

Ong Tze Hern

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<b>Recommendation:</b>	<b>HOLD</b>
Current Price:	RM 19.00
Previous Target Price:	RM 17.80
Target Price:	↔ RM 17.80
Capital Upside/Downside:	-6.3%
Dividend Yield (%):	4.2%
<b>Total Upside/Downside:</b>	<b>-2.2%</b>

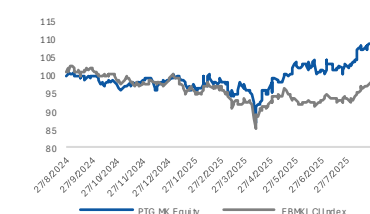
**Stock information**

Board	MAIN
Sector	Utilities
Bursa / Bloomberg Code	6033 / PTGMK
Syariah Compliant	Yes
ESGRating	★★★
Shares issued (m)	1,978.7
Market Cap (RM' m)	37,595.9
52-Week Price Range (RM)	19.28-15.2
Beta (x)	0.8
Free float (%)	38.6
3M Average Volume (m)	0.9
3M Average Value (RM' m)	16.8

**Top 3 Shareholders**

(%)

Petroleum Nasional Bhd	51.0
Employees Provident Fund Board	13.0
Kumpulan Wang Persaraan Diperbadan	9.9

**Share Price Performance**

	1M	3M	12M
Absolute (%)	5.7	5.6	3.8
Relative (%)	1.1	1.1	6.2

**Earnings Summary**

FYE Dec (RM m)	FY24	FY25F	FY26F
Revenue	6,538.2	6,630.9	6,801.1
PATAMI	1,836.3	1,867.8	1,944.7
CNP	1,820.3	1,867.8	1,944.7
Core EPS (sen)	92.0	94.4	98.3
PE(x)	20.5	20.1	19.3

Source: Company, Apex Securities

# Petronas Gas Berhad

## Results In Line Despite Restoration Costs at Putra Heights

- 2QFY25 CNP came in at RM446.8m (-4.6% YoY, -4.1% QoQ), bringing 6MFY25 CNP to RM912.5m (-2.7% YoY). The results were in line with expectations, accounting for 49% of our full-year forecast and consensus estimates.
- The Group declared a second interim dividend of 16.0sen in 2QFY25 (2QFY24: 16.0sen).
- The QoQ and YoY decline in CNP was mainly due to weaker Gas Transportation contributions, weighed by c.RM23m repair and restoration costs at Putra Heights.
- The absence of one-off repair costs, coupled with a one-off RM52m settlement from a dispute with BASF PETRONAS Chemicals, should lift 3QFY25 headline results QoQ.
- No change to our earnings forecasts. Maintain HOLD recommendation with an unchanged TP of RM17.80, based on sum-of-parts valuation, and a three-star ESG rating.

**Within Expectations.** Excluding net forex gain (-RM12.2m), PPE write-off (+RM9.0m), and other adjustments (-RM0.1m), 2QFY25 core net profit (CNP) came in at RM446.8m (-4.6% YoY, -4.1% QoQ), bringing 6MFY25 CNP to RM912.5m (-2.7% YoY). The results were in line with expectations, accounting for 49% of our full-year forecast and consensus estimates.

**Dividend Maintained.** The Group declared a second interim dividend of 16.0sen in 2QFY25 (2QFY24: 16.0sen), bringing YTD DPS to 32.0sen (1HFY24: 32.0sen).

**QoQ.** 2QFY25 CNP dipped 4.1% QoQ, dragged by weaker contributions from the Gas Transportation and Gas Processing segments, as well as lower share of profit from JVs and associates. Gas Transportation's operating profit plunged 16.3%, weighed by c.RM23m repair and restoration costs at Putra Heights. Gas Processing's operating profit declined 3.4% due to higher operating expenses. Meanwhile, JV and associate contributions fell 23.7% on higher maintenance costs. These declines more than offset stronger Utilities segment earnings (operating profit +22.6%), supported by lower fuel gas costs (MRP 2QFY25: RM39.05/MMBtu vs 1QFY25: RM40.34/MMBtu), together with higher other income, which more than doubled on the back of a c.RM30m insurance claim unrelated to the Putra Heights incident.

**YoY.** 2QFY25 CNP declined 4.6% YoY, mainly due to weaker Gas Transportation contributions, which more than offset improvements in Utilities. Operating profit in Gas Transportation fell 23.4% on reduced tariffs (effective 1 Jan 2025) and Putra Heights repair costs. In contrast, Utilities operating profit rose 14.2%, supported by lower fuel gas costs in line with MRP movements.

**YTD.** 6MFY25 CNP declined 2.7% YoY, with Gas Transportation again the main drag, more than offsetting stronger contributions from JVs and associates. Segmental operating profit in Gas Transportation dropped 17.8% on tariff reductions and one-off Putra Heights repair expenses mentioned above. Conversely, share of profit from JVs and associates soared 37.1%, underpinned by lower maintenance costs.

**Key Takeaways from Briefing:**

**Pipeline replacement.** Restoration of Putra Heights gas pipeline is being executed in two phases. Phase 1 (temporary bypass pipeline) was completed, with gas supply resuming on 1 July 2025, where costs were expensed. Phase 2 (permanent pipeline) is targeted for completion by 3Q 2026. PETGAS is engaging the Energy Commission to include the permanent pipeline replacement under RAB, likely treated as unexpected Capex under the IBR framework.

**Profit impact.** Management confirmed that RM9.0m PPE write-off in 2QFY25 included pipeline and hydrocarbon losses from the Putra Heights incident, with no further write-offs expected. Temporary repairs cost c.RM26m, of which c.RM23m was recognised in 2QFY25. Importantly, no third-party liability claims have emerged. Estimated total profit impact remains at RM60m, though management flagged potential additional contractual costs. No insurance claims related to the incident have been received to date.

**Outlook.** Looking ahead, IGC and fuel gas costs are expected to edge higher QoQ in tandem with an anticipated increase in MRP (3QFY25: RM39.24/MMBtu vs 2QFY25: RM39.05/MMBtu). Nonetheless, the absence of one-off repair costs, coupled with a one-off RM52m settlement from a dispute with BASF PETRONAS Chemicals, should lift 3QFY25 headline results QoQ. Medium terms earnings growth will be supported by (i) RP3 for Gas Transportation and Regasification segments (2026-2028), driven by higher regulated asset base and increasing gas demand, and (ii) stronger contributions from the JVs, particularly from Sipitang Power Plant (52MW), Kimanis Power (Dua) plant (100MW), and Labuan Power plant (120MW).

**Earnings Revision.** No change to forecasts.

**Valuation and Recommendation.** We maintain our **HOLD** recommendation with an unchanged TP of **RM17.80**, based on sum-of-parts (SOP) valuation, and a three-star ESG rating. Our TP implies 18.1x FY26F EPS, approximately 1 standard deviation above the 5-year historical mean forward PE. A potential catalyst would be the award of a new regasification terminal (RGT) contract, which would enhance earnings visibility. Notably, our valuation has yet to incorporate the proposed third RGT at Lumut (13MP), where PETGAS is a frontrunner given its track record at Sungai Udang and Pengerang. This could add c.RM2/share to our valuation assuming 500mmscfd capacity. The Group remains a defensive pick in a volatile market, with over 85% of its operating profit derived from stable, defensive segments, while offering an attractive dividend yield of c.4%.

**Risks.** Escalation in gas prices and unplanned shutdowns.

#### Results Comparison

FYE Dec (RM m)	2QFY25	2QFY24	yoy (%)	1QFY25	qoq (%)	6MFY25	6MFY24	yoy (%)	Comments
Revenue	1,590.3	1,648.1	(3.5)	1,594.5	(0.3)	3,184.9	3,266.9	(2.5)	Down YoY due to lower tariffs for Transportation and
COGS	(1,021.1)	(1,051.2)	(2.9)	(1,018.9)	0.2	(2,040.0)	(2,068.8)	(1.4)	Regasification segments.
Gross profit	569.2	596.9	(4.6)	575.7	(1.1)	1,144.9	1,198.1	(4.4)	
<b>EBITDA</b>	<b>842.3</b>	<b>857.6</b>	<b>(1.8)</b>	<b>852.1</b>	<b>(1.1)</b>	<b>1,694.4</b>	<b>1,706.8</b>	<b>(0.7)</b>	
Depreciation & Amortisation	(293.4)	(288.5)	1.7	(300.9)	(2.5)	(594.3)	(578.2)	2.8	
<b>EBIT</b>	<b>548.9</b>	<b>569.1</b>	<b>(3.5)</b>	<b>551.2</b>	<b>(0.4)</b>	<b>1,100.1</b>	<b>1,128.6</b>	<b>(2.5)</b>	
Interest income	23.6	23.7	(0.6)	24.9	(5.4)	48.5	57.6	(15.8)	
Interest expense	(19.9)	(23.1)	(13.8)	(20.2)	(1.5)	(40.2)	(46.1)	(12.9)	
Associates/JV	42.7	45.1	(5.3)	56.0	(23.7)	98.7	72.0	37.1	Higher maintenance expenses in associates/JV QoQ
<b>Pre-tax profit</b>	<b>595.3</b>	<b>614.7</b>	<b>(3.2)</b>	<b>611.9</b>	<b>(2.7)</b>	<b>1,207.2</b>	<b>1,212.1</b>	<b>(0.4)</b>	
Tax expenses	(115.7)	(123.8)	(6.5)	(119.8)	(3.4)	(235.6)	(248.8)	(5.3)	
<b>Profit after tax</b>	<b>479.6</b>	<b>490.9</b>	<b>(2.3)</b>	<b>492.1</b>	<b>(2.5)</b>	<b>971.6</b>	<b>963.2</b>	<b>0.9</b>	
(-) Minority interest	29.4	22.0	33.8	23.3	26.3	52.6	37.6	40.0	
<b>Net profit</b>	<b>450.2</b>	<b>468.0</b>	<b>(4.0)</b>	<b>468.8</b>	<b>(4.0)</b>	<b>919.0</b>	<b>925.6</b>	<b>(0.7)</b>	
<b>Core net profit</b>	<b>446.8</b>	<b>468.5</b>	<b>(4.6)</b>	<b>465.7</b>	<b>(4.1)</b>	<b>912.5</b>	<b>938.1</b>	<b>(2.7)</b>	
Core EPS (sen)	22.6	23.7	(4.6)	23.5	(4.1)	46.1	47.4	(2.7)	
DPS (sen)	16.0	16.0	-	16.0	-	32.0	32.0	-	Dividends maintained
EBITDA margin (%)	53.0%	52.0%	0.9%	53.4%	-0.5%	53.2%	52.2%	1.0%	
PBT margin (%)	37.4%	37.3%	0.1%	38.4%	-0.9%	37.9%	37.1%	0.8%	
Effective tax rate (%)	19.4%	20.1%	-0.7%	19.6%	-0.1%	19.5%	20.5%	-1.0%	
Core net profit margin (%)	28.1%	28.4%	-0.3%	29.2%	-1.1%	28.7%	28.7%	-0.1%	

Source: Company, Apex Securities

#### Segmental Breakdown

FYE Dec (RM m)	2QFY25	2QFY24	yoy (%)	1QFY25	qoq (%)	6MFY25	6MFY24	yoy (%)	Comments
<b>Revenue</b>									
Gas Processing	465.5	470.8	(1.1)	466.3	(0.2)	931.8	938.7	(0.7)	Declined YoY due to lower IGC incentives
Gas Transportation	284.3	297.2	(4.4)	281.1	1.1	565.4	596.7	(5.2)	Declined YoY due to downward tariff adjustment
Regasification	335.1	335.8	(0.2)	332.3	0.9	667.4	672.0	(0.7)	Declined YoY due to downward tariff adjustment
Utilities	505.5	544.2	(7.1)	514.8	(1.8)	1,020.3	1,059.5	(3.7)	Declined QoQ and YoY due to lower product prices
<b>Total Revenue</b>	<b>1,590.3</b>	<b>1,648.1</b>	<b>(3.5)</b>	<b>1,594.5</b>	<b>(0.3)</b>	<b>3,184.9</b>	<b>3,266.9</b>	<b>(2.5)</b>	
<b>Operating Profit</b>									
Gas Processing	211.9	208.9	1.4	219.3	(3.4)	431.3	416.1	3.6	Lower operating expenses YoY
Gas Transportation	119.3	155.7	(23.4)	142.5	(16.3)	261.8	318.4	(17.8)	Affected by c.RM23m repair works costs at Putra Heights
Regasification	152.8	157.6	(3.0)	144.3	5.9	297.0	313.8	(5.3)	QoQ improvement due to lower maintenance expenses
Utilities	85.3	74.6	14.2	69.5	22.6	154.8	149.8	3.3	Benefited from favourable impact of fuel gas costs in line with
Others	3.2	(4.1)	nm	0.5	609.6	3.7	(11.9)	nm	MRP
<b>Total Operating Profit</b>	<b>572.5</b>	<b>592.8</b>	<b>(3.4)</b>	<b>576.1</b>	<b>(0.6)</b>	<b>1,148.6</b>	<b>1,186.2</b>	<b>(3.2)</b>	
<b>Operating Profit Margin (%)</b>			%-pts		%-pts			%-pts	
Gas Processing	45.5%	44.4%	1.2%	47.0%	-1.5%	46.3%	44.3%	2.0%	
Gas Transportation	42.0%	52.4%	-10.5%	50.7%	-8.8%	46.3%	53.4%	-7.1%	
Regasification	45.6%	46.9%	-1.3%	43.4%	2.2%	44.5%	46.7%	-2.2%	
Utilities	16.9%	13.7%	3.2%	13.5%	3.4%	15.2%	14.1%	1.0%	
<b>Total Operating Profit Margin</b>	<b>36.0%</b>	<b>36.0%</b>	<b>0.0%</b>	<b>36.1%</b>	<b>-0.1%</b>	<b>36.1%</b>	<b>36.3%</b>	<b>-0.2%</b>	

Source: Company, Apex Securities

# Results Note

Tuesday, 26 Aug, 2025

## Financial Highlights

### Income Statement

FYE Dec (RM m)	FY23	FY24	FY25F	FY26F	FY27F
<b>Revenue</b>	<b>6,445.4</b>	<b>6,538.2</b>	<b>6,630.9</b>	<b>6,801.1</b>	<b>6,792.1</b>
<b>Gross Profit</b>	<b>2,287.0</b>	<b>2,277.3</b>	<b>2,335.9</b>	<b>2,413.1</b>	<b>2,425.0</b>
<b>EBITDA</b>	<b>3,265.9</b>	<b>3,352.8</b>	<b>3,366.2</b>	<b>3,463.0</b>	<b>3,499.5</b>
Depreciation & Amortisation	-1,141.4	-1,173.2	-1,182.8	-1,206.4	-1,230.7
<b>EBIT</b>	<b>2,124.5</b>	<b>2,179.6</b>	<b>2,183.4</b>	<b>2,256.6</b>	<b>2,268.8</b>
Net Finance Income/(Cost)	22.4	33.5	63.3	69.6	75.6
Associates & JV	239.1	147.3	198.3	215.9	248.7
<b>Pre-tax Profit</b>	<b>2,386.0</b>	<b>2,360.3</b>	<b>2,444.9</b>	<b>2,542.2</b>	<b>2,593.1</b>
Tax	-485.0	-436.7	-489.0	-508.4	-518.6
<b>Profit After Tax</b>	<b>1,901.0</b>	<b>1,923.6</b>	<b>1,955.9</b>	<b>2,033.8</b>	<b>2,074.5</b>
(-) Minority Interest	81.4	87.3	88.2	89.1	90.0
<b>Net Profit</b>	<b>1,819.6</b>	<b>1,836.3</b>	<b>1,867.8</b>	<b>1,944.7</b>	<b>1,984.5</b>
(-) Exceptionals	-55.9	16.0	0.0	0.0	0.0
<b>Core Net Profit</b>	<b>1,875.5</b>	<b>1,820.3</b>	<b>1,867.8</b>	<b>1,944.7</b>	<b>1,984.5</b>

### Key Financial Metrics

FYE Dec	FY23	FY24	FY25F	FY26F	FY27F
Revenue Growth (%)	4.6%	14%	14%	2.6%	-0.1%
Core EPS Growth (%)	8.8%	-2.9%	2.6%	4.1%	2.0%
EPS (sen)	92.0	92.8	94.4	98.3	100.3
Core EPS (sen)	94.8	92.0	94.4	98.3	100.3
DPS (sen)	72.0	72.0	76.0	79.0	80.0
Dividend Yield (%)	3.8%	3.8%	4.0%	4.2%	4.2%
P/E (x)	20.7	20.5	20.1	19.3	18.9
P/B (x)	2.8	2.7	2.6	2.6	2.5
EV/EBITDA (x) *	10.5	10.3	11.1	10.7	10.7
EBITDA margin (%)	50.7%	51.3%	50.8%	50.9%	51.5%
EBIT margin (%)	33.0%	33.3%	32.9%	33.2%	33.4%
PBT margin (%)	37.0%	36.1%	36.9%	37.4%	38.2%
PAT margin (%)	29.5%	29.4%	29.5%	29.9%	30.5%
NP margin (%)	28.2%	28.1%	28.2%	28.6%	29.2%
CNP margin (%)	29.1%	27.8%	28.2%	28.6%	29.2%
ROE (%)	13.6%	13.4%	13.2%	13.4%	13.3%
ROA (%)	9.3%	9.6%	9.9%	10.2%	10.2%
Gearing (%)	22.8%	13.0%	11.8%	10.8%	9.9%
Net gearing (%)	Net Cash	Net Cash	Net Cash	Net Cash	Net Cash

\* Based on the year-end closing prices for historical numbers

Sum of Parts Valuation	Value (RM m)	Valuation method
Core Businesses	33,616.1	DCF, WACC: 7.2%, g: 2.0%
Kimanis Power	349.1	DCF, Cost of Equity: 10.2%
Kimanis Power (Dua)	56.5	DCF, Cost of Equity: 14.0%
Sipitang Utilities	27.0	DCF, Cost of Equity: 14.3%
Rancha Power	79.5	DCF, Cost of Equity: 11.0%
Gas Malaysia	784.7	14.8% stake, market price
(-) Net Debt/(Cash)	-616.6	
(-) Minority Interests	298.5	
<b>Total Equity Value</b>	<b>35,231.1</b>	
Enlarged share base (m share)	1,978.7	
<b>Equity Value/share (RM)</b>	<b>17.80</b>	
ESG premium/discount	0.0%	
<b>Fair Value (RM)</b>	<b>17.80</b>	

Source: Company, Apex Securities

### Balance Sheet

FYE Dec (RM m)	FY23	FY24	FY25F	FY26F	FY27F
Cash and cash equivalents	3,527.9	2,595.7	2,344.0	2,354.3	2,131.5
Receivables	926.6	961.5	1,034.8	1,014.8	1,069.3
Inventories	38.7	36.0	46.4	37.8	46.0
Other current assets	20.0	62.6	62.6	62.6	62.6
<b>Total Current Assets</b>	<b>4,513.2</b>	<b>3,655.8</b>	<b>3,487.8</b>	<b>3,469.4</b>	<b>3,309.4</b>
Fixed Assets	13,630.5	13,915.9	14,027.8	14,310.3	14,598.3
Intangibles	0.0	0.0	0.0	0.0	0.0
Other non-current assets	1,175.6	1,183.0	1,308.8	1,453.5	1,630.5
<b>Total Non-Current Assets</b>	<b>14,806.1</b>	<b>15,098.9</b>	<b>15,336.6</b>	<b>15,763.8</b>	<b>16,228.8</b>
Short-term debt	1,293.3	134.7	138.2	130.2	122.6
Payables	1,097.4	1,385.6	1,203.2	1,321.5	1,310.7
Other current liabilities	0.0	0.0	0.0	0.0	0.0
<b>Total Current Liabilities</b>	<b>2,390.7</b>	<b>1,520.2</b>	<b>1,341.4</b>	<b>1,451.6</b>	<b>1,433.3</b>
Long-term debt	1,859.2	1,712.7	1,589.2	1,497.2	1,409.8
Other non-current liabilities	1,254.3	1,282.9	1,282.9	1,282.9	1,282.9
<b>Total Non-Current Liabilities</b>	<b>3,113.5</b>	<b>2,995.7</b>	<b>2,872.1</b>	<b>2,780.1</b>	<b>2,692.7</b>
Shareholders' equity	13,555.1	13,948.4	14,312.4	14,693.9	15,095.4
Minority interest	260.1	290.3	298.5	307.6	316.7
<b>Total Equity</b>	<b>13,815.2</b>	<b>14,238.8</b>	<b>14,610.9</b>	<b>15,001.4</b>	<b>15,412.1</b>

### Cash Flow

FYE Dec (RM m)	FY23	FY24	FY25F	FY26F	FY27F
<b>Pre-tax profit</b>	<b>2,386.0</b>	<b>2,360.3</b>	<b>2,444.9</b>	<b>2,542.2</b>	<b>2,593.1</b>
Depreciation & amortisation	1,141.4	1,173.2	1,182.8	1,206.4	1,230.7
Changes in working capital	-3.4	78.5	-264.1	146.9	-73.4
Others	-518.9	-466.1	-624.7	-665.7	-712.0
<b>Operating cash flow</b>	<b>3,005.1</b>	<b>3,146.0</b>	<b>2,738.9</b>	<b>3,229.8</b>	<b>3,038.3</b>
Capex	-1,167.2	-1,269.3	-1,294.7	-1,488.9	-1,518.7
Others	237.0	70.2	70.5	71.3	71.7
<b>Investing cash flow</b>	<b>-930.3</b>	<b>-1,199.2</b>	<b>-1,224.2</b>	<b>-1,417.7</b>	<b>-1,447.0</b>
Dividends paid to shareholders	-1,424.7	-1,424.7	-1,503.8	-1,563.2	-1,583.0
Others	-1,148.4	-1,454.3	-262.6	-238.7	-231.1
<b>Financing cash flow</b>	<b>-2,573.1</b>	<b>-2,879.0</b>	<b>-1,766.4</b>	<b>-1,801.9</b>	<b>-1,814.1</b>
<b>Net cash flow</b>	<b>-498.3</b>	<b>-932.2</b>	<b>-251.7</b>	<b>10.3</b>	<b>-222.8</b>
Forex	0.0	0.0	0.0	0.0	0.0
Others	0.0	0.0	0.0	0.0	0.0
Beginning cash and cash equivalents	4,026.2	3,527.9	2,595.7	2,344.0	2,354.3
<b>Ending cash and cash equivalents</b>	<b>3,527.9</b>	<b>2,595.7</b>	<b>2,344.0</b>	<b>2,354.3</b>	<b>2,131.5</b>

# Results Note

Tuesday, 26 Aug, 2025

## ESG Matrix Framework:

### Environment

Parameters	Rating	Comments
Climate	★★★	Scope 1 and Scope 2 GHG emissions stood at 6.1m tCO <sub>2</sub> e in 2024, higher than 5.9m tCO <sub>2</sub> e in 2023. Nonetheless, the Group achieved a 156,546 tCO <sub>2</sub> e reduction in GHG emissions in 2024. PETGAS aims to achieve net zero emissions by 2050.
Waste & Effluent	★★★★	Implemented the Waste Hierarchy concept, which focuses on the 4R principles: Recover, Recycle, Reuse, and Reduce. In 2024, PETGAS achieved 93% recovery of hazardous waste through 4R initiatives, exceeding the annual target of 61%.
Energy	★★★	The Group achieved an Energy Index (EI) rating of 92.8 in 2024, lower than 93.9 in 2023.
Water	★★★	Established the PGB Water Reduction and Management Roadmap in 2024. Saved 66,500m <sup>3</sup> in freshwater withdrawal in 2024 from water reduction initiatives.
Compliance	★★★★	The Group is in compliance with local and international environmental regulations. For instance, PETGAS reported zero incidents of non-compliance with discharge limits in 2024.

### Social

Diversity	★★	In 2024, all employees were Malaysians, with only 13% of the workforce were female.
Human Rights	★★	The Group enforces and adopts the Code of Conduct and Business Ethics (CoBE) and PETRONAS' Human Rights Commitment, which outline clear commitments and standards in human rights protection. PETGAS recorded one human rights violation related to workplace harassment in 2024 (2023: zero).
Occupational Safety and Health	★★★	In 2024, PETGAS recorded zero fatality, major fire, major loss of primary containment (LOPC) and major security incident.
Labour Practices	★★★	PETGAS ensures strict compliance with the minimum wage requirements established by the government.

### Governance

CSR Strategy	★★★	Invested RM5.7m in a diverse range of social impact initiatives in 2024, impacting 1,548 beneficiaries. PETGAS launched a collaboration with Yayasan Hijau Malaysia to promote solar energy through a flagship programme aimed at developing solar-powered community centres.
Management	★★★	In 2024, 30% of the leadership team were female. As for the board members, 38% (3 out of 8) were female, while 50% (4 out of 8) were independent directors.
Stakeholders	★★★★	PETGAS is committed to initiating frequent and effective dialogues with stakeholders to understand and address their needs. For example, the Group organises quarterly analyst briefings for analysts, an annual general meeting (AGM) for investors, monthly engagement sessions with employees, and annual consultative sessions with government agencies.

Overall ESG Scoring: ★★★

### Recommendation Framework:

**BUY:** Total returns\* are expected to exceed 10% within the next 12 months.

**HOLD:** Total returns\* are expected to be within +10% to -10% within the next 12 months.

**SELL:** Total returns\* are expected to be below -10% within the next 12 months.

**TRADING BUY:** Total returns\* are expected to exceed 10% within the next 3 months.

**TRADING SELL:** Total returns\* are expected to be below -10% within the next 3 months.

\*Capital gain + dividend yield

### Sector Recommendations:

**OVERWEIGHT:** The industry defined by the analyst is expected to exceed 10% within the next 12 months.

**NEUTRAL:** The industry defined by the analyst is expected to be within +10% to -10% within the next 12 months.

**UNDERWEIGHT:** The industry defined by the analyst, is expected to be below -10% within the next 12 months.

### ESG Rating Framework:

★★★★★ : Appraised with 3% premium to fundamental fair value

★★★★ : Appraised with 1% premium to fundamental fair value

★★★ : Appraised with 0% premium/discount to fundamental fair value

★★ : Appraised with -1% discount to fundamental fair value

★ : Appraised with -5% discount to fundamental fair value

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As of **Tuesday, 26 Aug, 2025**, the analyst(s), whose name(s) appears on the front page, who prepared this report, has interest in the following securities covered in this report:

(a) nil.