term decarbonisation potential in our business sectors. These studies include evaluating the viability and scalability of carbon capture and storage, as well as cold energy recovery utilisation.

Furthermore, we have established visibility for all Scope 3 emissions across our supply chain beyond Categories 6 and 7, as mandated by Bursa Malaysia in 2024. This involved identifying material categories of Scope 3 emissions sources and disclosing the top 95 per cent of these sources, in line with the new National Sustainability Reporting Framework requirements.

Collectively, these efforts to understand our emissions profile and decarbonisation pathways will be further assessed and its outcomes, where necessary, will be reflected into the assumptions that guide our Net Zero Carbon Emissions by 2050 Pathway.

Investing in Our People and Upholding Workplace Standards

Under the Positive Social Impact lens, our focus in 2025 centred on strengthening workforce capability, sustaining engagement and upholding workplace standards that support safe and reliable operations.

Our people remain central to PGB's ability to deliver safe and reliable operations. In 2025, we strengthened leadership capability through structured programmes anchored on the PETRONAS Leadership and Conditioning Framework. We accelerated succession readiness through the Nurturing Young Leaders Programme, with participants completing modules on commercial excellence, effective thought structuring, resilience, customer experience and leadership behaviour. Middle managers were developed through the Dynamic Leadership and Leading with Empathy Programmes, while senior managers and top talent progressed through the High Impact Leadership Programme and specialist learning pathways co-developed with external partners.

Talent pipeline development was also a key priority with PGB's ongoing sponsorship of 27 students under the Technical Energy Enrichment Programme. The 10-month pre-employment programme comprises Competency Based Assessment modules based on the PETRONAS Occupational Skill Standard, complemented by experiential learning at PGB plants. To date, 31 sponsored students who completed the programme were offered placement in PGB.

Engagement and culture-building efforts continued throughout the year. Employee communication was maintained through townhalls, newsletters and ongoing engagement with employee unions. We achieved an average post-engagement satisfaction score of 99 across six assets. Inclusive leadership practices were enhanced through the Conscious Inclusion Programme for the leadership team.

As a result of our consistent focus in this area, we recorded a 96 per cent response rate in the Organisation Culture Assessment, which helped us identify areas that require further improvements in order to sustain a high performance culture and desired behaviours across the organisation.

In addition, the Board endorsed PGB's Human Rights Policy in 2025, formalising a risk-based due diligence approach across our supply chain. The policy is aligned with internationally recognised benchmarks and guides how actual and potential adverse human rights impacts are identified and addressed.

Reinforcing Governance and Disclosure Readiness

Under the Responsible Governance lens, we recognise that regulatory requirements continue to widen in scope. Consequently, we responded to new requirements under the International Financial Reporting Standards by strengthening internal processes for collecting, validating and reporting climate-related information.

In addition, we actively engaged with relevant ministries and regulators, as well as peers and technical experts, to understand and provide feedback on evolving standards. This was done to ensure that our internal systems continued to align with external reporting expectations.

Our continuous effort in addressing evolving reporting requirements was recognised, as we successfully maintained a FTSE4Good score of 4.7 in 2025, with a full score of 5 in governance.

Strengthening Organisational Foundation

Business Reorganisation

During the year, the Board approved PGB's internal reorganisation that would be executed via a Scheme of Arrangement exercise. The reorganisation will streamline PGB's business divisions into identifiable entities by establishing a clear distinction between regulated and non-regulated businesses. This will provide the entities with greater transparency, strengthening focus to adopt industry standards and allowing flexible capital management.

Following the reorganisation, PGB will remain competitive, efficient and relevant, aligned with its medium- to long-term strategic agenda.

Digitalisation and Advanced Analytics

Digitalisation continued to strengthen our operating foundation as we advanced initiatives that improved visibility, connectivity and decision-making across our asset base. We upgraded connectivity at selected locations, which included the use of low earth orbit satellite technology at major maintenance activities to improve communication. Furthermore, we expanded the use of predictive emissions monitoring across gas turbines, cogeneration units and auxiliary boilers to support more consistent emissions estimation in line with regulatory requirements.

Managing Director/ Chief Executive Officer's Review

In operations, analytics was applied to enhance decision-making under the New Enhanced Dispatch Arrangement scheme to help with injection decisions based on real-time system conditions. In addition, the use of analytics strengthened operational control and safety at work sites via the e-Permit to Work+ 2.0 dashboard. These initiatives were enabled by ongoing investments in connectivity, including 5G and other technologies, to enhance safety across the organisation.

We also continued to strengthen decision-making and operational control through the expanded use of digital tools and analytics. As part of this effort, we initiated the PGB Generative AI Programme and deployed the myGovernance Advisor to assist with governance and assurance processes within the myGovernance application, particularly in navigating procedural complexity and document review.

Outlook

As we look ahead, we will pursue growth in line with our long-term strategy while reinforcing operational resilience and stakeholder confidence. Our priorities are clear. We will sustain disciplined project execution and strengthen safety governance, with enhanced controls calibrated to emerging and external risks that may affect asset integrity and reliability. Operational discipline, proactive asset management and cost optimisation will remain central to sustaining earnings quality in a dynamic environment.

In parallel, we will advance infrastructure development to meet Malaysia's evolving energy requirements. Opportunities under the 13th Malaysia Plan and the National Energy Transition Roadmap will guide our next phase of expansion, where each initiative will be evaluated against strategic fit, capital discipline and long-term value creation.

Beyond our core assets, we will selectively unlock value from existing infrastructure through targeted diversification, broadening revenue streams while preserving balance sheet strength. We are also mindful of regulatory developments, potential carbon pricing mechanisms and geopolitical shifts that may influence demand patterns and investment flows. Every commitment will therefore be approached with prudence and disciplined capital allocation to safeguard sustainable shareholder returns over the long term.

While 2025 was a challenging year, it reinforced the importance of disciplined governance, operational vigilance and prudent capital management. With resilient infrastructure and growth strategy, as well as a clear focus on safety and reliability, PGB moves forward with resilience. We remain committed to supporting the national energy security while delivering sustainable value to our shareholders.

Chief Financial Officer's Review



Dear Valued Shareholders,

PGB delivered steady financial results as operational performance remained resilient during the year, underpinned by our continuous focus on operational reliability, commercial excellence, disciplined cost-optimisation efforts and capital efficiency initiatives.

Financial Performance

The Group delivered stable financial results for the year, with performance supported by the resilience of the regulated businesses and steady contributions from the Gas Processing and Utilities segments. Revenue in 2025 stood at RM6,373.8 million, a decrease of 2.5 per cent from RM6,538.2 million in 2024. Consequently, profit after tax was lower at RM1,836.5 million in 2025 compared to RM1,923.6 million in 2024 due to tighter margins in both Gas Transportation and Utilities, coupled with higher maintenance and depreciation. This was, however, partly mitigated by the favourable impact of our efforts in driving commercial excellence, cost optimisation and capital efficiency initiatives.

Total assets were higher at RM19,813.7 million, compared to RM18,754.7 million, as a result of an increase in property, plant and equipment, reflecting the outcome of our sustained investments in growth initiatives over the years. While this has led to a reduction in cash balances, we remain in a healthy cash position with sufficient resources to fund operational needs and invest in ongoing growth initiatives.

Our Operating Environment

The operating environment in 2025 was shaped by inflationary pressures, softer gas prices and regulatory developments, such as the electricity tariff adjustments and the expansion in the scope of Sales and Service Tax (SST). While global commodity volatility had a limited impact on the regulated part of PGB's portfolio of businesses, we continued to navigate a challenging operating environment which required us to uphold disciplined operational and commercial excellence efforts. The Utilities segment, meanwhile, experienced margin pressure as the revision of the electricity

Group Revenue

RM6.4
billion
2024: RM6.5 billion
reduced by **2.5%**

Gross Profit

RM2.1
billion
2024: RM2.3 billion
reduced by **5.7%**

EBITDA

RM3.4
billion
2024: RM3.4 billion
increased by **0.6%**

Earnings Per Share

87.3
sen
2024: 92.8 sen
reduced by **5.9%**

Chief Financial Officer’s Review

tariff under the new Regulatory Period 4 (RP4) offset the benefit of lower gas prices. The impact of the expanded SST on operating and project costs remained manageable.

Foreign exchange movements had minimal impact on financial performance, with the strengthening Ringgit providing partial cost relief in certain areas of operational expenditure and imported material costs in ongoing growth projects. Against this backdrop, the Group continued to emphasise cost efficiency, reliability and disciplined operational management to navigate external cost pressures while maintaining service availability across its assets.

Segmental Performance

Gas Processing

Gross Profit: **RM867.9 million**

The Gas Processing segment delivered revenue of RM1,866.6 million and gross profit of RM867.9 million, supported by high plant reliability and continued optimisation of internal gas consumption. Digital tools and predictive analytics enhanced existing preventive maintenance practices, reducing equipment failure risk and ensured uninterrupted operations. This helped us obtain the maximum amount of incentives under the Performance Based Scheme. The segment also adapted efficiently to changes in feed gas composition, demonstrating operational agility while maintaining Product Delivery Reliability.

Gas Transportation

Gross Profit: **RM414.5 million**

Despite the Putra Heights incident, we were able to minimise impact through our swift action to ensure continuity of gas supply. Revenue stood at RM1,130.3 million, while gross profit of RM414.5 million, reflected higher operating expenditure arising from costs incurred for gas supply restoration works and higher levels of maintenance activities. Operationally, activities were reprioritised to stabilise the affected pipeline corridor without compromising the reliability of our entire operations.

Regasification

Gross Profit: **RM607.6 million**

The Regasification segment recorded revenue of RM1,378.5 million and profit of RM607.6 million, underpinned by sustained asset availability. Both regasification terminals operated reliably throughout the year, with asset life studies undertaken where appropriate to support long-term equipment performance. Operational parameters remained stable and the segment continued to meet all shipper requirements without disruption.

Utilities

Gross Profit: **RM257.6 million**

The Utilities segment registered revenue of RM1,998.3 million and profit of RM257.6 million, with margins moderated by the combined impact of the lower Malaysia Reference Price and the revised RP4 electricity tariff. Capacity utilisation remained high, with most available output contracted to customers. The segment also undertook opportunistic sales to the grid under the New Enhanced Dispatch Arrangement when market conditions were favourable. In addition, the Group concluded a one-off settlement with a customer in relation to an electricity supply agreement dispute.

Preserving Financial Health

The Group continued to uphold prudent financial management throughout the year, maintaining a disciplined approach to managing costs, capital structure and liquidity. Cost optimisation remained a priority, supported by ongoing digitalisation and risk-based maintenance practices across major facilities. For example, we utilised predictive analytics at the Gas Processing and Utilities Technical Centre, which facilitates early detection of potential plant and equipment issues to avoid unplanned outages.

In 2025, total capital expenditure amounted to approximately RM2.4 billion, the highest level in the past decade, with investments directed to new growth and diversification portfolio, as well as plant and pipeline rejuvenation. This reflects our commitment to sustaining returns to shareholders over the long term.

The Group also progressed with the internal reorganisation of its core businesses into separate legal entities for Gas Transportation, Gas Processing and Utilities. This business restructuring enhances transparency in capital allocation and risk management by aligning each business with its respective regulatory and commercial environment. The government’s approval of tax exemptions associated with land title transfers was a key milestone, allowing us to proceed with asset transfers without incurring significant tax exposure. The transition to the new structure is ongoing and is expected to be completed by the end of 2026.

Capital and cash management practices remained consistent with prior years, as we retained a healthy liquidity position and a conservative gearing profile. Gearing stood at 9.4 per cent. Fund investment activities continued to be centrally managed efficiently under established PETRONAS Group Treasury parameters. In addition, we secured a lower average refinancing rate for one of the joint venture companies, Kimanis Power Sdn. Bhd. *Sukuk* programme, as we capitalised on favourable market conditions to obtain a lower blended profit rate and a more optimised repayment profile. The refinancing initiative also enhances financial flexibility to support future growth opportunities. These measures, together with a stable operating cash flow base, ensured sufficient financial flexibility to support both ongoing operational needs and future growth.

Financial Risk Management

The Group continued to manage its financial risks through established governance frameworks and controls that address exposure to market conditions, counterparty credit quality and liquidity needs. These practices remained broadly consistent with prior years, with refinements introduced in response to developments during 2025.

Market Risk

This continued to stem mainly from movements in foreign exchange rates and fluctuations in gas prices. The impact of foreign currency exposure was moderated by the strengthening Ringgit during the year, which reduced the cost of imported materials for growth projects and operations. The Group also monitored changes in electricity tariffs following the implementation of the revised RP4 structure, including adjustments under the Automatic Fuel Adjustment mechanism, due to their impact on the Utilities segment.

Credit Risk

The Group maintained its established processes for assessing customer creditworthiness, setting credit limits and securing collateral where appropriate. These measures supported the Group’s ability to accommodate new customers arising from ongoing projects and contractual arrangements.

For existing customers, the Group continued to monitor credit exposures through regular reviews and risk assessments, ensuring compliance with established credit limits and maintaining collateral arrangements where applicable. These ongoing measures reinforced the Group’s ability to manage credit risk effectively across its customer portfolio.

Liquidity Risk

We manage this risk through disciplined monitoring of cash balances, funding requirements and working capital cycles. Despite the execution of major capital projects and the internal restructuring of business entities, the Group maintained a strong liquidity position with sufficient headroom to meet operational and investment needs. We also leverage revolving credit facilities to support our interim capital requirements. No significant changes were made to the Group’s funding approach or treasury management practices during the year.

Chief Financial Officer’s Review

Proactive Climate Action

We are proactive in our approach to sustainability and climate action, viewing it from the lens of driving PGB’s value rather than a compliance exercise. In anticipation of upcoming climate-related regulations, the Group continued preparing for the potential introduction of a national carbon tax. To evaluate the financial impact, internal estimates of potential exposure were developed based on the Group’s emissions profile across operational and value-chain activities, with the Utilities segment and post-combustion emissions at Gas Processing facilities identified as the areas most likely to be affected. During the year, the Group also reviewed contract structures for new arrangements to allow for potential carbon cost pass-through as part of our readiness efforts.

At the policy level, the Group continued engaging with the relevant ministries to stay aligned with regulatory developments, noting that implementation timelines and mechanisms are still being reviewed by the government. To ensure a smooth transition, we have established a dedicated team to monitor regulatory developments related to carbon pricing and support the Group’s broader readiness efforts.

Outlook

Looking ahead, the Gas Transportation and Regasification segments are expected to sustain their positive contributions following the approval of revised tariffs under the Regulatory

Period 3. Growth projects scheduled to reach commercial operation during the year are expected to contribute additional earnings, although the full-year impact will depend on their commissioning timelines. Contributions from joint venture power projects will continue to be stable, reflecting sustained operational excellence and commercial excellence initiatives.

To ensure long-term business sustainability, we will continue exploring various avenues for fundraising for growth projects, drive capital efficiency and reduce foreign exchange exposure, such as the prepayment for jetty fees at the Pengerang LNG2 regasification terminal.

Key financial risks in the coming year are expected to remain consistent with 2025, including exposure to movements in gas prices, electricity tariff adjustments and the broader effects of service tax expansion and foreign exchange rates. The potential introduction of a national carbon tax represents an additional risk, with its timing and eventual structure subject to the government’s decision.

The Group remains committed to ensuring safe, reliable and efficient operations underpinned by prudent cost discipline, operational excellence, as well as sustainable growth opportunities that deliver value for all stakeholders. Our stable business model, healthy liquidity position and ongoing investments in operational reliability provide the foundation to deliver sustainable financial returns, while navigating an evolving regulatory and operating landscape.

Our Operating Environment

PGB operates within a complex and evolving energy landscape shaped by regulatory developments, stakeholder expectations and the ongoing energy transition. These are external factors that PGB continues to monitor diligently to ensure sustained value creation and operational resilience.

However, we also need to acknowledge that 2025 was not an ordinary year for PGB, following the Putra Heights incident that has intensified regulatory focus and increased public awareness of our operations and assets. In response, PGB continued to prioritise proactive risk assessment across our network and ensured greater vigilance, in line with our principle that managing risk is everyone’s responsibility.

The key trends and market developments below were identified to have influenced the operating environment in 2025 and will continue to have an impact over the short- to medium-term.

We actively monitor the evolving energy landscape to ensure our approach and strategies remain relevant and impactful. These external factors are carefully considered when identifying, reviewing and refining our operational input. This helps PGB to sustain its operational resilience in line with our strategy to be the leading gas infrastructure and utilities company.

Malaysia’s National Energy Policy (NEP) 2022-2040 and National Energy Transition Roadmap (NETR)

Insights

Malaysia’s energy transition agenda continued to advance through the NEP and NETR. Both policies reaffirm the role of natural gas as a destination fuel while accelerating the shift towards a lower-carbon future. The policy direction calls for greater renewable energy integration, improvements in energy efficiency and the modernisation of critical energy infrastructure. Rising electricity demand from data centres and new industrial loads also underscores the need for reliable gas-based capacity to stabilise supply as the renewable mix grows.

Impact

- The rising demand for regasification and transmission services as natural gas continues to support grid stability and baseload requirements
- Need to ensure cost competitiveness in delivering our services as we balance affordability with energy security
- Heightened focus on reducing overall carbon emissions to support the energy transition

How We Respond

- Enhancing the reliability of pipelines, processing systems and regasification facilities while upgrading ageing infrastructure
- Engaging regulators and policymakers to understand projected supply and demand patterns
- Continuing efforts such as improving energy efficiency and gaining deeper insights into our emissions profile
- Continue exploring new offerings for data centres that go beyond our core business, such as fibre optic infrastructure and cold energy

Outlook

Natural gas is expected to retain its role in supporting Malaysia’s transition as renewable energy penetration rises and demand from data centres and industrial clusters grows. Our priority is to maintain efficient and reliable gas delivery while building capabilities that support a lower-carbon future. We will continue to assess opportunities in integrated energy solutions and carbon management to remain aligned with the country’s transition objectives.

Our Operating Environment

Sustainability Regulations and Disclosures

Insights

Malaysia’s sustainability regulatory landscape continues to evolve through the National Climate Change Policy 2.0 and the National Sustainability Reporting Framework, which address the International Financial Reporting Standards (IFRS) S1 and S2 requirements. These frameworks expand reporting expectations and require companies to demonstrate clearer links between sustainability performance and financial outcomes. Parallel to this, the government is progressing the National Climate Change Act and the National Carbon Market Policy. Both are expected to define future obligations on carbon governance, pricing and accountability. The announcement of the carbon tax introduction in 2026 will reinforce the need for companies to assess cost exposure and integrate climate considerations into business planning. As global and domestic expectations rise, investors and financial institutions increasingly prioritise credible disclosures and evidence of transition readiness.

Impact

- Broader and more detailed disclosure requirements under IFRS S1 and S2 and future standards such as IFRS S3 and S4 increase expectations for transparent reporting and addressing investor needs
- Potential carbon tax exposure may influence operating costs and project viability, reinforcing the need for structured carbon management
- The proposed National Climate Change Act and National Carbon Market Policy may shape future obligations for emissions monitoring, data reliability and internal governance
- Heightened sustainability expectations from financial institutions may affect access to capital for companies that are not prepared for transition requirements

How We Respond

- Conducting IFRS implementation and gap assessments to ensure readiness for S1 and S2, as well as future standards
- Addressing all IFRS S2 disclosures and enhancing internal capabilities for climate governance and risk evaluation
- Establishing a Carbon Tax Readiness Taskforce and engaging with regulators and stakeholders to understand policy direction and assess potential cost exposure
- Engaging with the Ministry of Natural Resources and Environmental Sustainability to prepare for the carbon tax implementation and strengthen our data and reporting systems

Outlook

We will continue addressing S1 disclosure requirements and preparing for reasonable assurance in line with regulatory timelines. Readiness for carbon tax deployment will remain a priority as carbon pricing mechanisms take shape. We will continue to monitor emerging requirements under the National Climate Change Act and National Carbon Market Policy to ensure that our governance structures, reporting processes and business planning remain aligned with future obligations.

Malaysia's Macro Economic Environment

Insights

Malaysia’s economy expanded in 2025 by 5.2 per cent, slightly higher than the 5.1 per cent recorded in 2024, supported by robust domestic demand. Inflation stayed contained and relatively stable throughout the year, reducing the risk of broad-based cost shocks. In parallel, businesses had to navigate ongoing economic reforms, such as the expansion of the Sales and Service Tax (SST) scope, subsidy rationalisation and revised electricity tariffs under the Regulatory Period 4. Against this backdrop of a clearer economic direction and improved investor sentiment, the Ringgit strengthened significantly during the year, emerging as the top performing Asian currency in 2025.

Impact

- Inflation could impact consumer demand, which may moderate industrial activity and downstream gas consumption
- Tax scope changes, tariff adjustments and subsidy rationalisation can alter cost structures
- Currency fluctuations may affect cash flows and capital project costs through transaction exposure and create translation effects on foreign currency-denominated assets and liabilities

How We Respond

- Maintaining cost discipline, optimisation and reviewing operations to manage cost variability, while focusing on operational reliability
- Managing foreign exchange by aligning foreign currency inflows and outflows where feasible and applying hedging strategies where exposure is material

Outlook

Malaysia’s growth trajectory in the near term is likely to stay anchored by domestic demand and investment, with economic growth forecast at between 4.0 per cent to 4.5 per cent in 2026. Inflation conditions are expected to be manageable, although cost pressures could still impact the cost of goods and services. In addition, ongoing economic reforms, including the potential introduction of a carbon tax in 2026, will require continued monitoring. While the stronger Ringgit in 2025 provided some upside, foreign exchange volatility can still resurface. In this environment, PGB will stay focused on operational reliability and cost optimisation, including targeted use of technology, while maintaining prudent treasury and hedging practices to manage cost variability and protect delivery and growth outcomes.

Engaging Our Stakeholders

We engage regularly with key stakeholder groups to understand their priorities and how our activities affect them. Insights from these engagements inform strategic planning, risk management and operational decisions, ensuring that the Group’s actions remain aligned with stakeholder expectations and long-term value creation.

Through various engagement channels, we communicate our performance, strategic priorities and sustainability commitments while gathering feedback that helps refine our approach to governance, operations and investment decisions. This process strengthens accountability and supports integrated thinking across the organisation, enabling management to balance stakeholder interests while advancing sustainable value creation.

The table below outlines our key stakeholder groups, the primary engagement channels and the frequency of these interactions.

Frequency A As required W Weekly M Monthly Q Quarterly Y Yearly

Investors and Funding Institutions	
Why We Engage	What We Offer
<ul style="list-style-type: none"> Enhance financing and capital market opportunities Maintain share liquidity Foster open communication with investors for informed investment decisions Uphold transparency with shareholders and the investment community 	<ul style="list-style-type: none"> A stable investment profile with steady share price performance and low volatility Alignment between business activities and strategic goals Integration of sustainability and governance into business practices Ability to sustain attractive shareholder returns
Key Concerns	Our Response
<ul style="list-style-type: none"> Emerging risks due to adjacent developments Progress on growth initiatives Evolving sustainability practices and disclosure requirements Stability of shareholder returns Changing investor focus from oil and gas sectors due to environmental concerns 	<ul style="list-style-type: none"> Efficient and productive communication with local authorities in addressing emerging risks Clear and timely disclosures on strategies and growth initiatives Quarterly results announcements and analyst briefings Consistent stakeholder engagement Prompt response to shareholder queries Highlights of performance and initiatives through reports, presentations and website
Channel and Frequency of Engagement	<ul style="list-style-type: none"> A One-on-one meetings A Emails/Letters/Surveys Q Analyst briefings Q Website (for analyst briefings only) Y Site visits Y Annual General Meeting

Customers	
Why We Engage	What We Offer
<ul style="list-style-type: none"> Present superior offerings that reflect operational and commercial excellence Retain and extend contracts Secure new business opportunities Foster and maintain good business relationships 	<ul style="list-style-type: none"> Reliable product delivery at a competitive cost Quality-assured product offerings Commitment to Product Delivery Reliability (PDR) and conformance to specifications
Key Concerns	Our Response
<ul style="list-style-type: none"> Timely delivery of high quality products and services Competitive product offerings 	<ul style="list-style-type: none"> Strengthened integration across the value chain to enhance reliability and ensure PDR Expanded customer-focused solutions for both product offerings and pricing Boosted customer interactions through consistent engagements and visits Enhanced marketing efforts and outreach initiatives
Channel and Frequency of Engagement	<ul style="list-style-type: none"> W One-on-one meetings Y Annual customer experience survey Y Industry conferences, forums and events Q Customer visits
Business Partners, Suppliers and Vendors	
Why We Engage	What We Offer
<ul style="list-style-type: none"> Foster resilient partnerships through communication and collaborations Preserve delivery of goods and services aligned with PGB's values 	<ul style="list-style-type: none"> Collaborations through joint initiatives for mutual benefits Opportunities and partnerships to support the growth of suppliers' businesses
Key Concerns	Our Response
<ul style="list-style-type: none"> Environmental, Social and Governance regulations and requirements from existing and potential partners Fairness and efficiency in business transactions 	<ul style="list-style-type: none"> Foster strategic alignment with existing and potential partners Leveraged procurement and financial services' policies and procedures to promote efficiency and transparency Strengthened engagements to maintain a reliable supply chain
Channel and Frequency of Engagement	<ul style="list-style-type: none"> W One-on-one meetings Y Strategic dialogue, conferences, forums and events Y Contractor engagements and clinics W Toolbox sessions W HSSE contractor improvement programme Q Project sponsor meetings

Engaging Our Stakeholders

Employees and Unions	
Why We Engage <ul style="list-style-type: none"> Foster a positive ecosystem and encourage employees' contribution to business strategies and goals Identify skill gaps to nurture future talent Inspire collaboration between employees and management Maintain positive relationships with union representatives to ensure industrial harmony 	What We Offer <ul style="list-style-type: none"> A supportive environment promoting sustainability and psychological safety Opportunities for learning, development and growth Opportunities for meaningful contributions towards personal fulfilment and strategic business goals
Key Concerns <ul style="list-style-type: none"> Employees' physical and mental well-being Inclusive and conducive working environment Skills development and capability building Sustaining industrial harmony 	Our Response <ul style="list-style-type: none"> Structured programmes to address physical, mental and financial well-being Communication programmes to encourage diversity and inclusion Structured development programmes, focusing on technical, functional and leadership skills Collaboration with union representatives for a seamless Human Resources policy to understand and conclude negotiations on collective agreement Enhanced employee engagement with 22 activities and programmes in 2025 to foster a conducive work environment and culture
Channel and Frequency of Engagement	<ul style="list-style-type: none"> Engagement with employees Intranet and Internet newsletters Union engagements and activities
Government Agencies and Authorities	
Why We Engage <ul style="list-style-type: none"> Promote our support and contribution for government initiatives (e.g. NETR, NCCP 2.0, NSRF, CCUS Bill) Serve as a partner in shaping the gas and power industry's direction in Malaysia 	What We Offer <ul style="list-style-type: none"> Extensive gas delivery network across Peninsular Malaysia Lower-carbon natural gas power plant Safe, efficient and reliable operations across all facilities Upholding licences in core regulated businesses, such as pipeline and regasification terminals Understanding of the latest requirements and regulations
Key Concerns <ul style="list-style-type: none"> Gas supply security and reliability Economic impacts on consumers Regulatory, and Environmental, Social and Governance compliance Operational health, safety and environment impacts Integrity and ethics business conduct Timely public sustainability disclosures (e.g. IFRS S1 and S2, TNFD) 	Our Response <ul style="list-style-type: none"> Formal and informal engagements Joint emergency response exercises Familiarisation visits to PGB facilities Monthly newsletter to government agencies
Channel and Frequency of Engagement	<ul style="list-style-type: none"> Engagement programmes Consultative sessions

Communities and Non-Governmental Organisations	
Why We Engage <ul style="list-style-type: none"> Provide the latest developments of PGB's business and operations-related matters Maintain a positive corporate image 	What We Offer <ul style="list-style-type: none"> Educational and social support initiatives Environmental protection and biodiversity conservation
Key Concerns <ul style="list-style-type: none"> Health and safety impact of operations on surrounding areas Access to education and social support Protection of the environment and biodiversity 	Our Response <ul style="list-style-type: none"> Enhancement of safety awareness programmes and engagements, including emergency drills with communities surrounding the ROW i.e., Awareness and Action Programme Social impact initiatives focused on education (Powering Knowledge), community well-being (Uplifting Lives) and the environment (Planting Tomorrow) Sponsorships and donations for targeted beneficiaries and underserved communities across locations where PGB operates Community outreach and engagement activities with surrounding communities adjacent to our assets
Channel and Frequency of Engagement	<ul style="list-style-type: none"> Newsletters Progress meetings Email correspondence and texts
Media	
Why We Engage <ul style="list-style-type: none"> Support their role as a key communication link between the business and stakeholders Collaborate with media to distribute vital information affecting corporate reputation and branding 	What We Offer <ul style="list-style-type: none"> Transparent sharing of information Regular interaction with PGB spokespersons
Key Concerns <ul style="list-style-type: none"> Business performance Environmental management and other sustainability performance New innovation and technology development 	Our Response <ul style="list-style-type: none"> Open and transparent engagement with the media Timely responses to media enquiries Activities to share updates and maintain positive rapport
Channel and Frequency of Engagement	<ul style="list-style-type: none"> Press releases on key business updates Press releases on quarterly performance Engagements with the media

Determining Our Material Matters

Materiality Determination

Our sustainability material matters guide how we uphold excellence in operations and management, support long-term business growth and strengthen our key performance indicator results. We generally review our materiality assessment every two years to identify the sustainability topics that are most significant to our business and stakeholders.

In 2025, we conducted a comprehensive materiality assessment, gathering insights from internal and external stakeholders through an online survey. The exercise offered a holistic view of our business context, external expectations and enterprise-level risks, providing a more robust evaluation compared to the proxy-based approach used in 2023. Moving forward, we plan to conduct double materiality assessments to evaluate sustainability matters through both impact and financial lenses. The process will enable us to gradually quantify the financial impacts of our material matters and enhance informed decision-making, capital allocation and risk management, while maintaining a clear focus on business continuity, energy security and shareholder returns.

1 Identification

Material matters are identified through a gathering of internal and external feedback and comprehensive research to identify the list of sustainability topics.

This involves assessing the business environment, operational factors and resource dependencies while considering financial, reputational, operational, environmental, social, strategic and legislative factors. Based on the matters identified, we deliberate potential risks and opportunities across the scope of each of these factors.

2 Prioritisation

Material matters are prioritised based on the outcomes of the online survey among key external and internal stakeholders, particularly members of the Leadership Team (LT) and the Board. The rankings of the material matters are plotted on a Material Matters Matrix to reflect their significance to PGB and its stakeholders.

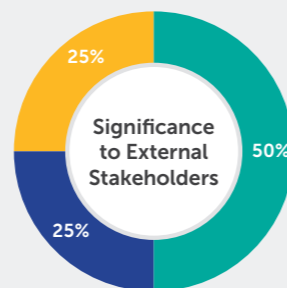
3 Validation

The prioritised list of material matters is reviewed by the sustainability governance platforms and subsequently submitted to the Board for endorsement.

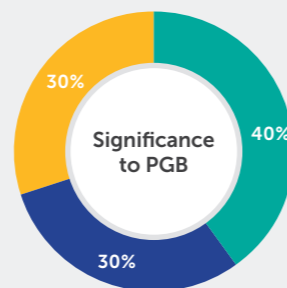
4 Continuous Monitoring and Risk Assessment

Once integrated into our strategy, the performance and risk elements related to each material matter are continuously monitored and benchmarked through key performance indicators and focus areas cascaded from the LT.

The PGB Board provides leadership and oversight to ensure that PGB's operations uphold sustainability, integrity and compliance with applicable laws, rules and regulations. As the highest governance body, the Board is responsible for identifying, evaluating, monitoring and managing economic, environmental and social (EES) risks and opportunities. This includes considering EES factors in its quarterly meetings and being accountable for PGB's sustainability goals and targets through setting sustainability strategies and priorities.



- Survey Inputs from PGB's Key External Stakeholders**
21 Stakeholders, across all 7 categories + 150 Employees
- Benchmarking with Sustainability Reporting Standards**
4 Standards
- Benchmarking with Industry Peers**
7 Peers



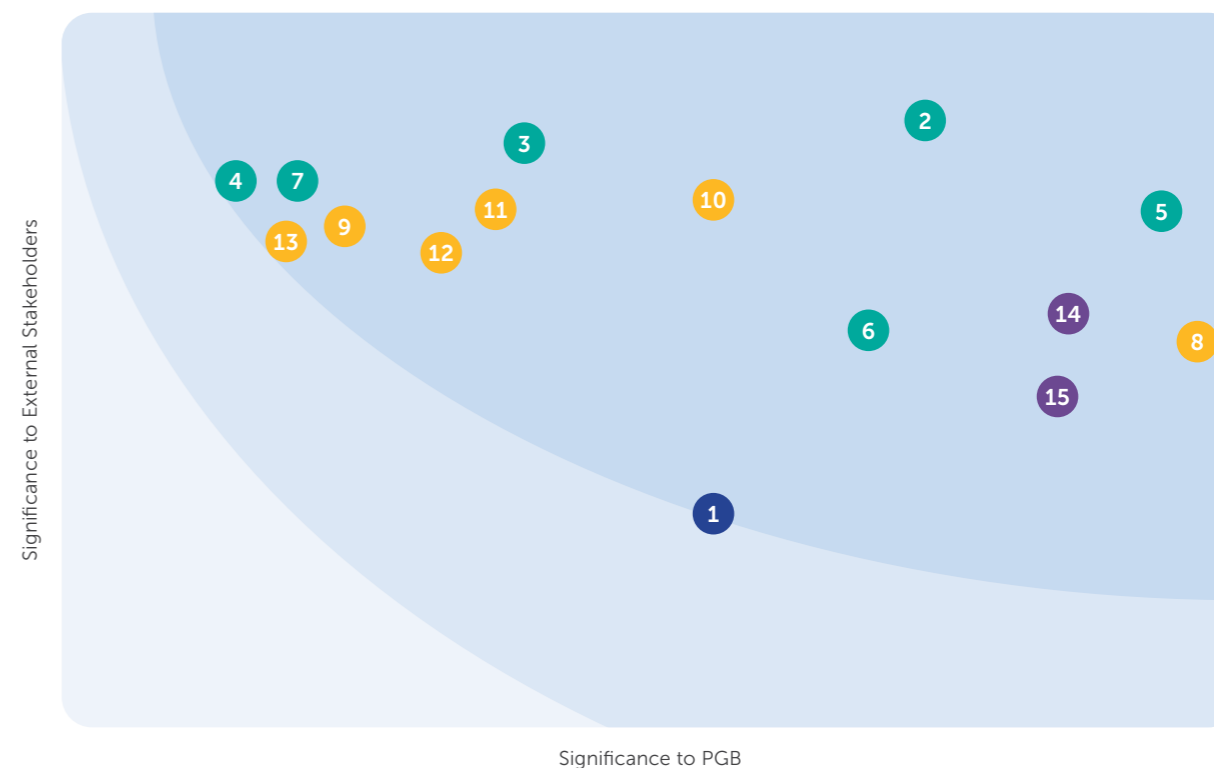
- Survey Inputs from PGB's Key Internal Stakeholders**
6 Board Members, 10 Leadership Team Members
- Alignment with Enterprise Risk Profile (ERP)**
PGB ERP Principal Risks
- Alignment with PETRONAS PETRONAS' Material Topics**

Note: The seven categories of stakeholders are Investors and Funding Institutions, Customers; Business Partners; Suppliers and Vendors; Employees and Unions; Government Agencies and Authorities; Communities and Non-Governmental Organisations and the Media.

The materiality matrix was developed using weighted inputs that considered both stakeholder perspectives and organisational significance. The process incorporated benchmarking against industry peers and recognised sustainability reporting standards, as well as survey responses gathered from seven stakeholder groups. We further assessed organisational significance by aligning the material matters with PETRONAS' material topics, ERP principal risks and inputs from the Leadership Team and the Board.

The assessment confirmed that the material topics identified in 2023 remain relevant and continue to represent significant operational exposures and stakeholder priorities for PGB. The updated matrix reflects the revised positioning of the material topics following the assessment.

Outcome from the Comprehensive Materiality Assessment



- | | | |
|---|--|---|
| Economic
1 Sustainable Value Creation | Social
8 Occupational Safety and Health
9 Talent Management
10 Human Rights
11 Sustainable Supply Chain
12 Equal Opportunity, Diversity and Inclusion
13 Community Engagement | Governance
14 Business Ethics and Transparency
15 Cybersecurity and Data Privacy |
| Environment
2 Climate Change Management
3 Energy Management
4 Water Management
5 Waste Management
6 Pollution Management
7 Biodiversity Management | | |

Determining Our Material Matters

Risks and Opportunities Related to Our Material Matters

As part of our approach to managing material matters, we actively monitor the risks and opportunities associated with each topic, enabling us to implement targeted strategies and drive progress in identified actionable areas.

Sustainable Value Creation

Risks

- Challenges in securing and delivering growth projects effectively
- Unsustainable profitability from non-regulated businesses
- Challenges in achieving fair tariffs for regulated businesses

Opportunities

- Explore growth opportunities in core and adjacent domains
- Expand into non-regulated businesses
- Explore low-carbon and green opportunities beyond traditional gas and utilities businesses

Energy Management

Risks

- Inefficient energy use

Opportunities

- Enhance operational energy efficiency across facilities and processes
- Deploy energy optimisation projects (e.g. waste-to-energy, energy recovery)

Climate Change Management

Risks

- Continuous emissions from combustion, flaring and venting
- Failure to adapt to climate change (transition or physical risks)

Opportunities

- Implement renewable energy solutions
- Utilise carbon abatement technologies
- Venture into carbon credit trading and the carbon market to address carbon mechanisms
- Leverage the outcome from the physical risk assessment to ensure resilient infrastructure and adaptation solutions
- Address potential issues arising from new requirements or regulations issued by authorities
- Execute PGB's Net Zero Carbon Emissions by 2050 Pathway

Waste Management

Risks

- Risk of environmental law or regulation breaches
- Reputational and operational damage from non-compliance

Opportunities

- Improve the performance of facilities and processes
- Ensure strict compliance with environmental regulations and licensing requirements
- Promote circular economy through 4R (Recover, Recycle, Reuse and Reduce) initiatives
- Demonstrate product stewardship
- Execute PGB's Waste Roadmap

Water Management

Risks

- Risk of regulatory fines or penalties for non-compliance
- Negative impacts on waterway due to overuse of water resources

Opportunities

- Implement water conservation initiatives
- Uphold effective wastewater management practices
- Execute PGB's Water Roadmap

Biodiversity Management

Risks

- Irreversible damage to natural habitats
- Legal and reputational impacts from biodiversity and ecological incidents

Opportunities

- Conduct biodiversity and ecological risk assessments for all new projects, facilities and processes
- Avoid or minimise impact on protected areas, key biodiversity areas and UNESCO World Heritage Sites
- Implement Biodiversity Action Plan (BAP) for new operations and projects to achieve a Net Positive Impact on nature and biodiversity

Pollution Management

Risks

- Risk of environmental law or regulatory breaches
- Reputational and operational damage from non-compliance

Opportunities

- Upgrade the performance of facilities and processes
- Ensure strict compliance with environmental regulations and licensing requirements
- Ensure air and water quality for surrounding communities through responsible operations

Determining Our Material Matters

Occupational Safety and Health

Risks

- Health, Safety, Security and Environment performance issues or incidents, resulting in workplace harm, operational disruption and reputational impact
- Non-compliance with occupational safety and health requirements, leading to prosecution, fines or penalties under relevant legislation

Opportunities

- Foster Health, Safety and Environment (HSE) Generative Culture through employee commitment
- Enforce strict health and safety standards across all projects, facilities and processes
- Conduct HSE assurance for growth and major CAPEX projects

Talent Management

Risks

- Insufficient skilled talent to drive sustainable value creation and growth

Opportunities

- Uphold and improve structured capability-building and training programmes for core and growth-related skills

Human Rights

Risks

- Risk of unethical hiring practices (e.g. forced labour) in operations, causing reputational damage

Opportunities

- Ensure compliance with ethical hiring and labour practices across all projects, facilities and processes
- Implement PGB's Human Rights Policy

Sustainable Supply Chain

Risks

- Inefficient manpower or resource management in the supply chain
- Reputational damage due to human rights or suppliers' violations

Opportunities

- Encourage supply chain to adopt sustainability practices through the PETRONAS Supplier Support Programme (PSSP)
- Enhance suppliers' capabilities in enhancing sustainability performance

Equal Opportunity, Diversity and Inclusion

Risks

- Low morale and motivation in the workplace due to poor business practices

Opportunities

- Promote progressive workplace practices, ensure equal opportunity and encourage diversity of thought

Community Engagement

Risks

- Failure to deliver on community expectations or commitments
- Negative impacts arising from social media allegations

Opportunities

- Invest consistently in long-term community welfare, education, environmental stewardship and social development initiatives

Business Ethics and Transparency

Risks

- Risk of misconduct, corruption and unethical business practices, leading to reputational damage and potential prosecution or penalties from relevant regulators

Opportunities

- Conduct employee training on corporate values, business ethics and expected conduct
- Uphold and improve robust governance, transparency and accountability

Cybersecurity and Data Privacy

Risks

- Disruption to business operations and erosion of customer trust due to system failures and data breaches from evolving cybersecurity and data privacy threats

Opportunities

- Foster cybersecurity awareness among personnel through e-learning modules and regular phishing tests
- Adopt advanced threat-protection measures across operations
- Maintain 24/7 network monitoring and centralised security operations

Our Value Creating Business Model

Our business model is structured around four strategic business units that actively collaborate and integrate, ensuring optimal resource utilisation. This approach facilitates agile decision-making, focused execution and sustainable growth, enabling us to deliver value to our stakeholders.



Our Six Capitals		
F Financial	2024	2025
Equity funding (%)	88.5	90.6
Debt funding (%)	11.5	9.4
WACC (from Bloomberg) (%)	7.4	7.2
Interest gained from investment (RM mil)	123.4	98.7
Interest expense paid (RM mil)	102.3	88.8
Market capitalisation (RM bil)	35.0	35.9
N Natural	2024	2025
Natural gas processed (MMscfd)	1,977	1,910
Freshwater withdrawal (mil m ³)	8.0	7.1
Land area (hectares)	5,145	5,203
M Manufactured	2024	2025
Plant Overall Equipment Effectiveness (%)	99.6	99.7
Peninsular Gas Utilisation (PGU) Reliability (%)	99.9	99.3
Sales Gas PGU Product Delivery Reliability (PDR) (%)	100	99.6
Utilities PDR (%)	99.1	98.5
I Intellectual		
<ul style="list-style-type: none"> Brand Innovation Systems and processes 		
H Human	2024	2025
Total employees	1,868	1,829
Average training days per employee	13.3	9.1
Employee cost (RM mil)	552.7	431.1
Investment in training per employee (RM '000)	8.7	5.8
SR Social and Relationship		
<ul style="list-style-type: none"> Investor and funding institutions Customers Business partners Suppliers and vendors Employees and unions Government agencies and authorities Communities Non-governmental organisations Media 		

Business Activities

Our business activities comprise gas processing, gas transportation, regasification and utilities, which use natural resources and other capitals to create products required by our customers.

Core Business

Gas Processing

Gas Transportation

Regasification

Utilities

Key Processes

- Natural Gas
 - Sales Gas
 - Propane
 - Butane
 - Ethane
 - Condensate
- Liquefied Natural Gas
 - Sales Gas
- Natural gas
 - Electricity
- Water
 - Steam
- Air
 - Nitrogen
 - Oxygen

Material Matters

Sustainable Value Creation	Waste Management	Talent Management	Community Engagement
Climate Change Management	Pollution Management	Human Rights Management	Business Ethics and Transparency
Energy Management	Biodiversity Management	Sustainable Supply Chain	Cybersecurity and Data Privacy
Water Management	Occupational Safety and Health	Equal Opportunity, Diversity and Inclusion	

Operating Environment

- Competitive Market
- Incentive-Based Regulations
- Volatility of Gas Prices
- Macro-Economic Conditions
- Evolving Sustainability Requirements

Output/Outcome			
F Financial	2024	2025	
Operating profit (RM bil)	2.3	2.2	
Cash from operating activities (RM bil)	3.2	3.1	
EBITDA (RM bil)	3.4	3.4	
Earnings per share (sen)	92.8	87.3	
Dividend per share (sen)	72.0	72.0	
N Natural	2023	2024	2025
Greenhouse gas emissions (tCO ₂ e):			
Scope 1	6,074,946	5,475,205	
Scope 2	51,319	73,305	
Scope 3 (Categories 6 and 7)	1,467,364	1,445,976	-
Energy intensity ratio	93.3	91.8	
Waste generated (MT)	2,505	6,589	
Waste recycled (MT)	1,799	5,067	
M Manufactured	2024	2025	
Sales gas delivered (MMscfd)	2,455	2,161	
Ethane delivered (MT/hr)	133	133	
Electricity delivered (GWh)	1,680	1,736	
Steam delivered (kMT)	4,499	4,850	
Industrial gases delivered (mil Nm ³)	696	640	
I Intellectual	2024	2025	
Key result areas (KRAs) (G5dot5) Number of KRAs	60	40	
Value creation (RM mil)	131.2	260.2	
<ul style="list-style-type: none"> Primary Work Process compliance sustained above 70% Zero non-conformance to requirements Zero major improvement needed audit rating 50%+ effectiveness in Management System Review processes Enhanced project governance and delivery to cater for power and step-out projects via the PGB Project Management System Multiple awards received on the Health, Safety, Security and Environment (HSSE), and innovation fronts 			
H Human	2024	2025	
Total employees	1,868	1,829	
Average training days per employee	13.3	9.1	
Employee cost (RM mil)	552.7	431.1	
Investment in training per employee (RM '000)	8.7	5.8	
SR Social and Relationship			
<ul style="list-style-type: none"> PETRONAS Vendor Development Programme Safety toolbox talk sessions with contractors Approval of New Collective Agreement (2025-2027) PETRONAS Powering Knowledge Programme PETRONAS Uplifting Lives Programme PETRONAS Planting Tomorrow Programme Contractor HSSE Mentoring and Coaching Programme 			

- Actions to Enhance Outcomes**
- F** Leverage advanced technologies and innovative solutions to optimise unit costs and operating expenditures
 - Enhance financial capital efficiency
 - Uphold commercial excellence by ensuring timely contract renewals while maintaining proactive engagement with regulators to secure mutually beneficial terms for long-term agreements
 - Deliver sustainable shareholder returns aligned with prevailing industry benchmarks
 - Implement robust hedging strategies to effectively mitigate foreign exchange exposure risks
 - N** Strengthen resource management in monitoring energy, water and materials use
 - Invest in technologies that enhance energy efficiency to reduce environmental impact
 - Set and pursue annual targets for reducing emissions and waste disposal
 - Implement initiatives that support compliance with clean air and environmental regulations
 - M** Strengthen asset performance through planned maintenance and operational improvements
 - Advance initiatives under the PGB Strategic Agenda to sustain operational excellence and support business growth
 - Use digital solutions to meet operational needs and improve efficiency through current technologies
 - I** Enhance work processes to improve accuracy, quality and productivity
 - Strengthen oversight of project variations through a dedicated committee
 - Continue improving work processes to raise efficiency and consistency
 - Apply a performance- and risk-based approach to assurance activities across all operating units
 - H** Build workforce capabilities through targeted programmes that enhance leadership and technical competencies
 - Promote continuous learning through workshops, digital learning platforms and on-the-job development
 - Develop emerging skills that support the delivery of current and future growth projects
 - SR** Engage stakeholders proactively to strengthen understanding of PGB's role and contributions
 - Promote natural gas as a cleaner energy option within the wider energy transition
 - Reinforce PGB's position as a trusted supplier and infrastructure partner by highlighting operational capabilities
 - Deliver integrated and customer-focused solutions to enhance competitiveness in the region.
 - Collaborate effectively via continuous engagement with employee unions to strengthen trust, enhance transparency and proactively address workplace concerns
 - Support national initiatives and collaborate with ministries, authorities and local councils on sustainability efforts
 - Partner with non-governmental organisations to broaden outreach and improve programme impact

Trade Offs

- F** By strategically allocating financial capital to maintain and upgrade our gas infrastructure, we aim to uphold operational excellence and deliver sustainable value across our manufactured, human, intellectual and social and relationship capitals. This, however, may increase pressure on natural capital within the regulatory boundary due to land use, emissions and the need for prudent management of financial resources to balance short-term liquidity with long-term growth.
- N** Operational activities draw on natural resources and generate emissions and waste. By integrating stronger environmental management practices and investments in efficiency improvements, we reduce long-term ecological impact while reinforcing organisational resilience and stakeholder confidence.
- M** Short-term resource allocation is required to sustain and enhance asset performance. These investments support long-term system reliability, reduce operational disruptions and reinforce value creation across financial, human and social and relationship capitals.
- I** Enhancing systems, processes and project governance requires upfront investment and may reduce near-term financial flexibility. The long-term outcome is improved process integrity, stronger risk management and more reliable decision-making across the Group.
- H** Investing in learning, capability development and workforce initiatives requires continuous resource allocation. Over time, this strengthens organisational competence, enhances productivity and supports sustained operational and project performance.
- SR** Ongoing engagement with stakeholders requires sustained commitment. To this end, our dedicated stakeholder management team builds trust, strengthens our license to operate and supports long-term collaboration that enhances financial, operational and reputational outcomes.

Our Strategic Agenda

Introduced in early 2023, the PGB Strategic Agenda remains the Group’s central roadmap for near- to medium-term progress. In 2025, it continued to anchor operational excellence and guide efforts to deliver sustained value while supporting organisational resilience.

The agenda enables PGB to continue strengthening its core business while deliberately channelling capital into selective step-out and green opportunities that enhance future readiness. This approach is supported by disciplined portfolio management, ensuring capital is deployed responsibly to balance near-term performance with long-term sustainability and growth.

Its focus areas of Health, Safety, Security and Environment (HSSE), sustainability, digitalisation, systems and people are underpinned by defined Key Performance Indicators that shape targeted actions across the organisation. These measures support cost efficiency, strengthen profitability and help PGB maintain high standards of safety, reliability and performance in a changing energy environment.

Our Aspiration

A Leading Gas Infrastructure and Utilities Company



Our WINNING FORMULA



Our Ambitions and Tactical Themes

- | Deliver high-impact growth projects | Deliver projects safely within budget, time frame and quality | Deliver top performance in key operating metrics |
|--|---|---|
| <ul style="list-style-type: none"> Effective portfolio management Excellent customer-centric solutions | <ul style="list-style-type: none"> Competitive project strategy and solutions Flawless project delivery execution | <ul style="list-style-type: none"> Sustain world-class plant performance Optimise cost and energy |

Our Enablers

HSSE . Sustainability . Digital . System . People

Our Strategic Agenda remains guided by the four Sustainability Lenses:

- Sustainable Value Creation**
 Drive long-term business value creation through responsible investments.
- Safeguard the Environment**
 Collaboratively reduce environmental impact by transitioning to lower-carbon energy solutions and deploying innovative operations and technologies.
- Positive Social Impact**
 Create positive alliances with the communities in which we operate by protecting and adding value to the well-being of employees, partners and society.
- Responsible Governance**
 Safeguard the organisation’s commitment through strong governance mechanisms and ethical business practices.

PGB Winning Formula



PGB’s Winning Formula centres on four strategic pillars: **Growth, Commercial Excellence, Project Excellence** and **Operational Excellence**. These pillars guide how we respond to evolving industry dynamics and support the Group’s continued resilience and relevance.

Five enablers, **HSSE, Sustainability, Digital, Systems** and **People**, are embedded across all operations. They reinforce execution discipline and support steady progress towards the PGB Strategic Agenda.

PGB Strategic Goals



PGB continues to advance its strategic goals under the four pillars. **Growth** and **Commercial Excellence** focus on initiatives that create sustainable value and support a balanced portfolio in a changing energy environment. Under **Project Excellence**, we remain committed to delivering projects on schedule, within cost parameters and to required quality and safety standards. **Operational Excellence** is guided by five performance targets that support efficiency, reliability and cost competitiveness.

These goals are underpinned by the same core enablers, HSSE, Sustainability, Digital, Systems and People, which remain integral to execution across the organisation.

- Achieve top performance in OEE**
 Overall Equipment Effectiveness (OEE) measures plant performance against its potential by identifying efficiency gaps within operations. It evaluates how effectively equipment is utilised during available time.
 PGB has maintained strong OEE performance since 2019, reflecting consistent delivery against customer expectations. Reliable plant performance supports our role as a supplier and enables us to maximise incentives under long-term arrangements.
- Achieve top performance in unit cost efficiency**
 Unit cost represents the cost to produce one unit of output. It is calculated by dividing total production cost by the number of units produced. Monitoring unit cost is essential for assessing efficiency, benchmarking performance and identifying opportunities for savings.
 Maintaining top-tier performance in unit cost helps ensure PGB remains competitive relative to industry peers.
- Achieve top performance in Energy Intensity Ratio**
 The Energy Intensity Ratio quantifies energy performance by comparing actual energy intensity against a defined baseline. It measures how efficiently energy is consumed to produce products or deliver services.
 Through operational optimisation, timely maintenance programmes and technology deployment, PGB continues to enhance energy performance while supporting sustainability outcomes.
- Achieve top quartile ESG ratings**
 Environmental, Social and Governance (ESG) ratings evaluate an organisation’s ESG practices. Investors and stakeholders use these ratings to assess sustainability performance and associated risks.
 Rating providers such as FTSE4Good apply various methodologies and data sources to determine company performance. Achieving top quartile ESG ratings signals PGB’s commitment to sustainability and responsible governance and reinforces our relevance to shareholders and the market.

Our Strategic Agenda

Cultivate a generative HSSE culture

A generative HSSE culture reflects doing the right thing even when no one is watching. It is supported by four principles:

Ownership: Leaders set the tone and everyone takes responsibility for HSSE, recognising its role in supporting business outcomes.

Mindfulness: HSSE is part of everyday actions because it is the right thing to do, not because oversight is present.

Interdependence: We look out for one another, keeping risks and potential errors in view and recognising that everyone has a role in contributing to HSSE.

Courage: Employees are empowered to intervene when faced with unsafe conditions or behaviours and to accept similar interventions from colleagues.

To achieve the Group's strategic targets, initiatives are organised under three tactical themes:

<p>Growth and Commercial Excellence</p> <ul style="list-style-type: none"> Strengthening portfolio management Delivering customer-centric solutions 	<p>Project Excellence</p> <ul style="list-style-type: none"> Implementing competitive project strategies and solutions Driving disciplined project delivery and execution 	<p>Operational Excellence</p> <ul style="list-style-type: none"> Sustaining high plant performance Optimising cost and energy efficiency
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OUR ENABLERS

HSSE PGB sustains the commitment to delivering strong HSSE performance while embracing emerging risks and challenges. Attaining a strong HSSE performance is driven by efforts to cultivate a Generative Culture across the organisation.

Sustainability PGB's Sustainability Agenda is structured around four lenses:

- Sustainable Value Creation**
- Safeguard the Environment**
- Positive Social Impact**
- Responsible Governance**

Digital Three digital priorities support the PGB Strategic Agenda:

- Using digital as a catalyst for new ways of working and improved data analysis**
- Advancing analytic maturity towards cognitive capabilities**
- Positioning digital as an enabler of value creation**

System PGB's organisational effectiveness is shaped by:

- Management system and work processes**
A structured set of policies, procedures and processes integrated with a continuous improvement cycle
- Principle of empowerment**
Moving decision-making closer to where work is performed to enhance efficiency

People PGB aims to create a conducive environment where employees are empowered, agile and enabled:

- Empowered with the knowledge and tools needed to meet their goals**
- Agile with the flexibility to navigate challenges**
- Enabled with the resources required to act and deliver outcomes**

Strategic Focus Areas and Key Performance Indicators

Operational Excellence				
Strategic Focus Areas	Key Performance Indicators	2025 Initiatives and Results	2026 Priorities	Medium-Term/Long-Term
Health, Safety, Security and Environment (HSSE): Ensuring safe operations at all facilities	<ul style="list-style-type: none"> Fatality Lost Time Injury (LTI) Major Fire incident Major Loss of Primary Containment (LOPC) case Major Security incident 	<ul style="list-style-type: none"> Zero Fatalities One LTI One Major Fire incident Zero Major LOPC cases Zero Major Security incident 	<ul style="list-style-type: none"> Mitigate emerging risk exposure by strengthening oversight of third-party and high-risk work activities Enhance coordination and communication with relevant authorities to ensure effective preparedness, response and regulatory alignment 	<ul style="list-style-type: none"> Continue proactive monitoring of high-risk areas and reinforce prevention-focused controls Strengthen systems that support early detection of unsafe conditions and ensure consistent compliance across operating locations
Operations: Driving efficiencies and maintaining high reliability of asset performance	Plant reliability and efficiency metrics: <ul style="list-style-type: none"> Energy Intensity Ratio PGB Overall Equipment Effectiveness (OEE) PGB Reliability PGU Product Delivery Reliability (PDR) 	<ul style="list-style-type: none"> Energy Intensity Ratio: 91.8 PGB OEE: 99.6% PGB Reliability: 99.3% PGU PDR: 99.6% 	<ul style="list-style-type: none"> Maintain systematic tracking of key operational parameters to uphold efficiency and reliability levels required to meet customer demand 	<ul style="list-style-type: none"> Strengthen monitoring frameworks to ensure operational stability Reinforce performance evaluation of key indicators to guide timely corrective actions and support dependable service delivery
Project Delivery: Ensuring project execution meets HSSE targets, timelines, budgets and quality standards in alignment with stakeholder expectations	<ul style="list-style-type: none"> 70 per cent Safe OTOBOS (On Time, On Budget, On Scope) 	<ul style="list-style-type: none"> Projects achieved 88 per cent Safe OTOBOS, exceeding target Introduced operational readiness requirements in PGB's Project Management System 	<ul style="list-style-type: none"> Sustain Safe OTOBOS performance by conducting structured risk assessments, strengthening monitoring mechanisms and ensuring early management of HSSE-related concerns Reinforce adherence to project governance standards 	<ul style="list-style-type: none"> Build stronger project management capabilities in risk management, stakeholder engagement and integrated planning to support smooth and predictable project delivery
Sustainability: Meeting sustainability disclosure requirements and advancing the agenda to achieve Net Zero Carbon Emissions (NZCE) by 2050	<ul style="list-style-type: none"> FTSE4Good rating Greenhouse Gas (GHG) emissions reduction International Financial Reporting Standards (IFRS) S2 compliance 	<ul style="list-style-type: none"> FTSE4Good rating: 4.7 GHG emissions reduction: 175,778 tonnes CO₂e Addressed all IFRS S2 requirements 	<ul style="list-style-type: none"> IFRS S1 compliance Carbon tax implementation readiness Prepare for GHG reasonable assurance in 2027 	<ul style="list-style-type: none"> Ensure compliance with evolving disclosure requirements and prepare for reasonable assurance on emissions data Continue progressing NZCE 2050 initiatives across short-, medium- and long-term time frames through the execution of carbon reduction, monetisation, storage and offset projects

Strategic Focus Areas and Key Performance Indicators

CE Commercial Excellence				
Strategic Focus Areas	Key Performance Indicators	2025 Initiatives and Results	2026 Priorities	Medium-Term/Long-Term
<p>Retain Business: Ensuring the renewal and extension of current commercial contracts</p> <p>Capture New Business: Securing new contracts for existing business</p>	<ul style="list-style-type: none"> Achievement of key milestones for commercial contracts, growth projects and opportunities identified 	<ul style="list-style-type: none"> Completed the settlement of an outstanding electricity supply agreement dispute, with the recovery of RM52 million Secured an agreement for prepayment of Annual Fixed Charges for the remaining period of Jetty Usage Agreement, minimising future foreign currency exposure Obtained approval from the Federal Government for the new Regulatory Period 3 tariffs for gas transportation and regasification services, at par with industry benchmark 	<ul style="list-style-type: none"> Advance commercial development by securing new opportunities in green electricity supply to diversify the Group's energy offering 	<ul style="list-style-type: none"> Strengthen the Utilities and Industrial Gases portfolio to improve competitiveness and resilience
GR Growth				
Strategic Focus Areas	Key Performance Indicators	2025 Initiatives and Results	2026 Priorities	Medium-Term/Long-Term
<p>High Impact Growth: Focused execution of identified growth opportunities within core business and adjacent value pools</p>	<ul style="list-style-type: none"> Achievement of key milestones for identified growth opportunities 	<ul style="list-style-type: none"> Completed the Pengerang Liquefied Natural Gas (LNG) storage facilities with Commercial Operation Date achieved in August 2025 Completed and commenced operations of the Kluang Compressor Station Construction for 100MW Kimanis Peaking Power Plant progressed steadily and remains on track for commercial operations in 2026 Construction as planned for 52MW Sipitang Power Plant with targeted completion by end of 2026 Construction continued as planned for Pengerang LNG-driven Air Separation Unit with targeted completion in 2026 Received Letter of Notification for 120MW Labuan Power Plant and commenced development activities as scheduled Achieved Final Investment Decision for fibre optic backhaul infrastructure project along PGB's Right-of-Way 	<ul style="list-style-type: none"> Progress all ongoing projects in accordance with approved schedules and budgets Advance development activities for the fibre optic backhaul project to support timely readiness and deployment Maintain structured engagement with stakeholders to support project execution across core and adjacent growth areas 	<ul style="list-style-type: none"> Continue exploring opportunities in the energy transition and new business domains to reinforce long-term growth prospects

PC People and Culture				
Strategic Focus Areas	Key Performance Indicators	2025 Initiatives and Results	2026 Priorities	Medium-Term/Long-Term
<p>Talent: Consistent implementation of talent development strategies and initiatives</p>	<ul style="list-style-type: none"> Fostering a sturdy talent pipeline to ensure a continuous pool of successors and skilled professionals required for core operations and growth 	<ul style="list-style-type: none"> Aligned manpower requirements with business goals, resulting in 98 per cent manning efficiency Strengthened PGB succession planning, effective mobility and progression with sufficient qualified talents available for business-critical positions 	<ul style="list-style-type: none"> Driving capability growth to cultivate best-fit talent aligned with business priorities Fostering workforce agility by building cross-functional expertise, enabling rapid adaptation to evolving business demands 	<ul style="list-style-type: none"> Maintain emphasis on developing a talent ecosystem equipped to deliver strategic and operational goals
<p>Culture: Strengthening the culture of accountability</p>	<ul style="list-style-type: none"> Organisation Culture Assessment (OCA) results 	<ul style="list-style-type: none"> Recorded a 96 per cent response rate for the OCA, which helped us identify areas that require further improvements in order to sustain a high-performance culture and desired behaviour 	<ul style="list-style-type: none"> Reinforce expectations around desired behaviours to support PGB agenda 	<ul style="list-style-type: none"> Continue to accelerate and strengthen the culture of accountability across the organisation

Risks Linked to Strategy

The operating environment for the energy sector continues to shift, creating a broad set of risks that require structured oversight and timely response. Managing these risks is integral to maintaining safe and reliable operations while advancing our strategic priorities. PGB adopts a disciplined approach that assesses how internal and external developments may influence our business and guide the mitigation measures we put in place.

This section presents the principal risk categories and the actions taken to manage them across the Group.

Health, Safety, Security and Environment (HSSE) Risk

HSSE risk is inherent to the Group's operations due to the nature, scale and geographical spread of its gas infrastructure assets.

This risk is influenced by external factors, such as urban development in proximity to operating assets, as well as internal factors arising from operational, maintenance and project activities which require a high level of discipline and adherence to established procedures.

If materialised, this risk could result in operational disruptions, adverse impacts on communities, environmental harm, regulatory actions and reputational damage, which may, in turn, affect the Group's ability to deliver reliable energy supply and support national energy security.

Risk Movement: Increasing

In 2025, the Putra Heights incident underscored the emergence of new and evolving risk dimensions beyond conventional exposures. In addition, seismic activities affecting multiple districts in Johor were observed, which, while not impacting the Group's operations, underscore the need for continued vigilance and proactive risk monitoring.

In response, the Group undertook materially effective actions to manage the incident's aftermath and ensure continued effective HSSE management and operational resilience.

Impact

Potential operational disruptions arising from safety incidents or environmental non-compliance, which may result in financial penalties and reputational impact.

Mitigation Actions

- Implemented enhanced HSSE controls to mitigate exposure arising from externally related causes, such as underground pipeline assessments to detect pipeline movement and strain.
- Strengthened current response readiness on emergency and business continuity plan.
- Advocacy with relevant stakeholders towards enhanced regulatory and operational support and collaboration.
- Implemented continuous HSSE generative culture initiatives, with compliance monitoring in place.

Opportunities

- Enhance safety control through the adoption of advanced pipeline monitoring technologies.

Links

Strategic Agenda:	Material Matters:	Stakeholder Groups:
 Enablers (HSSE)	<ul style="list-style-type: none"> Occupational Safety and Health Environmental Management 	<ul style="list-style-type: none"> Government Agencies and Authorities Communities

Operational Risk

Operational risk for the Group arises from the nature of operating safety-critical, capital-intensive gas and utilities assets that require high levels of reliability and continuous availability aligned with global standards.

This risk stems from internal factors, such as potential failures in people, processes, systems, asset integrity and external events, which could disrupt operations and compromise Malaysia's security of energy supply.

If not effectively managed, operational risk could lead to entire value chain disruption and significant reputational impact, with broader implications for stakeholders and national energy security.

Risk Movement: Increasing

During the year, the anticipated increase in gas demand driven by the growth of data centres necessitated an enhanced focus on the reliability of the Group's asset.

The Putra Heights incident further introduced a new and emerging operational risk, impacting service reliability and pipeline integrity.

In response, PGB continues to implement robust operational, maintenance and reliability measures to mitigate and sustain uninterrupted and reliable operations.

Impact

- Supply disruption impacting Malaysia's energy security.
- Reputational damage and loss of stakeholder trust.
- Value erosion.


Mitigation Actions

- Implemented continuous asset reliability and integrity initiatives, maintenance and inspection programmes.
- Assessed sufficiency of existing assets' capacity to cater to additional gas demand.
- Conducted continuous benchmarking to drive operational improvement.

Opportunities

- Potential growth opportunities to sustain current operational reliability amid anticipated gas demand growth.

Links

Strategic Agenda:	Material Matters:	Stakeholder Groups:
 Winning Formula (Operational Excellence)	<ul style="list-style-type: none"> Occupational Safety and Health Sustainable Value Creation 	<ul style="list-style-type: none"> Government Agencies and Authorities Communities Customers

Reputational Risk

As a public listed company and an essential gas infrastructure and utilities provider, PGB operates under heightened scrutiny from regulators, investors, customers and communities it serves.

Any event or occurrence that gives rise to adverse perceptions, including HSSE incidents, could result in reputational harm, the erosion of stakeholder confidence and potential challenges in achieving the Group's strategic and business objectives.

Risk Movement: Increasing

During the year, adverse news arising from HSSE-related incidents affecting the Group's assets, including the unprecedented Putra Heights incident, heightened the reputational risk.

This was driven by public safety concerns, perceived infrastructure vulnerabilities and heightened stakeholder expectations for long-term preventive measures.

In response, PGB undertook key actions, including proactive public and stakeholder communications, the issuance of media statements and intensified engagements with affected communities, as part of its ongoing reputation risk management efforts.

Impact

Erosion of stakeholder confidence, increased regulatory scrutiny and heightened public concern, which could affect the Group's licence to operate, investor sentiment and ability to achieve its strategic and business objectives, with broader implications for long-term value creation.


Mitigation Actions

- Executed a three-pronged reputation strategy focusing on:
 - Rebuilding trust through transparency,
 - Reinforcing safety through facts and data, and
 - Fostering collective responsibility among stakeholders.
- Conducted continuous stakeholder engagements programmes for relevant communities surrounding PGB Right-of-Way towards confident coexistence, e.g. Awareness & Action programmes.

Opportunities

- Proactive and transparent management of reputational risk strengthens stakeholder trust, demonstrates strong governance and leadership, enhances the Group's social licence to operate and supports long-term value creation.

Links

Strategic Agenda:	Material Matters:
 All areas of the Strategic Agenda	<ul style="list-style-type: none"> Community Engagement
	Stakeholder Groups:
	<ul style="list-style-type: none"> Government Agencies and Authorities Communities Media

Climate and Sustainability Risk

The global transition towards a lower-carbon economy, heightened regulatory requirements and evolving stakeholder expectations have been the impetus for the establishment of the Group's Net Zero Carbon Emissions (NZCE) by 2050 Pathway, which requires disciplined execution to achieve its stated targets. Inability to achieve these targets could expose PGB to reputational risk.

In addition, the Group is exposed to both transition and physical risks associated with climate change. Transition risks arising from regulatory changes, carbon pricing mechanisms and decarbonisation expectations may result in higher compliance and capital costs and could impact long-term asset utilisation if not effectively managed. Physical climate risks, such as flooding, prolonged heat and other climate-related disruptions, may affect asset integrity and operational reliability, leading to operational disruptions, increased costs and potential supply interruptions.

Beyond climate, sustainability-related risks also extend to social and governance dimensions, including supply chain practices and transparency in climate-related disclosures.

Failure to effectively manage these risks and stakeholder expectations may adversely affect the Group's long-term value, competitiveness and resilience.

Risk Movement: Increasing

In 2025, the potential introduction of a national carbon tax gained greater prominence following the Malaysia Budget 2026 announcement, particularly for identified industries, including the energy sector in which PGB operates. If materialised, and depending on its mechanics, the Group may be subject to higher operation and compliance costs.

Additionally, the evolution of regulatory requirements and growing disclosure expectations, such as the commencement of mandatory implementation of the National Sustainability Reporting Framework aligned with International Financial Reporting Standards (IFRS) S1 and S2 and enhanced Bursa requirements on sustainability, continue to create business and reputational risk exposure.

Internally, balancing sustainability efforts and evolving business strategy has led to a recalibration of the Group's NZCE by 2050 Pathway, including revisions to short-term targets, resulting in a compressed timeline to achieve the commitment.

PGB continues to deliver the climate and sustainability actions guided by the Sustainability Blueprint, while ensuring carbon tax readiness and IFRS S1 and S2 disclosure compliance to manage these changes.

 Note: To be read together with Sustainability Report.

Impact

- Failure to manage risks and meet the sustainability requirements or expectations could result in potential business disruption, missed business opportunities and reputational impact.
- Any ineffective execution in mitigating carbon tax exposure can result in rising operational costs or profitability impact.


Mitigation Actions

- Executed climate mitigation strategies towards greenhouse gas emissions reduction, e.g. carbon abatement and portfolio greening initiatives, as well as adaption towards physical climate-related risk.
- Executed carbon tax exposure mitigation, e.g. carbon tax assessments to ascertain current tax exposure and the applicable tax owner.
- Executed current disclosure regulatory requirement gap assessment and closure plan.
- Established the PGB Human Rights Policy and continued to monitor and address any potential human rights impact.

Opportunities

- Explore and capture new growth opportunities and revenue stream in carbon capture and storage.

Links

Strategic Agenda:	Material Matters:	Stakeholder Groups:
 Enablers (Sustainability)	<ul style="list-style-type: none"> All elements Climate Change Management 	<ul style="list-style-type: none"> Investors and Funding Institutions Media

Risks Linked to Strategy

Legal and Regulatory Risk

PGB's business operations require adherence to a multitude of existing, evolving and emerging regulatory requirements. Any changing regulations require continuous attention to ensure our ability to operate efficiently and competitively.

This includes the five critical legal areas which are Sanction, Competition, Ethics and Integrity, Export Control and Data Privacy, as well as other applicable laws and regulations.

Any breaches of these laws could result in reputational damage and significant financial loss.

Risk Movement: Stable

The risk remained stable in 2025.

However, there were changes involving critical legal areas which are the amendment to the Personal Data Protection (Amendment) Act (effective June 2025) and Anti-Money Laundering Act which falls under ethics and integrity (effective May 2025). In response to the changes, PGB took the relevant actions to ensure compliance in line with PETRONAS compliance programme.

In addition, the potential exposure is being managed through proactive identification of potential risks on any emerging laws and regulatory changes.

Impact

Any non-compliance may result in financial penalties, legal action, reputational damage and the erosion of stakeholder trust.

Mitigation Actions

- Implemented the PETRONAS Legal Compliance Framework, adhering to corporate liability guidelines and aligning with international human rights principles, to strengthen legal and compliance governance.
- Executed the identified anti-bribery and integrity measures, regulatory engagements, legal register updates, continuous compliance communication with relevant internal stakeholders and audit assurance.
- Sustained compliance efforts in ensuring licence to operate, including the execution of our equipment upgrading compliance plan.

Opportunities

- Leverage industry experience to participate in relevant regulatory review activities as part of regulatory shaping activities.

Links

Strategic Agenda: Material Matters: Stakeholder Groups:

- Material Matters:
 - Business Ethics and Transparency
- Stakeholder Groups:
 - Government Agencies and Authorities
 - Business Partners
 - Suppliers and Vendors
 - Employees and Unions

Project Delivery Risk

The successful delivery of capital-growth and operational reliability sustenance projects, as part of our business growth strategy and effort to maintain asset integrity, remains an important focus.

This could be influenced by factors including supply chain disruptions, change in government policy impacting project cost, contractor performance and limited capable resources.

Ineffective project delivery execution could lead to project delay and higher costs, resulting in value erosion and jeopardising operational sustainability.

Risk Movement: Stable

In 2025, several projects achieved Final Investment Decision, including one non-conventional related project involving fibre optic infrastructure.

However, the exposure remains stable as PGB has undertaken robust mitigation strategies, including adherence to project governance standards and recruited relevant experts to drive project execution excellence, aligned with project Safe On Time On Budget On Scope aspiration.

Impact

Potential financial impact from delays in monetising growth projects and operational disruptions.

Mitigation Actions

- Executed enhanced project oversight and monitoring through relevant project emerging risk or insights (both external and internal threats) for timely project intervention.
- Assessed the impact of the expanded Sales and Service Tax (SST) and concluded that its effect on project costs was manageable.
- Continuously reviewed the of project management team to ensure adequacy of capable resources to drive project excellence.

Opportunities

- N/A

Links

Strategic Agenda: Material Matters: Stakeholder Groups:

- Material Matters:
 - Sustainable Value Creation
- Stakeholder Groups:
 - Suppliers and Vendors
 - Employees and Unions
 - Government Agencies and Authorities
 - Communities



Winning Formula (Project Excellence)

Cybersecurity Risk

As PGB continues to increase its digital footprint, the risk of disruption to digital infrastructure and exposure to cyber threats remains significant.

In addition, the rapid evolution of Artificial Intelligence (AI) has contributed to a more sophisticated cyberattacks and cybercrimes, posing significant threats to our systems and operations.

Risk Movement: Stable

In 2025, the risk movement remained stable and no cybersecurity incident was recorded.

Nonetheless, a growing prominence of AI was observed, particularly in the generative AI areas.

In response, we continued to enhance our digital management, cyber resilience and information security, including our joint venture companies.

Impact

Cyberattacks may disrupt our operations, leading to financial losses, reputational damage and lost opportunities.

Mitigation Actions

- Continued to enforce the Enterprise Cyber Security Governance Framework to strengthen cybersecurity oversight.
- Undertook cybersecurity adequacy assessment for our joint venture companies and concluded that they fulfilled its minimum control requirements.

Opportunities

- Leverage AI responsibly to enhance operational efficiency.

Links

Strategic Agenda: Material Matters: Stakeholder Groups:

- Material Matters:
 - Cybersecurity and Data Privacy
- Stakeholder Groups:
 - Government Agencies and Authorities
 - Suppliers and Vendors
 - Communities



Enablers (Digital)

Financial and Credit Risk

PGB is primarily exposed to market factors such as foreign exchange policy for dollar-denominated business, movements in gas prices and changes in cost-related policies, such as the electricity tariff adjustments and expansion in the scope of SST.

Additionally, the Utilities segment and regulated business are susceptible to changes in the tariff under the regulatory framework, which could expose PGB to margin pressure depending on the pricing outcomes.

Furthermore, PGB is exposed to counterparty risk of failing to meet contractual payment or financial obligations, which could arise from factors such as deterioration in customer financial health and disputes due to changes in payment terms.

Risk Movement: Stable

In 2025, the impact of foreign currency exposure and gas price was moderated by the strengthening Malaysian Ringgit and stable movement of gas price, respectively, during the year.

However, we continued to experience margin pressure onto the Utilities segment, due to the revision of the electricity tariff under the new Regulatory Period 4. In response, PGB continued to emphasise cost efficiency, reliability and disciplined operational management. We also assessed the impact of the expanded SST and concluded that its effect on operating and project costs was manageable.

Impact

- Potential impact on our revenue and profitability, arising from unfavourable market conditions, impacting our ability to pursue growth opportunities.
- Delay in receivable recovery, impacting revenue certainty.

Mitigation Actions

- Executed hedging strategies for identified foreign exchange currency exposure in project and operational areas.
- Undertook early USD liabilities settlement, resulting in minimal USD exposure, leveraging favourable market condition.
- Conducted credit worthiness assessment of potential counterparties and performed credit reviews and exposure monitoring on existing counterparties.

Opportunities

- Enhance financial resilience and agility to navigate uncertain markets, while continuing to emphasise prudent cost management and operational excellence.

Links

Strategic Agenda: Material Matters: Stakeholder Groups:

- Material Matters:
 - Sustainable Value Creation
- Stakeholder Groups:
 - Investors and Funding Institutions
 - Business Partners



Winning Formula (Commercial Excellence)

Business Review



Gas Processing

Shahrul Izan Bakti A Aziz
Chief Operating Officer, Gas Processing and Utilities

Revenue

RM1.87
billion

2024: RM1.87 billion

Gross Profit

RM0.87
billion

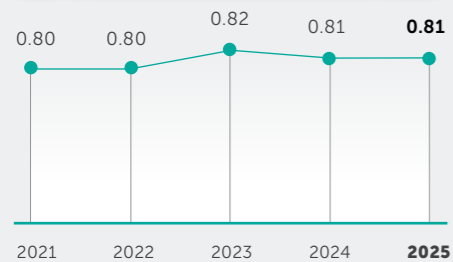
2024: RM0.80 billion

Segment Asset

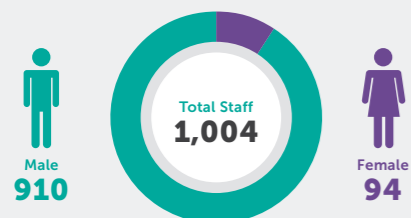
RM4.72
billion

2024: RM4.44 billion

Sales Gas Recovery Factor



Human Capital



Operational Performance

2025 Operational Metrics	Overall Equipment Effectiveness (OEE)	Product Delivery Reliability (PDR)
Sales Gas	100%	100%
Ethane	99.69%	100%
Propane	99.78%	100%
Butane	99.80%	100%

Performance Against Strategic Key Performance Indicators (KPIs)

Strategic Focus Area	2025 Performance
Health, Safety, Security and Environment (HSSE) Excellence	i. Zero Major Health, Safety and Environment (HSE) Incident ii. Zero Major Security Incident
Financial Excellence	i. Continuous optimisation and value creation initiatives leading to RM208 million in value creation* ii. Maximise performance incentive as provided under the Third Term Gas Processing Agreement (GPA) iii. Timely execution and completion of capital expenditure (CAPEX) according to the Third Term GPA
Operational Excellence	i. Gas Processing (GP) PDR at 100 per cent ii. GP OEE at >99 per cent iii. 100 per cent regulatory compliance iv. Zero recurrence of "High" findings from audit
Strategic and Initiatives and Project Delivery Excellence	i. 100 per cent completion of value creation initiatives through our business strategy roadmap ii. Cooling Tower Upgrading Project was successfully completed
People Development	i. 100 per cent capability-based assessment in having the right competency for the operation* ii. 90 per cent ready successors for Regulations- and Act-related critical positions*

* Combined assessment for Gas Processing and Utilities

For further details on our sustainability performance, refer to our standalone Sustainability Report 2025.

Highlights From 2025

Strategic Objectives	Operational Excellence	Commercial Excellence	Growth
Initiatives	<ul style="list-style-type: none"> Optimised value through innovative, agile and energy-efficient operational strategies, achieving measurable improvements in performance, cost efficiency and sustainability, such as: <ul style="list-style-type: none"> Sustained production through agile plant operations during elevated risk conditions Sustained OEE and reliability at above 99 per cent Delivered additional value creation of RM208 million through the business strategy roadmap 	<ul style="list-style-type: none"> Implemented strategies to maximise Performance Based Scheme incentives with a focus on continuous improvement 	<ul style="list-style-type: none"> Continued to pursue strategic business opportunities aligned with the sustainability agenda for gas processing plants

Response to Challenges and Risks

	Challenges and Risks	Mitigations
HSSE	High number of projects, turnaround and site activities resulted in heightened exposure to HSSE risks	Established the Gas Processing and Utilities HSSE Gameplan, a long-term roadmap designed to embed HSSE as a core operating principle under the mantra "HSSE is how I do business." <ol style="list-style-type: none"> Strengthened personal and organisational responsibility for HSSE with: <ol style="list-style-type: none"> Consequence management framework to support behavioural improvement Healthy lifestyle programme to enhance workforce fitness Embedded proactive incident prevention and predictive analysis through: <ol style="list-style-type: none"> Dashboard for real-time monitoring of HSSE leading indicators Assurance programme to assess compliance with HSSE leading indicators Implemented visual risk management tools, such as the piping integrity heat map, hazard signage and dashboards Strengthened emergency preparedness for worst-case scenario events Structured incident sharing and upskilling sessions based on the last five years of PETRONAS incident data Gap assessment programmes and visual management enhancements to address findings from the five-year PETRONAS incident list
Operational Excellence	<ul style="list-style-type: none"> External threats affecting supply and demand required careful planning to meet yearly requirements Sustaining high asset reliability remained critical as facilities continue to age 	<ol style="list-style-type: none"> Optimised ethane and liquefied petroleum gas production through agile plant configurations and operating modes, enabling maintenance flexibility under the Ready-to-Fix approach to address reliability risks and maintain uninterrupted customer supply Sustained asset reliability at above 99 per cent by executing reliability value creation efforts and ensuring swift response actions to minimise prolonged downtime during plant interruptions Implemented improvement projects, by adopting a future-proof approach to manage forecast variations in feed gas composition and contamination, supporting long-term operability Strengthened asset integrity through systematic asset inspection activities to mitigate loss-of-containment risks Participated in a strategic collaboration with PETRONAS Upstream Business to reduce enterprise-level greenhouse gas (GHG) emissions
Business Environment	Market volatility and cost pressures	<ol style="list-style-type: none"> Used hedging strategies and improved commercial terms to protect against price spikes and market fluctuations Adopted flexible plant operations and targeted efficiency initiatives to minimise downtime and control operational expenses

Outlook

Short-Term

The short-term focus is to meet the contractual operating parameters through disciplined execution of operations and maintenance activities. Efforts will prioritise mitigating reliability risks to sustain high plant availability and ensure customer demand is consistently met. The division will also strengthen its project engineering and project management ecosystem to support safe and timely operational readiness.

Medium- to Long-Term

Over the medium- to long-term, the division will explore domestic infrastructure improvement initiatives and long-term solutions aimed at managing high feed gas contaminants, delivering operational sustainability and resilience.

Business Review



Gas Transportation

Azrul Roshazli Abdul Rahman
Chief Operating Officer, Gas Transportation and Regasification

Revenue

RM1.13
billion

2024: RM1.20 billion

Gross Profit

RM0.41
billion

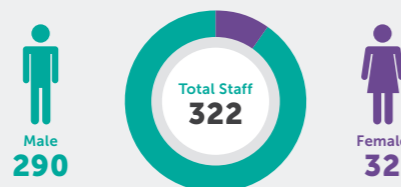
2024: RM0.59 billion

Segment Asset

RM4.90
billion

2024: RM4.35 billion

Human Capital



Operational Performance

Operational Metrics	2025
Reliability	99.3%
Availability	99.3%
Sales Gas Peninsular Gas Utilisation (PGU) PDR	99.6%

Performance Against Strategic KPIs

Strategic Focus Area	2025 Performance
HSSE Excellence	i. Two Major HSE Incident ii. Zero Major Security Incident
Financial Excellence	i. Continuous optimisation and value creation initiatives leading to RM52 million in value creation* ii. CAPEX utilisation remained within Suruhanjaya Tenaga's (ST) approved allocation
Operational Excellence	i. PGU PDR at 99.6 per cent ii. Reliability at 99.3 per cent iii. 100 per cent customer complaint resolution iv. 100 per cent regulatory compliance
Strategic and Initiatives and Project Delivery Excellence	i. Successful completion of Kluang Compressor Station project ii. Successfully concluded Regulatory Period 2 (RP2) and obtained RP3 approval in December 2025
People Development	100 per cent ready successors for Regulations- and Act-related critical positions*

* Combined assessment for Gas Transportation and Regasification

SR For further details on our sustainability performance, refer to our standalone Sustainability Report 2025.

Highlights From 2025

Strategic Objectives	Operational Excellence	Commercial Excellence	Growth
Initiatives	<ul style="list-style-type: none"> Strengthened pipeline integrity through inline inspection, corrosion control and predictive maintenance Upgraded compression systems and rejuvenated ageing facilities, achieving higher reliability and extended asset lifecycles Enhanced emergency preparedness, public awareness and Right-of-Way (ROW) security to safeguard assets and ensure uninterrupted, reliable gas transmission Improved asset utilisation through load balancing and scheduling efficiencies, maximising throughput from existing infrastructure 	<ul style="list-style-type: none"> Optimised gas throughput and operational costs by integrating demand forecasting and data analytics to support sustained delivery Strong performance during the RP2 cycle reflected disciplined execution and regulatory alignment. As the division transitions into RP3, robust strategic and tactical planning for accurate submissions will be critical in sustaining revenue stability, optimising resource allocation and maintaining regulatory confidence Renewal of operations and maintenance (O&M) agreement for Trans Thai-Malaysia (M) Sdn. Bhd. pipeline for a period of 20 years 	<ul style="list-style-type: none"> Executed strategic pipeline and network capacity expansion, thus enabling the system to meet growing energy demand Completion of Kluang Compressor Station project Progressing the construction of the Jeram Compressor Station to meet growing gas demand

Response to Challenges and Risks

	Challenges and Risks	Mitigations
HSSE	Managing HSSE risk exposure effectively, including risks related to regulators and stakeholders	i. Strengthened collaboration with internal and external stakeholders to support implementation of the Let's Comply & Intervene campaign ii. Promoted HSSE Generative Culture among employees and partners iii. Strengthened regulatory compliance and HSSE governance in response to increased major project and critical activity requirements iv. Enhanced operational resilience post-Putra Heights by strengthening emergency response capabilities, refining Incident Action Plan and conducting joint drills with authorities and surrounding communities to ensure effective incident management v. Reinforced HSSE Personal Accountability for Safe System of Work, including Management of Change, Fitness-to-Work requirements and Chemical and Scheduled Waste Management
Operational Excellence	a. Third-party encroachments and external infrastructure activities that may interfere with regulated assets b. Third parties' adjacent land development resulting in potential asset damage and reputation impact, including related legal issues c. Ageing asset integrity	i. Conducted routine ground, aerial and subsea surveillance to detect unauthorised activities ii. Used drones and virtual fencing for real-time monitoring of pipeline ROW and high-risk hotspots iii. Installed warning signage and pipeline markers to alert third parties in sensitive areas iv. Held regular engagements and awareness programmes with local communities, authorities and industrial parties to reduce external interference risks v. Implemented engineering controls, such as physical barriers at locations with a higher likelihood of third-party intrusion i. Conducted proactive engagements and negotiations with landowners, authorities and legal teams to address land development issues ii. Assessed resolution options such as land acquisition, tenancy or right-of-use agreements or pipeline relocation where necessary iii. Maintained accurate as-built alignment drawings and conducted regular surveys to verify ROW condition and pipeline positioning i. Evaluated the integrity of existing assets and managed ageing facilities to maintain a secure gas supply ii. Pursued continuous improvement initiatives to enhance performance efficiency and value delivery
Business Environment	Delivering performance with regulated assets in line with regulatory requirements	i. Applied efficient and optimum O&M practices to support national energy demand ii. Used digital tools and technology to improve efficiency and maintain competitive operating costs iii. Identified new growth opportunities from existing facilities while managing varied demand requirements

Outlook

Short-Term

Our short-term priority is to strengthen operational excellence through improved pipeline integrity management and ageing facilities maintenance. We aim to boost compression system efficiency to ensure reliable and competitive gas delivery. Operational resilience will be enhanced through robust emergency response protocols, regular drills, awareness programmes and improved ROW surveillance to prevent encroachments and ensure stable transportation services.

Medium- to Long-Term

Over the medium- to long-term, we will pursue new growth opportunities and optimise asset utilisation to meet evolving national energy needs. We will continue investing in strategic asset rejuvenation and timely execution of growth projects. Workforce development will remain a priority to strengthen agility, innovation and resilience in support of long-term organisational performance.

Business Review



Regasification

Azrul Roshazli Abdul Rahman

Chief Operating Officer, Gas Transportation and Regasification

Revenue

RM1.38
billion

2024: RM1.36 billion

Gross Profit

RM0.61
billion

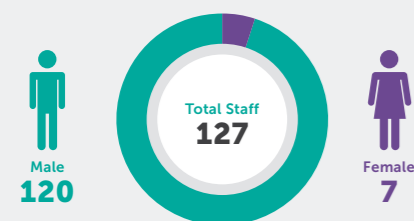
2024: RM0.60 billion

Segment Asset

RM5.01
billion

2024: RM4.47 billion

Human Capital



Operational Performance

2025 Operational Metrics	RGTSU	RGTP
Reliability	99.9%	100%
Availability	99.9%	100%
OEE	100%	100%

Performance Against Strategic KPIs

Strategic Focus Area	2025 Performance
HSSE Excellence	i. Zero Major HSE Incident ii. Zero Major Security Incident
Financial Excellence	i. Continuous optimisation and value creation initiatives leading to RM52 million in value creation* ii. CAPEX utilisation remained within ST's approved allocation
Operational Excellence	i. Regasification Terminal Sungai Udang (RGTSU) and Regasification Terminal Pengerang (RGTP) OEE at 100 per cent ii. RGTSU Reliability at 99.9 per cent and RGTP Reliability at 100 per cent iii. 100 per cent customer complaint resolution iv. 100 per cent regulatory compliance
Strategic and Initiatives and Project Delivery Excellence	i. Completed expansion of Liquefied Natural Gas (LNG) storage facilities at Regasification Terminal Pengerang in August 2025 ii. Successfully concluded RP2 and obtained RP3 approval in December 2025
People Development	100 per cent ready successors for Regulations- and Act- related critical positions*

* Combined assessment for Gas Transportation and Regasification

For further details on our sustainability performance, refer to our standalone Sustainability Report 2025.

Highlights From 2025

Strategic Objectives	Operational Excellence	Commercial Excellence	Growth
Initiatives	<ul style="list-style-type: none"> Strengthened asset integrity programme through corrosion management and predictive maintenance Strengthened safety programmes to improve HSSE outcomes across regasification facilities 	<ul style="list-style-type: none"> Strong performance during the RP2 cycle reflects disciplined execution and regulatory alignment. As the division transitions into RP3, robust strategic and tactical planning for accurate submissions will be critical in sustaining revenue stability, optimising resource allocation and maintaining regulatory confidence One-off settlement for prepayment of Annual Fixed Charges under the Jetty Usage Agreement remaining period to minimise foreign currency exposure 	<ul style="list-style-type: none"> Completed the expansion of LNG storage facilities at Regasification Terminal Pengerang Leveraging cold energy from regasification process to generate new revenue streams

Response to Challenges and Risks

	Challenges and Risks	Mitigations
HSSE	Managing HSSE risk exposure, including risks related to regulatory and stakeholder expectations	i. Strengthened collaboration with internal and external stakeholders to increase HSSE awareness and ensure consistent compliance ii. Reinforced regulatory compliance and HSSE governance in response to increased major project activities iii. Promoted Personal Accountability through Safe System of Work, including Management of Change, Fitness-to-Work requirements and Chemical and Scheduled Waste Management
Operational Excellence	Sustaining operational excellence while managing ageing assets to ensure continuity of business value chain	i. Managed equipment performance to support plant reliability and gas supply continuity ii. Assessed asset integrity and rejuvenated facilities to maintain secure and stable gas supply iii. Delivered project execution that maximises value-chain capacity, including floating LNG storage in Pengerang iv. Conducted continuous preventive maintenance and predictive analysis to sustain equipment performance
Business Environment	Delivering performance with regulated assets in line with regulatory requirements	i. Applied efficient and optimised O&M practices to support national energy demand ii. Used digital tools and technology to enhance efficiency and maintain competitive operating costs iii. Sought new growth opportunities through asset optimisation and diversified service requirements

Outlook

Short-Term

Our short-term priority is to maintain asset reliability and integrity through ongoing optimisation programmes to ensure asset availability and responsiveness to market needs. We will prioritise disciplined project execution to support effective CAPEX utilisation within the regulatory period. We will also maximise existing regasification capacity to meet rising national gas demand.

Medium- to Long-Term

Over the medium- to long-term, we will expand asset capacity to meet increasing national energy demand while supporting sustainability and maintaining resilience in a dynamic market environment.

Business Review



Utilities

Shahrul Izan Bakti A Aziz
Chief Operating Officer, Gas Processing and Utilities

Revenue

RM2.00
billion

2024: RM2.11 billion

Gross Profit

RM0.26
billion

2024: RM0.28 billion

Segment Asset

RM2.23
billion

2024: RM1.78 billion

Human Capital



Operational Performance

Utilities	2024	2025
Electricity (GWh)	1,680	1,736
Steam (kMT)	4,499	4,850
Industrial Gases (MilNm ³)	696	640

The Key Planning and Budget Input target was met in 2025.

2025 Operational Metrics	OEE	PDR
Electricity	99.8%	99.8%
Steam	99.9%	99.9%
Industrial Gases	98.3%	100%

Performance Against Strategic KPIs

Strategic Focus Area	2025 Performance
HSSE Excellence	i. Zero Major HSE Incident ii. Zero Major Security Incident
Financial Excellence	i. Continuous optimisation and value creation initiatives leading to RM208 million in value creation* ii. Timely execution and completion of CAPEX
Operational Excellence	i. UT PDR at 97.97 per cent ii. UT OEE at >99 per cent iii. 100 per cent regulatory compliance iv. Zero recurrence of "High" findings from audit
Strategic and Initiatives and Project Delivery Excellence	i. 100 per cent completion of value creation initiatives through our business strategy roadmap ii. Enhanced project management and execution for project delivery excellence* iii. Continuation of gas turbine life extension and efficiency improvement project
People Development	i. 100 per cent capability-based assessment in having the right competency for the operation* ii. 90 per cent ready successors for Regulations- and Act-related critical positions*

* Combined assessment for Gas Processing and Utilities

For further details on our sustainability performance, refer to our standalone Sustainability Report 2025.

Highlights From 2025

Strategic Objectives	Operational Excellence	Commercial Excellence	Growth
Initiatives	<ul style="list-style-type: none"> Drove operational excellence through targeted reliability strategies, energy and GHG reduction initiatives and process optimisation Focused on key priorities which included defect closure, efficient turnaround management, scenario modelling for contingency planning and continuous improvement in asset performance to maximise uptime, safety and cost efficiency 	<ul style="list-style-type: none"> Focused on expanding spot sales, strengthening revenue assurance and optimising contractual terms Implemented strategic initiatives that enhanced profitability, including scenario modelling and commercial resets underpinned by sustainable growth and value creation 	<ul style="list-style-type: none"> Intensified efforts to acquire new potential businesses while positioning the Utilities business in high-growth areas Centred growth plans on enhancing competitiveness and supporting expansion through plant integration opportunities

Response to Challenges and Risks

	Challenges and Risks	Mitigations
HSSE	High number of projects and site activities resulted in heightened exposure to HSSE risks Compliance with stricter environmental standards and regulations related to effluent and emissions discharge Commitment to sustainability and achieving Net Zero Carbon Emissions by 2050	i. Strengthened the culture of compliance through: <ol style="list-style-type: none"> Reinforced individual accountability using leading indicators and daily risk dashboards Improved understanding of hazards and risks with the "What Good Looks Like" checklist and empowered employees to apply the Stop Work Authority Used digital tools, such as Electronic Permit to Work+ 2.0, Integrated Process Safety Solution and Digital Pre-Activity Safety Review, to reduce human error and standardise processes Addressed external risks through the External Risk Management Programme to enhance protection and compliance ii. Advanced long-term solutions through project enhancements, supported by interim operational controls to improve effluent treatment, including improved chemical injection management iii. Continued carbon abatement initiatives to support sustainability goals and reduce emissions
Operational Excellence	Sustaining optimised operating condition while addressing customer needs for uninterrupted product supply	i. Strengthened steam system resilience through improved deviation analysis and optimised monitoring to proactively manage supply-demand imbalances, enabling economical operation and reliable product supply
Business Environment	Rising operational and support costs affected service delivery and margin performance Revision of the electricity tariff structure under the new RP4 resulted in a lower electricity margin	i. Mitigated operational and maintenance cost pressures through targeted efficiency initiatives and process optimisation to support profitability

Outlook

Short-Term

Our short-term priority is to ensure high plant availability, improving industrial gases performance and strengthening reliability measures to ensure high PDR.

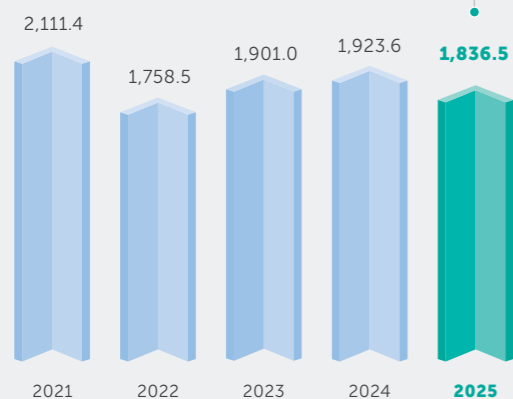
Medium- to Long-Term

Our priorities over the medium- to long-term include exploring new customer segments while leveraging digital transformation to drive greater efficiency.

Financial Review

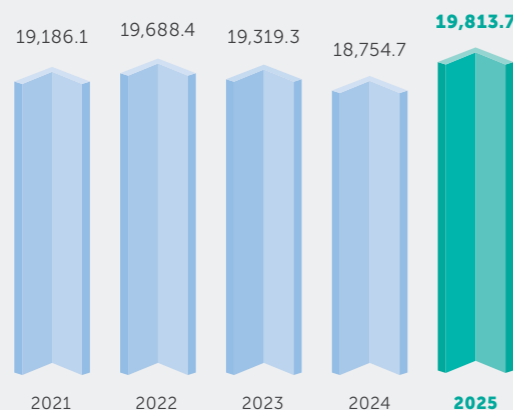
Five-Year Group Financial Review

Analysis of Profit After Tax (RM mil)



Profit declined by 4.5 per cent, or RM87.1 million, primarily due to lower profitability in the Gas Transportation segment, arising from costs incurred for gas supply restoration works and higher maintenance activities, coupled with tighter margins in the Utilities segment. These factors were further impacted by the non-recurrence of a one-off Investment Tax Allowance recognised in the prior year, although partially cushioned by higher other income.

Analysis of Total Assets (RM mil)



Total assets increased by 5.6 per cent or RM1,059.0 million, driven by higher property, plant and equipment arising from increased capital expenditure following the successful completion of Regulatory Period 2 commitments and continued progress on key growth projects.

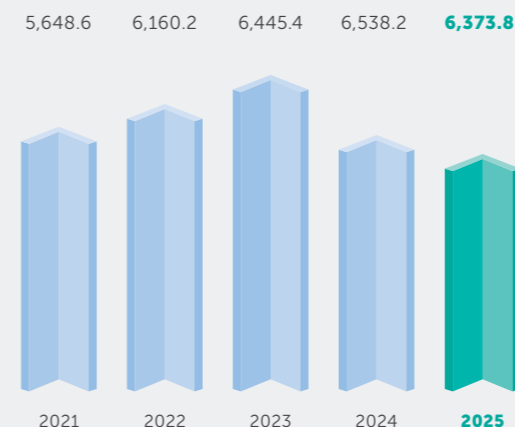
Item	2021	2022	2023	2024	2025
Property, plant and equipment	13,272.4	13,408.4	13,630.5	13,915.9	15,604.6
Fixed assets	11,481.9	11,435.0	11,446.9	12,156.9	13,389.9
Project-in-progress	1,790.5	1,973.4	2,183.6	1,759.0	2,214.7
Trade and other receivables	889.6	990.0	926.6	961.5	878.6
Cash and cash equivalents	3,782.5	4,026.2	3,527.9	2,595.7	1,937.8

Financial Review

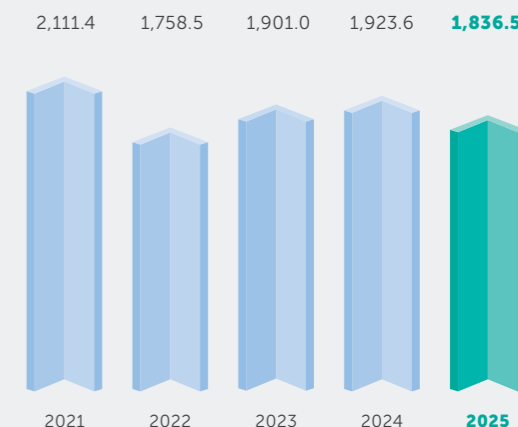
Five-Year Group Financial Summary

Year	2021	2022	2023	2024	2025
Revenue (RM mil)	5,648.6	6,160.2	6,445.4	6,538.2	6,373.8
Profit after tax (RM mil)	2,111.4	1,758.5	1,901.0	1,923.6	1,836.5
EBITDA (RM mil)	3,558.3	3,244.5	3,267.2	3,354.7	3,376.5
Dividend per share (sen)	82.0	72.0	72.0	72.0	72.0
Earnings per share (sen)	100.5	83.2	92.0	92.8	87.3
Total assets (RM mil)	19,186.1	19,688.4	19,319.3	18,754.7	19,813.7
Total equity (RM mil)	13,339.5	13,409.8	13,815.2	14,238.8	14,707.4
Market capitalisation (RM bil)	35.6	33.9	34.4	35.0	35.9
Closing share price (RM)	18.00	17.12	17.40	17.68	18.14

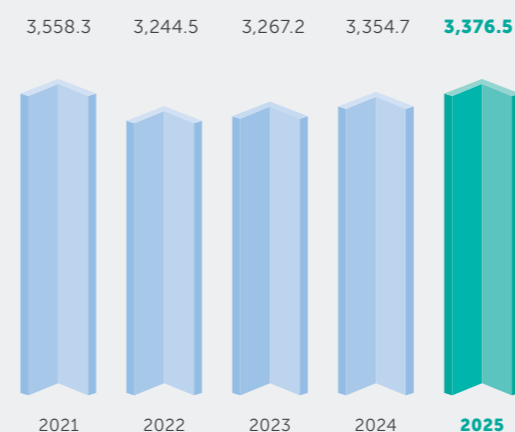
Revenue (RM mil)



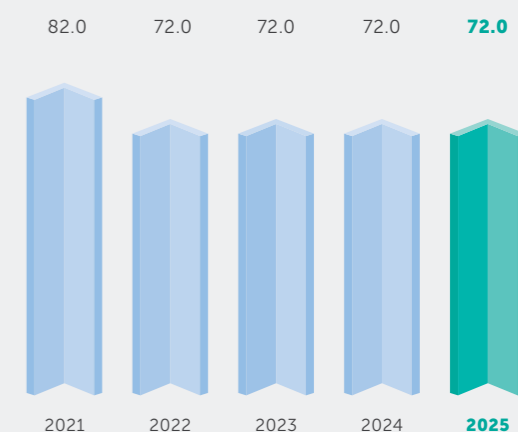
Profit After Tax (RM mil)



EBITDA (RM mil)



Dividend Per Share (sen)



Financial Review Five-Year Group Financial Summary



Financial Review Five-Year Group Financial Information

Year	2021	2022	2023	2024	2025
Key results (RM mil)					
Revenue	5,648.6	6,160.2	6,445.4	6,538.2	6,373.8
By segment:					
Gas Processing	1,719.8	1,746.8	1,778.2	1,872.5	1,866.6
Gas Transportation	1,169.9	1,168.4	1,144.1	1,199.6	1,130.3
Regasification	1,413.5	1,412.1	1,352.3	1,355.2	1,378.6
Utilities	1,345.4	1,832.9	2,170.8	2,110.9	1,998.3
By geography:					
Peninsular Malaysia	5,641.0	6,152.6	6,443.3	6,538.2	6,373.8
Sabah and Sarawak	7.6	7.6	2.1	-	-
Interest income	84.3	120.2	149.2	123.4	98.7
Cost of revenue	2,928.8	3,812.5	4,158.4	4,260.9	4,226.2
By segment:					
Gas Processing	783.3	854.4	981.7	1,071.5	998.7
Gas Transportation	471.3	605.1	581.9	606.9	715.8
Regasification	602.5	661.2	714.7	755.4	771.0
Utilities	1,071.7	1,691.8	1,880.1	1,827.1	1,740.7
Financing costs	175.0	178.4	126.8	89.9	82.6
Administration expenses	132.0	113.5	131.1	145.9	160.5
Operating profit	2,659.5	2,320.1	2,273.7	2,303.0	2,249.2
Earnings before interests, taxes, depreciation and amortisation	3,558.3	3,244.5	3,267.2	3,354.7	3,376.5
Profit before taxation	2,641.7	2,269.4	2,386.0	2,360.3	2,345.0
Profit after taxation	2,111.4	1,758.5	1,901.0	1,923.6	1,836.5
Profit attributable to shareholders of the company	1,988.9	1,645.4	1,819.6	1,836.3	1,727.1
Key statement of financial position (RM mil)					
Property, plant and equipment	13,272.4	13,408.4	13,630.5	13,915.9	15,604.6
Cash and cash equivalents	3,782.5	4,026.2	3,027.9	2,595.7	1,937.8
Total assets	19,186.1	19,688.4	19,319.3	18,754.7	19,813.7
Borrowings	3,447.1	3,835.7	3,152.5	1,847.4	1,523.7
Total liabilities	5,846.6	6,278.6	5,504.1	4,515.9	5,106.3
Share capital	3,165.2	3,165.2	3,165.2	3,165.2	3,165.2
Reserves	9,933.4	9,982.9	10,389.9	10,783.2	11,051.0
Total equity attributable to shareholders of the company	13,098.6	13,148.1	13,555.1	13,948.4	14,216.2
Non-controlling interests	240.9	261.7	260.1	290.3	491.2
Total equity	13,339.5	13,409.8	13,815.2	14,238.8	14,707.4
Share information					
Earnings per share (sen)	100.5	83.2	92.0	92.8	87.3
Dividend per share (sen)	82.0	72.0	72.0	72.0	72.0
Net assets per share (RM)	6.62	6.64	6.85	7.05	7.18
Closing share price (RM)	18.00	17.12	17.40	17.68	18.14
Number of ordinary shares ('000)	1,978,732	1,978,732	1,978,732	1,978,732	1,978,732
Market capitalisation (RM bil)	35.6	33.9	34.4	35.0	35.9

Financial Review Group Quarterly Performance

2025					
In RM mil	First Quarter	Second Quarter	Third Quarter	Fourth Quarter	Year 2025
Operating revenue	1,594.5	1,590.3	1,618.3	1,570.7	6,373.8
Operating profit	576.1	572.5	588.3	512.3	2,249.2
Profit before taxation	611.9	595.3	608.1	529.7	2,345.0
Profit after taxation	492.1	479.6	467.7	397.1	1,836.5
Profit attributable to shareholders of the company	468.8	450.2	444.2	363.9	1,727.1
Earnings per share (sen)	23.7	22.8	22.5	18.4	87.3
Dividend per share (sen)	16.0	16.0	18.0	22.0	72.0

2024					
In RM mil	First Quarter	Second Quarter	Third Quarter	Fourth Quarter	Year 2024
Operating revenue	1,618.8	1,648.1	1,655.9	1,615.4	6,538.2
Operating profit	593.4	592.8	636.1	480.7	2,303.0
Profit before taxation	597.3	614.7	674.7	473.6	2,360.3
Profit after taxation	472.3	490.9	541.2	419.2	1,923.6
Profit attributable to shareholders of the company	456.6	469.0	493.7	417.0	1,836.3
Earnings per share (sen)	23.0	23.7	25.0	21.1	92.8
Dividend per share (sen)	16.0	16.0	18.0	22.0	72.0

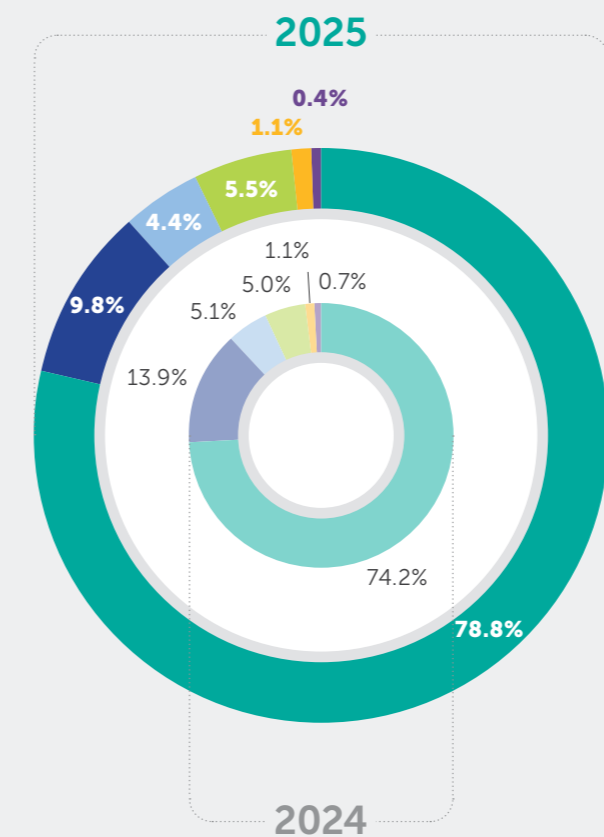
Financial Review Simplified Group Statement of Financial Position

Total Assets

2025: **RM19.8 billion**
2024: RM18.8 billion

	2024	2025
Property, plant and equipment	74.2%	78.8%
Cash and cash equivalents*	13.9%	9.8%
Trade and other receivables	5.1%	4.4%
Investment in joint ventures	5.0%	5.5%
Investment in associate	1.1%	1.1%
Deferred tax assets	0.2%	0.0%
Long-term receivables	0.0%	0.0%
Trade and other inventories	0.2%	0.2%
Tax recoverable	0.3%	0.2%

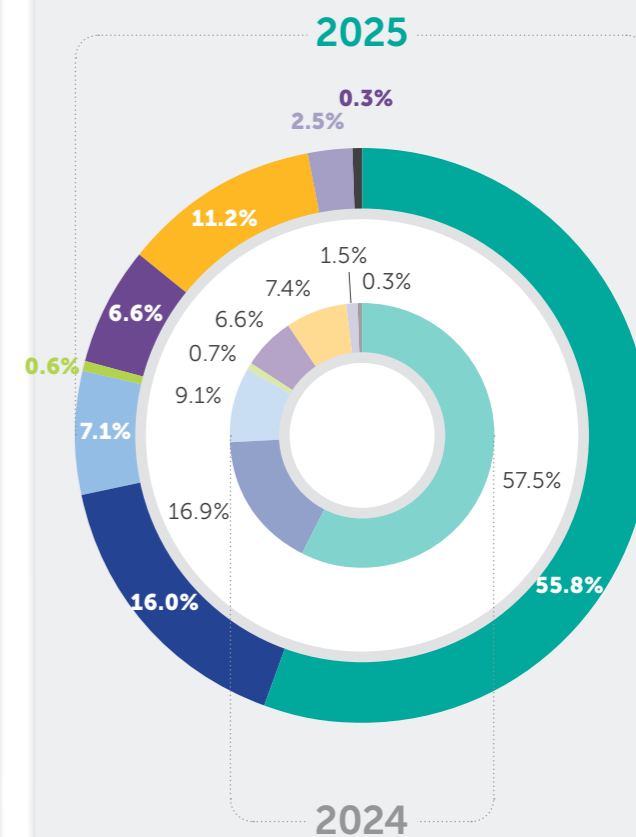
* Certain comparative figures have been reclassified to conform with current year's presentation.



Total Equity and Liabilities

2025: **RM19.8 billion**
2024: RM18.8 billion

	2024	2025
Reserves	57.5%	55.8%
Share capital	16.9%	16.0%
Non-current borrowings	9.1%	7.1%
Current borrowings	0.7%	0.6%
Deferred tax liabilities	6.6%	6.6%
Trade and other payables	7.4%	11.2%
Non-controlling interests	1.5%	2.5%
Other long-term liabilities and provisions	0.3%	0.3%



Financial Review

Key Interest-Bearing Assets and Liabilities

	2024			2025		
	As at 31 Dec	Effective Interest Rate	Interest Income/ (Expenses)	As at 31 Dec	Effective Interest Rate	Interest Income/ (Expenses)
	RM mil	%	RM mil	RM mil	%	RM mil
Interest earning assets						
Cash and cash equivalents#	2,595.7	3.6-4.2	117.4	1,937.8	3.0-3.7	96.0
Term loans due from a joint venture	67.5	5.5	6.0	-	5.5	2.7
Interest bearing liabilities						
Islamic financing facilities*	1,285.0	2.0-4.3	(56.0)	1,165.0	2.0-3.7	(39.0)
Finance lease liabilities*	562.4	4.3-8.4	(47.6)	358.7	4.3-8.4	(49.1)

* Part of interest expenses are being capitalised as part of projects-in-progress.

Certain comparative figures have been reclassified to conform with current year's presentation.

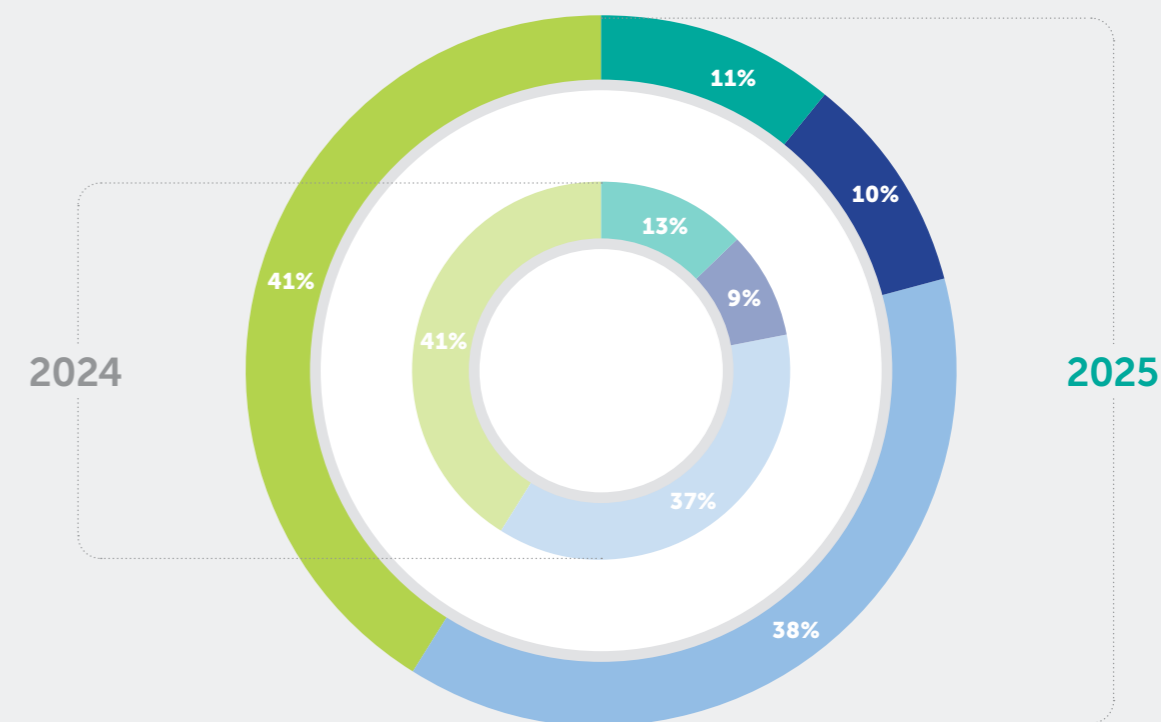
Statement of Value Added

	2024 RM mil	2025 RM mil
Revenue	6,538.2	6,373.8
Purchase of goods and services	(2,665.2)	(2,716.8)
Value added by the Group	3,873.0	3,657.0
Other income and expenses	171.6	262.0
Financing costs	(89.9)	(82.6)
Share of profit after tax of equity-accounted joint ventures and associate	147.3	178.4
Value added available for distribution	4,102.0	4,014.8

Financial Review

Distribution of Value Added

	2024 RM mil	2025 RM mil
To employees		
Employment costs	552.7	431.1
To government		
Taxation	352.8	402.7
To shareholders		
Dividends	1,424.7	1,424.7
Non-controlling interest	87.3	109.3
Retained for reinvestment and future growth		
Depreciation and amortisation	1,188.9	1,238.8
Deferred tax expense	83.9	105.8
Retained profit	411.7	302.4
	4,102.0	4,014.8



Financial Review

Investor Relations

In 2025, PGB’s investor relations programme continued to prioritise transparent, timely and accessible communication with the investment community. Engagements throughout the year were led by the Managing Director/Chief Executive Officer, Chief Financial Officer and Head of Investor Relations, supported by senior management where required. A mix of physical and virtual platforms were used to ensure broad reach and uninterrupted access to key updates on performance, strategy and material developments affecting the business.

We conducted 14 engagement meetings, one analyst site visit and quarterly briefings during the year. These engagements involved collaboration partners including CGS International Securities, Employees Provident Fund (EPF), Legal & General Investment Management (LGIM), Sumitomo Mitsui, Institutional Investors Council Malaysia (IICM), Affin Hwang, CIMB and Kumpulan Wang Persaraan (Diperbadankan) (KWAP). Discussions across sessions covered areas such as business performance, sustainability expectations, market trends, governance matters and updates following the Putra Heights incident. Engagement was conducted through a combination of in-person meetings, Microsoft Teams sessions, email communication and webcast briefings.

We regularly communicate our efforts and progress to ensure stakeholders are well-informed about our business and sustainability initiatives. We remain committed to providing stakeholders with full accessibility to our performance and results, with all company information available at www.petronas.com/pgb. For specific investor-related queries and feedback, we can be reached at ir.petronasgas@petronas.com.

Annual General Meeting

The 42nd Annual General Meeting was held physically on 23 April 2025 at the Royale Chulan Kuala Lumpur. A total of 1,317 shareholders and their representatives were present at the start of the meeting, representing 432,574,030 shares. All proposed resolutions were passed. The meeting minutes and voting results are accessible on the PGB website, with key outcomes also published on Bursa Malaysia.

Quarterly Announcements and Reporting

Quarterly results continued to be communicated through Bursa Malaysia announcements and publication on the PGB corporate website. Analyst briefings were conducted following selected quarters, delivered via webcast.

Quarterly Reporting Schedule 2025	Announcement Date	Briefing Date	Type of Meeting
Quarter 1	26 May 2025	27 May 2025	Webcast
Quarter 2	25 August 2025	25 August 2025	
Quarter 3	26 November 2025	27 November 2025	
Quarter 4	24 February 2026	25 February 2026	

All information updates remained accessible through Bursa Malaysia and the website.

Investor Engagement Sessions

7 January

2025 Physical

Attended the CGS International Malaysia Corporate Day

11 April

2025 Virtual

Employees Provident Fund Engagement with PETRONAS Companies on Directors Remuneration and Net Zero

30 April

2025 Virtual

Engagement with LGIM to address its concerns on sustainability matters

30 April

2025 Physical

Engagement with Sumitomo Mitsui Trust Asset Management

10 June

2025 Physical

Engagement with the Institutional Investors Council Malaysia

25 June

2025 Physical

Engagement with Affin Hwang Investment Bank analysts

22 July

2025 Physical

Engagement between PGB’s senior management and EPF’s Corporate Sustainability unit

9 September

2025 Virtual

Engagement between PGB Finance’s senior management and EPF

9 December

2025 Physical

ESG Engagement with KWAP

Site Visits:

Organised a visit for 12 analysts from CIMB to the Gas Processing Plant in Kertih on 28 October 2025



Financial Review Investor Relations

2025 Significant Announcements

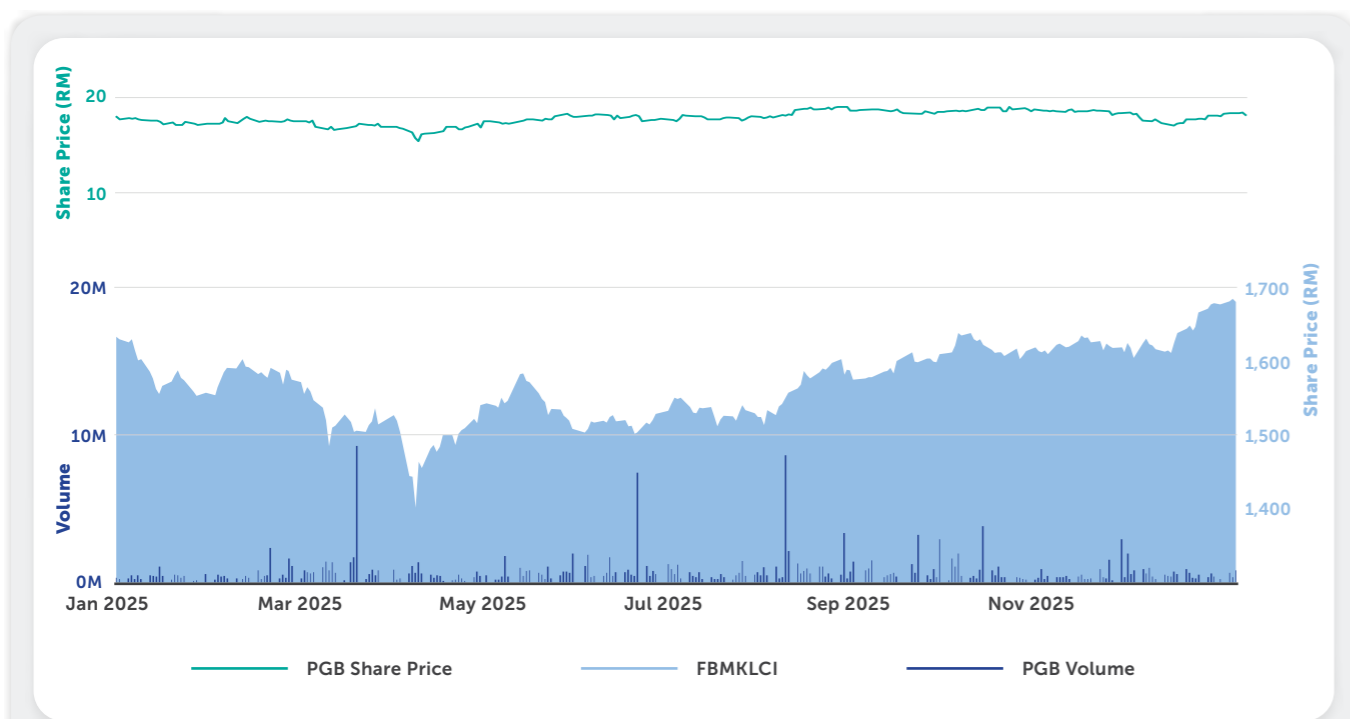
<p>17 January</p> <p>Share Subscription Agreement and Shareholders Agreement with Dialog Equity (Three) Sdn. Bhd.</p> <p style="text-align: center;">BURSA Announcement</p>	<p>20 March</p> <p>Publication of PETRONAS Gas Berhad's Regulatory Period 2 Adjusted Tariffs for Peninsular Gas Utilisation, Regasification Terminal Sg. Udang, Melaka, and Regasification Terminal Pengerang, Johor, from 1 January 2025 to 31 December 2025 Under the Third-Party Access Mechanism and Incentive-Based Regulation Framework</p> <p style="text-align: center;">BURSA Announcement</p>	<p>1 April</p> <p>Fire incident at PETRONAS Gas Berhad main pipeline near Puchong</p> <p style="text-align: center;">BURSA Announcement</p>
<p>8 May</p> <p>Transactions (Chapter 10 of Listing Requirements): Related Party Transactions</p> <p>Shareholders Agreement Entered into Between PG Energia Sdn. Bhd., Sustainable Power Sdn. Bhd. and Sec Power Sdn. Bhd.</p> <p style="text-align: center;">BURSA Announcement</p>	<p>15 July</p> <p>Transactions (Chapter 10 of Listing Requirements): Related Party Transactions</p> <p>Settlement Agreement PETRONAS Gas Berhad and BASF PETRONAS Chemicals Sdn. Bhd.</p> <p style="text-align: center;">BURSA Announcement</p>	<p>1 October</p> <p>Proposed Internal Reorganisation of PETRONAS Gas Berhad and its Subsidiaries</p> <p style="text-align: center;">BURSA Announcement</p>
<p>22 October</p> <p>Material Litigation</p> <p>Shah Alam High Court Writ of Summons No. BA-22NCvC-472-10/2025 Filed by 36 Residents in Taman Putra Harmoni, Putra Heights, Against PETRONAS Gas Berhad</p> <p style="text-align: center;">BURSA Announcement</p>	<p>23 December</p> <p>Prepayment of Annual Fixed Charges Under the Jetty Usage Agreement Between Pengerang Terminals (Two) Sdn. Bhd. and Pengerang LNG (Two) Sdn. Bhd.</p> <p style="text-align: center;">BURSA Announcement</p>	<p>26 December</p> <p>Publication of PETRONAS Gas Berhad's Regulatory Period 3 Tariffs for Peninsular Gas Utilisation, Regasification Terminal Sg Udang, Melaka, and Regasification Terminal Pengerang, Johor, under the Incentive-Based Regulation Framework</p> <p style="text-align: center;">BURSA Announcement</p>

Financial Review Financial Calendar

<h1>2025</h1>	<p>21 February</p> <p>Announcement of unaudited Q4 financial year 2024 (FY2024) results</p>	<p>25 February</p> <p>Announcement of audited financial statements for FY2024</p>
<p>20 March</p> <p>Payment of 4th interim dividend FY2024</p>	<p>21 March</p> <p>Issuance of Integrated Report 2024 and Notice of 42nd Annual General Meeting (AGM)</p>	<p>23 April</p> <p>42nd AGM</p>
<p>26 May</p> <p>Announcement of Q1 financial year 2025 (FY2025) results</p>	<p>24 June</p> <p>Payment of 1st interim dividend FY2025</p>	<p>25 August</p> <p>Announcement of Q2 FY2025 results</p>
<p>22 September</p> <p>Payment of 2nd interim dividend FY2025</p>	<p>26 November</p> <p>Announcement of Q3 FY2025 results</p>	<p>23 December</p> <p>Payment of 3rd interim dividend FY2025</p>
<h1>2026</h1>	<p>13 January</p> <p>Notice of Court-Convened Meeting</p>	<p>12 February</p> <p>Court-Convened Meeting</p>
<p>24 February</p> <p>Announcement of unaudited Q4 FY2025 results</p>	<p>24 March</p> <p>Payment of 4th interim dividend FY2025</p>	<p>27 March</p> <p>Issuance of Integrated Report 2025 and Notice of 43rd AGM</p>
		<p>29 April</p> <p>43rd AGM</p>

Financial Review

Share Price Performance



Earnings Per Share

87.3
sen per share
2024: 92.8 sen per share

Dividend Per Share

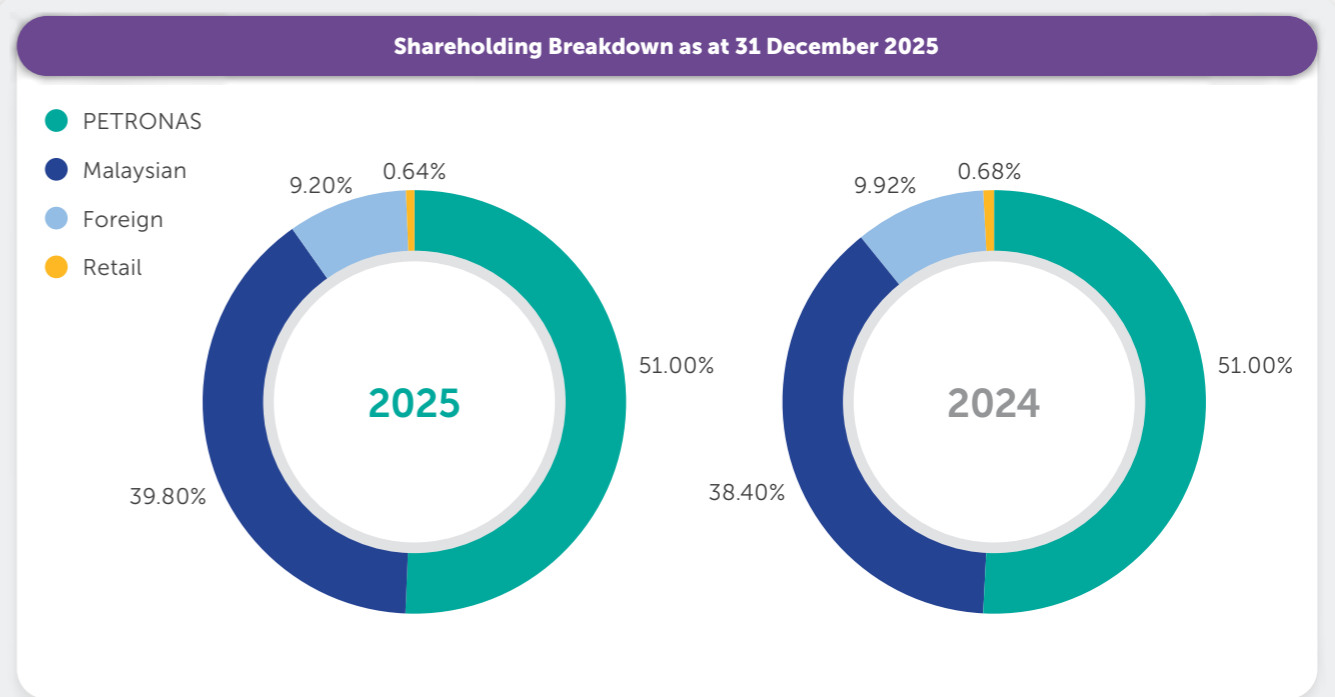
72.0
sen per share
2024: 72.0 sen per share

Market Capitalisation

RM35.9
billion
2024: RM35.0 billion

Dividend

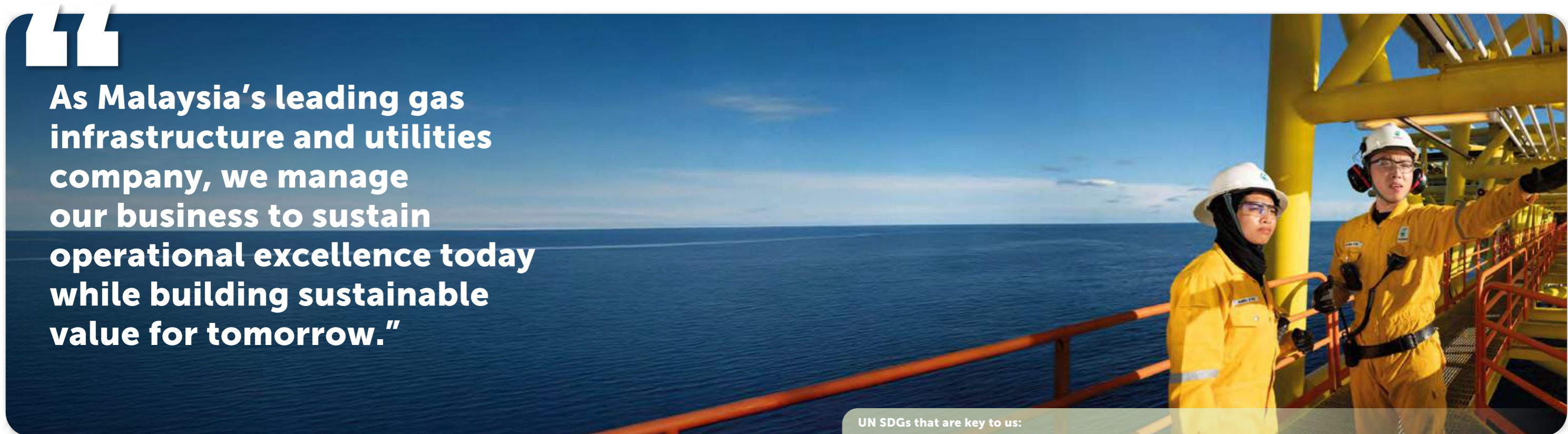
1 st Interim	2 nd Interim	3 rd Interim	4 th Interim
16 sen 24 June 2025	16 sen 22 September 2025	18 sen 23 December 2025	22 sen 24 March 2026



- ### Research Coverage
- Affin Hwang Investment Bank
 - Apex Securities
 - BIMB Securities
 - Blue Sky Advisors
 - CGS International
 - CIMB Securities
 - Hong Leong Investment Bank
 - J.P. Morgan Securities
 - Kenanga Investment Bank
 - Maybank Investment Bank
 - MBSB Research
 - RHB Investment
 - TA Securities

Sustainability Review

Approach on Sustainability



“As Malaysia’s leading gas infrastructure and utilities company, we manage our business to sustain operational excellence today while building sustainable value for tomorrow.”


UN SDGs that are key to us:





Our Approach to Sustainable Development


Sustainable development is integral to PGB’s long-term strategy and operating model. As a regulated energy infrastructure company, our ability to create enduring value depends on maintaining system reliability, managing transition risks and meeting rising regulatory and stakeholder expectations with discipline and foresight.

Our approach is guided by the PGB Sustainability Blueprint, which translates strategic priorities into clear ambitions, performance targets and management accountabilities across four interconnected lenses. Together, these lenses embed sustainability into capital allocation, operational decision-making and governance oversight.

- 

Sustainable Value Creation
Drive long-term business value creation through responsible investments.
- 

Safeguard the Environment
Collaboratively reduce environmental impact by transitioning to lower-carbon energy solutions and deploying innovative operations and technologies.
- 

Positive Social Impact
Create positive alliances with the communities in which we operate by protecting and adding value to the well-being of employees, partners and society.
- 

Responsible Governance
Safeguard the organisation’s commitment through strong governance mechanisms and ethical business practices.

Our focused execution has contributed to improvements in Environmental, Social and Governance assessments and external recognition, reflecting a strengthening capability to respond to emerging regulatory requirements, manage transition risks and build organisational resilience.

Looking ahead, we remain committed to progressing towards our Net Zero Carbon Emissions 2050 aspirations through disciplined execution, strengthening environmental stewardship and prioritising lower carbon and efficiency initiatives that support long-term value creation and the energy transition.


Scope and Boundary of Reporting

This Report is published annually and covers the period from 1 January 2025 to 31 December 2025 unless otherwise stated. It encompasses our principal business activities, including business segments, subsidiaries and joint venture operations. Comparative data is presented where relevant to support year-on-year assessment. Any refinements to the reporting scope, organisational boundaries or methodologies are explained in the relevant sections of this Report.

Reporting Frameworks

Sustainability reporting continues to evolve in response to regulatory developments and growing investor expectations. This Report is prepared in accordance with national standards and with reference to international standards that guide disclosures across the industry.

- Global Reporting Initiative Universal Standards 2021
- Sustainability Accounting Standards Board Standards
- FTSE4Good Bursa Malaysia Index ESG Indicators
- International Petroleum Industry Environmental Conservation Association Sustainability Reporting Guidance for the Oil and Gas Industry (4th Edition, 2020)
- United Nations Sustainable Development Goals
- International Sustainability Standards Board’s International Financial Reporting Standards S1 and S2



Scan Me:
For more information on our sustainability approach, governance and strategies, scan the QR code or download our full Sustainability Report 2025 from our corporate website.

Sustainability Review

Sustainability Scorecard

Sustainable Value Creation

Revenue RM6.4 billion 2024: RM6.5 billion	Profit After Tax RM1.8 billion 2024: RM1.9 billion	EBITDA RM3.4 billion 2024: RM3.4 billion	Dividend Declared 72.0 sen per share 2024: 72.0 sen per share
Total Assets RM19.8 billion 2024: RM18.8 billion	Market Capitalisation RM35.9 billion 2024: RM35.0 billion	Average Sales Gas Delivered 2,161 MMscfd 2024: 2,455MMscfd	Land Area 5,203 hectares 2024: 5,145 hectares

Safeguard the Environment

Greenhouse Gas Emissions			
Scope 1 5,475,205.02 tonnes CO ₂ e 2024: 6,074,946 tonnes CO ₂ e	Scope 2 73,304.74 tonnes CO ₂ e 2024: 51,319 tonnes CO ₂ e	Scope 3 (Categories 3, 10 and 15) 5,055* tonnes CO ₂ e 2023: 1,445,976 tonnes CO ₂ e	
Recover, Recycle, Reuse and Reduce (4R) Waste 5,066 metric tonnes 2024: 1,799 metric tonnes	Freshwater Withdrawal Reduction 2,500,000 m ³ 2024: 66,500m ³	Wastewater Discharge 788,120 m ³ 2024: 1,012,932m ³	Fines and Penalties 0 2024: 0

* Data relates to 2024, with 2025 data to be disclosed in the next reporting cycle. For more information, please refer to our standalone Sustainability Report 2025 Climate Change Management section on page 58.

Positive Social Impact

Local Employment 100% 2024: 100%	Loss Time Injury Frequency 0.09 2024: 0.27	Employee Turnover Rate 2% 2024: 3%	Board Members ● Male ● Female
Total Training Hours 133,781 2024: 198,881	Permanent Employee 99.6% 2024: 98.1%	Employee with Disability 0 2024: 0	

Stewardship Through Discipline and Accountability

Effective governance provides the framework through which the Group is directed and controlled, shaping how strategy is set, risk is managed and performance is assessed. The Board exercises oversight with clarity of purpose, aligning long-term ambitions with disciplined execution and responsible conduct across all levels of the organisation.

Anchored in our Statement of Purpose to be a **Progressive Energy and Solutions Partner, Enriching Lives for a Sustainable Future**, governance practices are integrated into strategic planning, capital deployment and operational oversight. Consideration of market shifts, emerging regulatory requirements and rising stakeholder expectations informs balanced decision-making that supports sustainable value creation.

A culture defined by Loyalty, Integrity, Professionalism and Cohesiveness guides behaviour and reinforces accountability. Ethical leadership, transparent reporting and constructive stakeholder engagement shape the way the Group responds to opportunities and navigates challenges within an increasingly complex operating environment.

Through robust oversight structures, clear delineation of responsibilities and systematic risk assessment, the Board promotes resilience and continuity. Governance is therefore not a static framework, but an active discipline that supports sustainable growth, sound judgement and stakeholder confidence.