

DELIVERING VOLUMES, ENHANCING VALUE

CGS INTERNATIONAL 17TH ANNUAL MALAYSIA
CORPORATE DAY

8 JANUARY 2025



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AGENDA

DELIVERING VOLUMES, ENHANCING VALUE

01

MACRO O&G
OUTLOOK

02

OVERVIEW

03

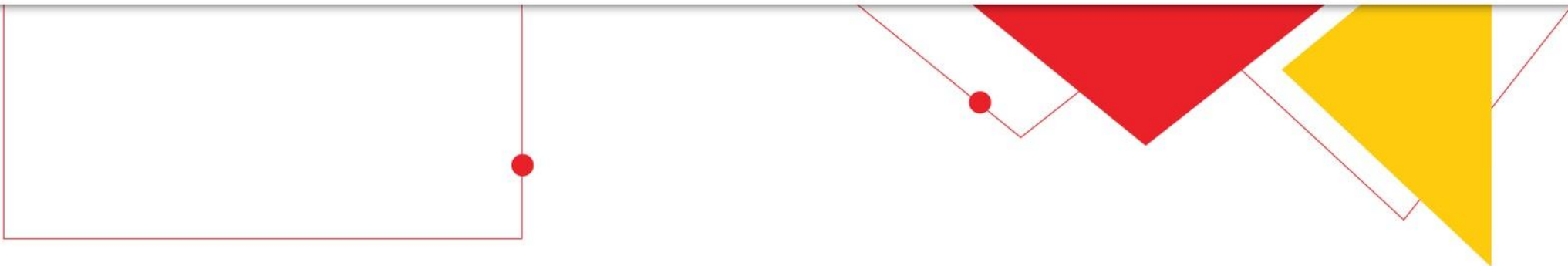
GROWTH
FRAMEWORK

04

WHY INVEST
IN HIBISCUS

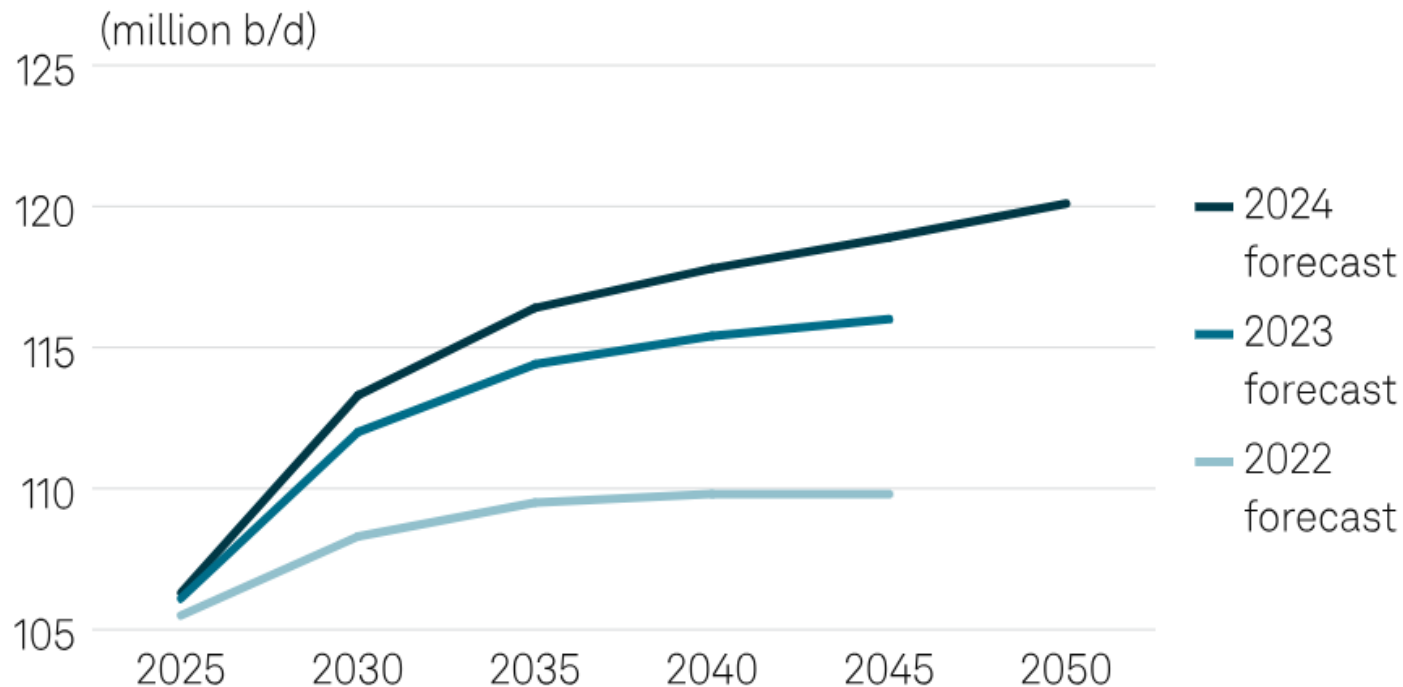


MACRO O&G OUTLOOK



OUR VIEW: INCREASING GLOBAL DEMAND WILL CAUSE OIL PRICES TO TREND HIGHER

OPEC raises long-term global oil demand forecast



Source: OPEC World Oil Outlook

Primary Driver

Growth potential outside OECD

Secondary Drivers

- Increasing energy demand from artificial intelligence data centres
- Reliance on hydrocarbons despite EV adoption
- No viable alternatives for oil in aviation, chemicals and heavy transport sectors, which are still growing

Replacement of traditional energy sources in OECD with renewables will not be sufficient to make up increased demand in non-OECD countries

Standard Chartered Bank / JODI dataset reports 5 consecutive months of record oil demand of more than a 103 million barrels

OUR VIEW: PRODUCTION INDICATORS AND ENERGY INDUSTRY REALITIES INDICATE PRICES WILL INCREASE

US oil production has been responsible for meeting demand growth but now **priorities are on shareholder returns**

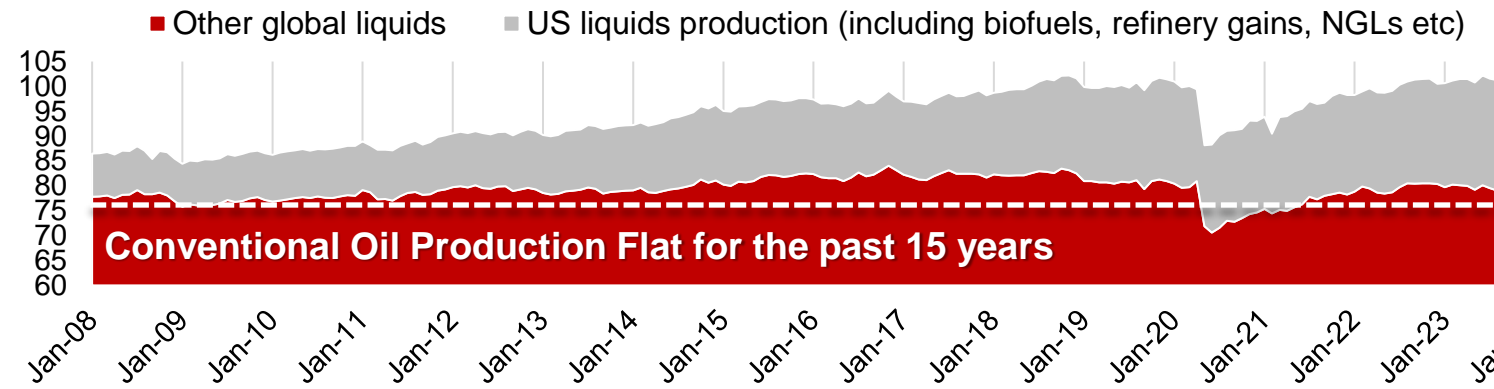
- US conventional and unconventional is 13%, with Saudi Arabia at 9.7% of global oil production
- Less Tier 1 shale opportunities

Low upstream investments

- Share buybacks, dividends
- Less banking support

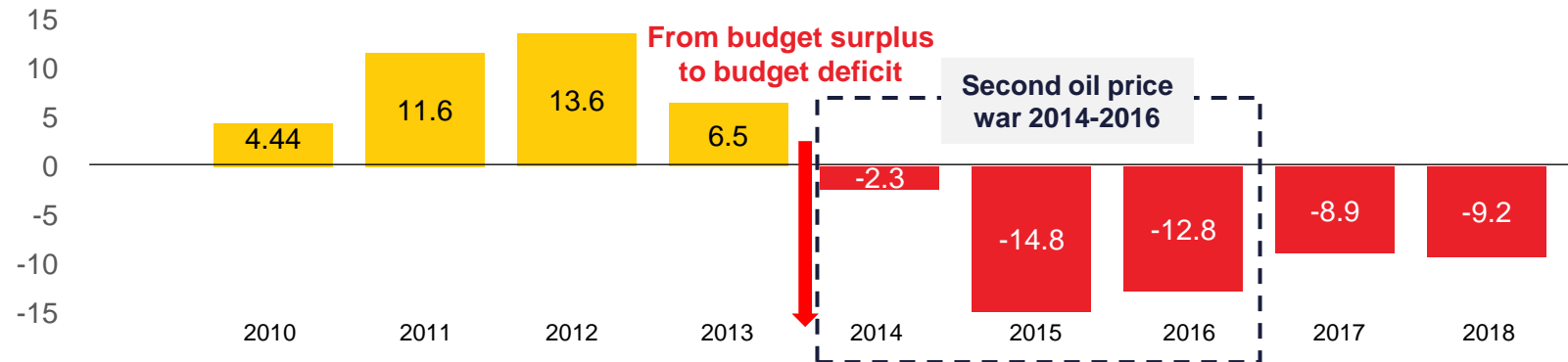
More sanctions on Iranian and Venezuelan barrels

USD6.3 trillion invested in renewables since 2004: renewables have not kept up with energy demand growth



Source: Energy Information Administration

Saudi Arabia Government Budget 2010 to 2018 (% Surplus or Deficit)



Source: Saudi Arabia Monetary Agency

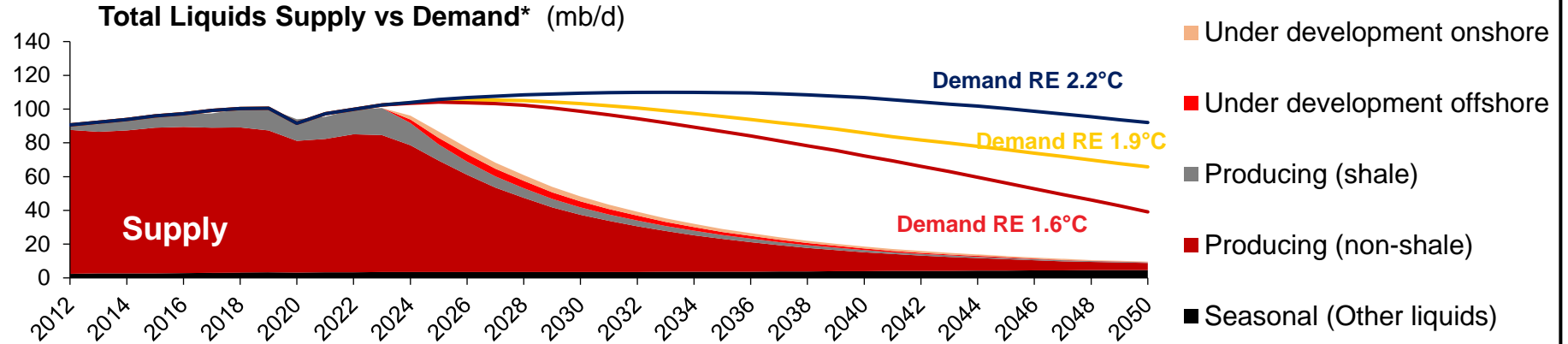
OPEC to continue to manage production quotas as Saudi pressured to maintain higher prices

WHY WE THINK OIL PRICES WILL REMAIN STRONG

– DEMAND: SUPPLY GAP

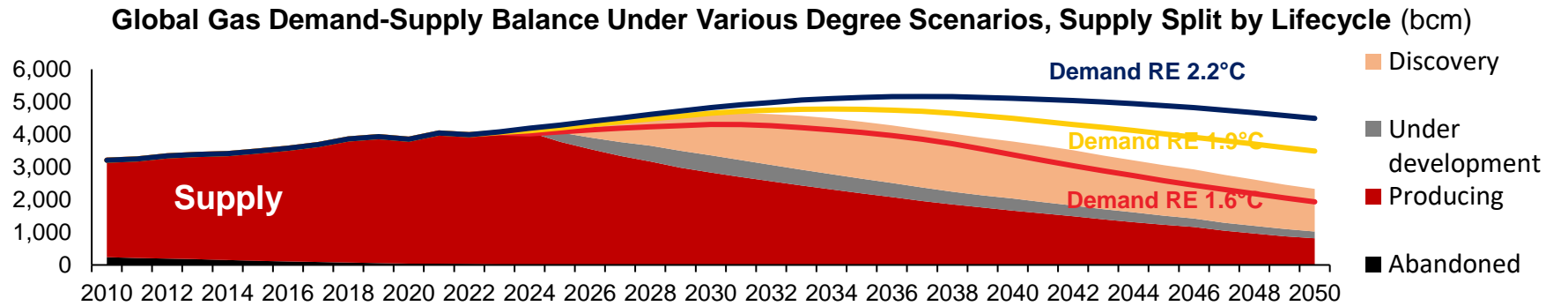
OIL

- Base case (1.9°C) demand scenario requires a cumulative 550 billion barrels to be sanctioned between now and 2050
- Supply gap still substantial even under the 1.6°C scenario



GAS

- Significant supply gap
- Investments to fully monetise discoveries still insufficient to meet base case (1.9°C) demand scenario



Source: Rystad Energy

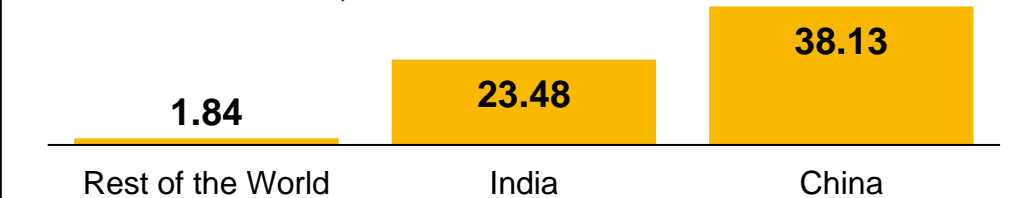


Aramco's CFO Zian Al-Murshed
Speaking at the Saudi Capital Markets Forum in Riyadh
February 20, 2024

The world needs to find a Saudi Arabia every two years to offset natural declines in oil fields

Around 6 MMboe/d of global liquids supply is being lost every year due to the natural decline in producing fields (versus Saudi Arabia's current oil output of ~9MMboe/d and 12MMboe/d of capacity)

Coal-fired Power Capacity Newly Proposed in the First Half of 2024, GW



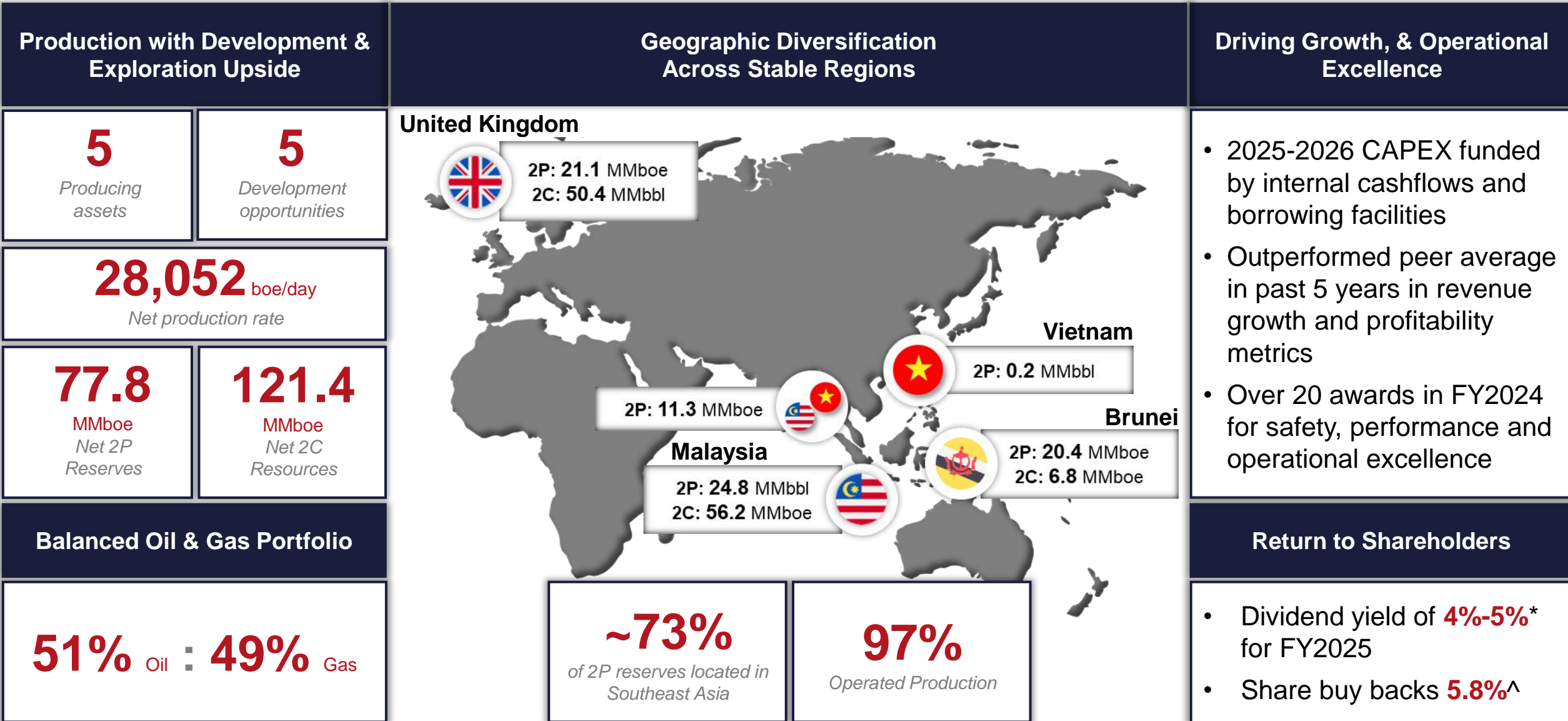
Source: Global Coal Plant Tracker



OVERVIEW



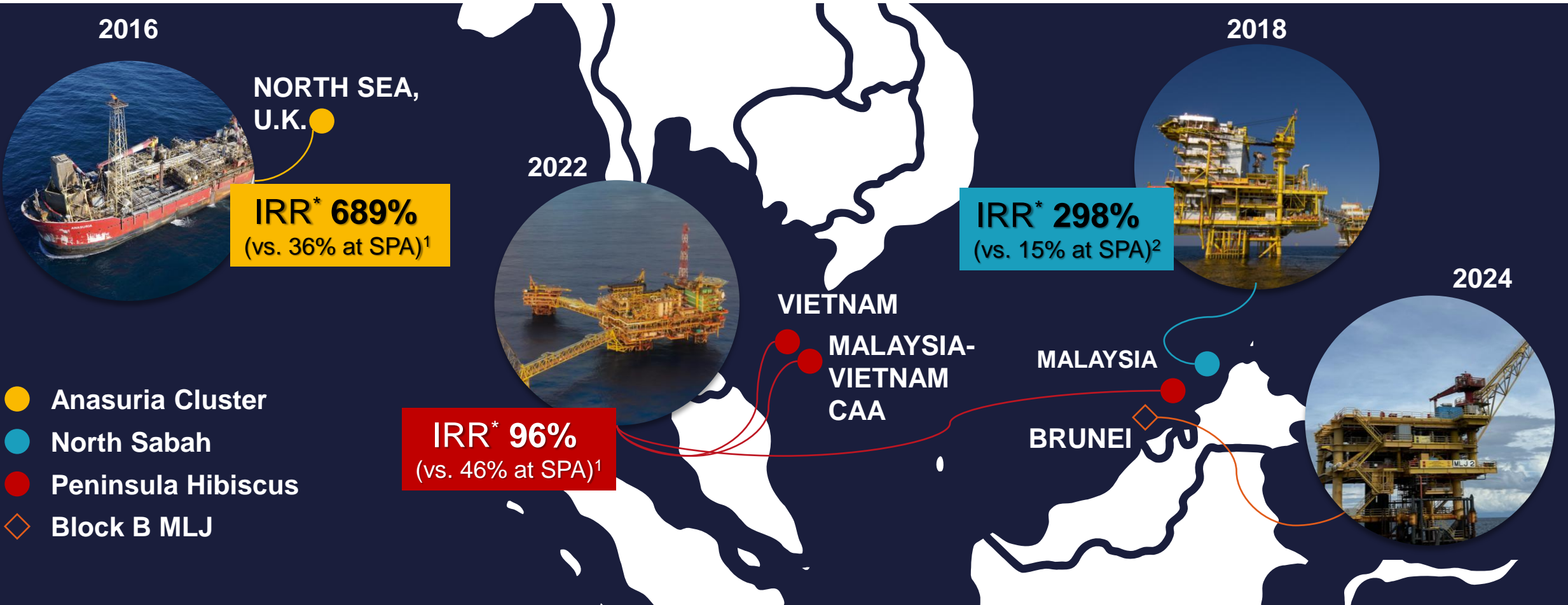
HIBISCUS AT A GLANCE



[^] Shares bought back from Dec 2023 up to Dec 2024

EMERGING AS A PROMINENT PLAYER IN SOUTHEAST ASIA

Enhanced returns through value-accretive acquisitions



*IRR is computed based on Brent Futures as of 2 September 2024. 2024: USD81/bbl, 2025: USD74/bbl, 2026: USD72/bbl, 2027: USD70/bbl

¹ Based on valuation report by an Independent Valuer | ² Based on internal estimation at the time of SPA signing

DELIVERED GROWTH RESPONSIBLY

5-YEAR BUSINESS GROWTH

+69% 2P reserves	+258% RRR	> 3x Daily production
> 4x Revenue	> 6x EBITDA	> 9x PAT
> 8x Operating cashflows	> 2x Net assets	> 8x Net cash

FINANCIAL RESILIENCE @ 30.9.2024

RM1.19b Net Operating cashflows ¹	0.11x Gross gearing ²	USD240m Unutilised facilities ²
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Consistent EBITDA margins
under various oil price scenarios

ACHIEVED ENERGY TRANSITION GOALS

20% reduction in GHG emissions FY2020-FY2024	~50% gas production portfolio <i>post-Brunei</i>
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EXCEEDED FY2024 GUIDANCE

7.85 MMboe FY2024 offtake (exceeded guidance of 7.5-7.8MMboe)	8.50 sen FY2024 dividend (exceeded guidance of 7.50 sen)
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RETURNS TO SHAREHOLDERS

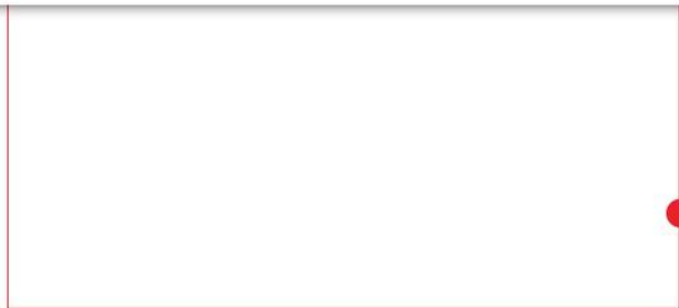
>2x 5-year dividend increase	RM98.88m Share buybacks Dec 23 – Dec 24	3x 3-year total payout increase
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No equity issuance since 2020



**GROWTH
FRAMEWORK**

**BUSINESS
FINANCIAL
INVESTOR**



GROWTH FRAMEWORK

Towards achievement of 2026 Corporate Mission and beyond



Business Strategy

Monetise Near-term Value Triggers

Execute to Monetise 2024/2025 Value Triggers

Sustain Longer-term Growth

Develop ≥ 2026 Value Triggers for a Sustainable Business



Financial Strategy

Maintain Financial Resilience

Financial Discipline and Clear Capital Allocation Principles



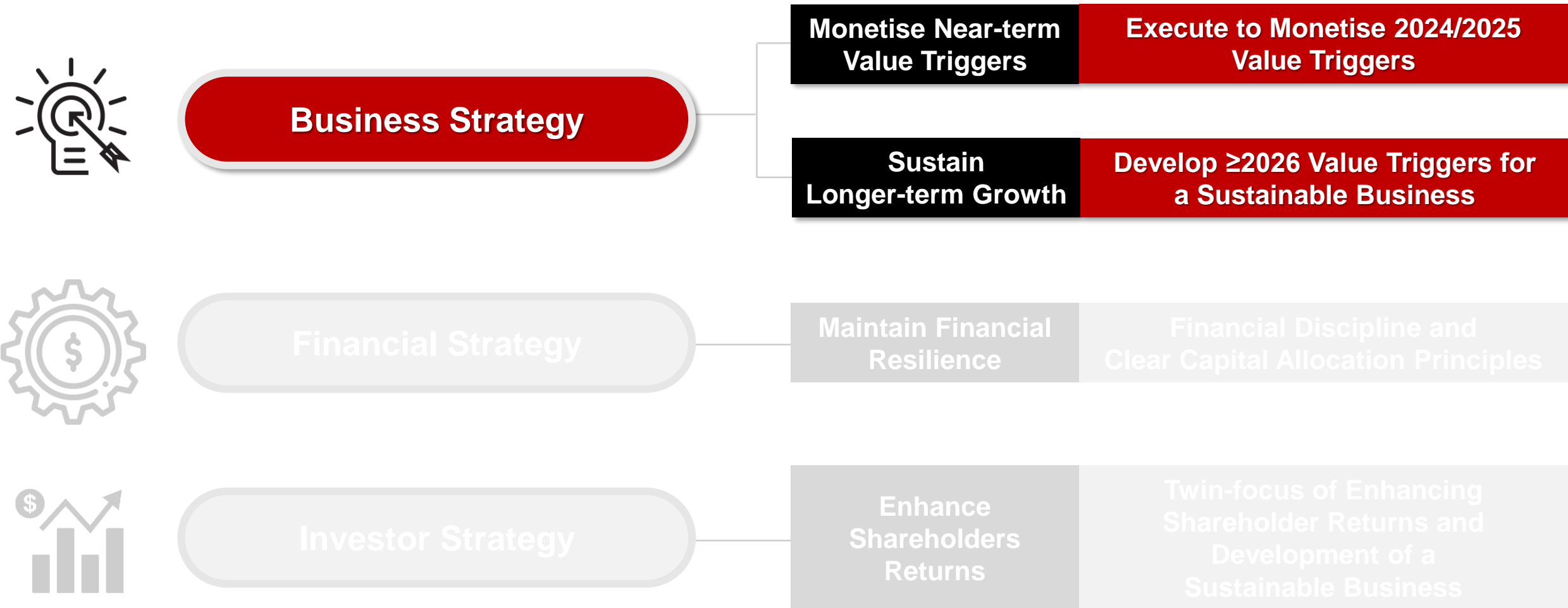
Investor Strategy

Enhance Shareholders Returns

Twin-focus of Enhancing Shareholder Returns and Development of a Sustainable Business

GROWTH FRAMEWORK

Towards achievement of 2026 Corporate Mission and beyond



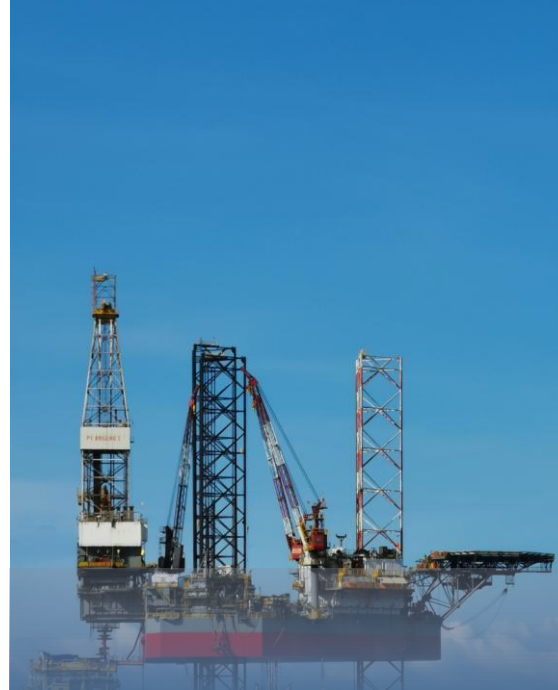
ORGANIC VALUE DRIVERS

Ongoing projects / opportunities for monetisation - 2024 onwards



BRUNEI

Acquisition of
Block B MLJ gas
producing field



NORTH SABAH

South Furious 30 Water
Flood Phase 2 Production
Enhancement Project



ANASURIA

Near-term development
of
Teal West field

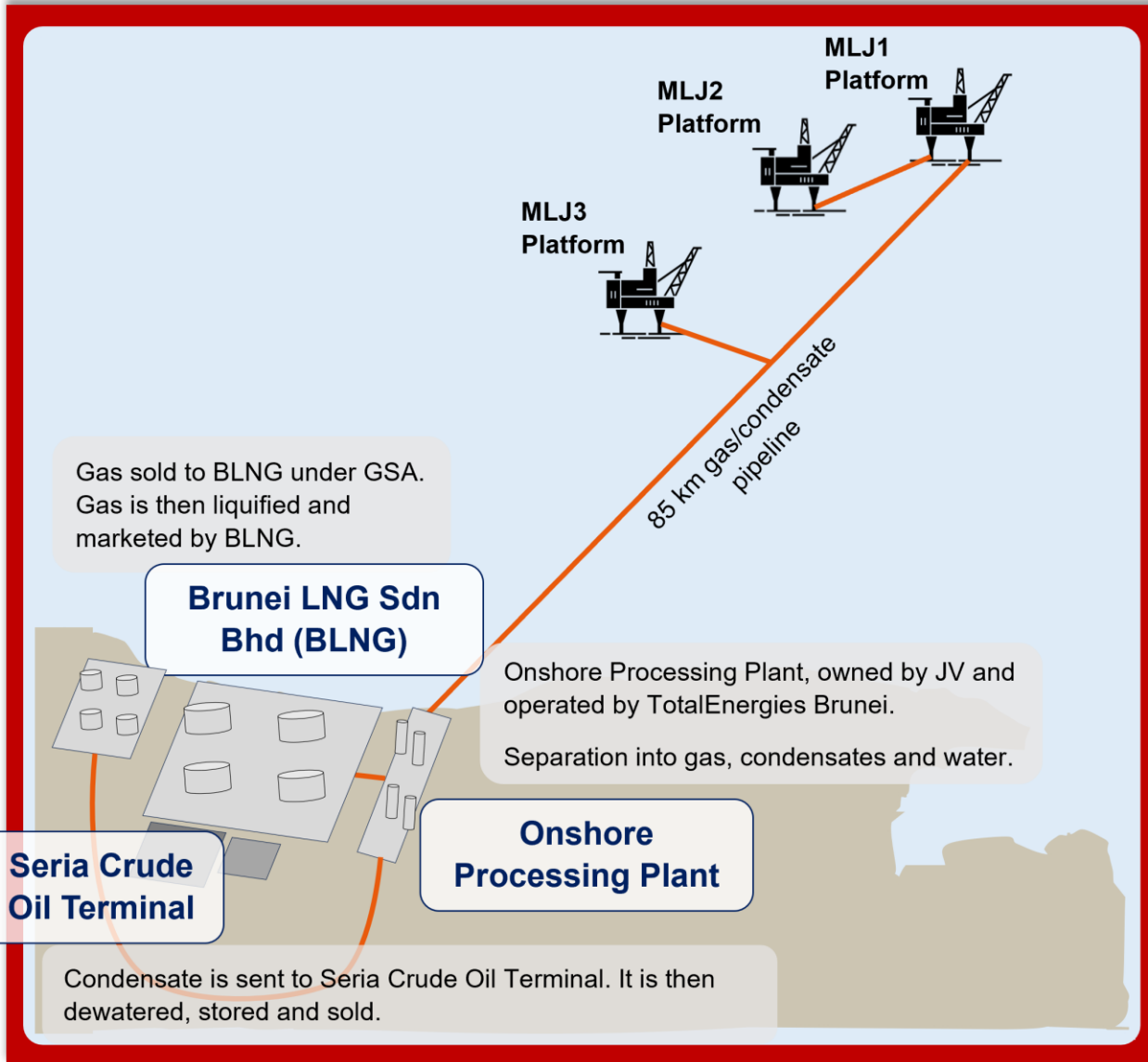


PENINSULA

Potential extension of PM3
CAA PSC beyond 2027;
PM3 Master Hub plan

BRUNEI: ACQUISITION OF BLOCK B MLJ GAS PRODUCING FIELD

Acquired 37.5% in Block B MLJ Field in October 2024



3 Unmanned platforms in shallow waters | **15** Active wells

1 Onshore processing plant

- ✓ Producing Gas Asset
- ✓ Cash Generating
- ✓ Operatorship

Concession Tenure

Up to 23 Nov 2029/2039

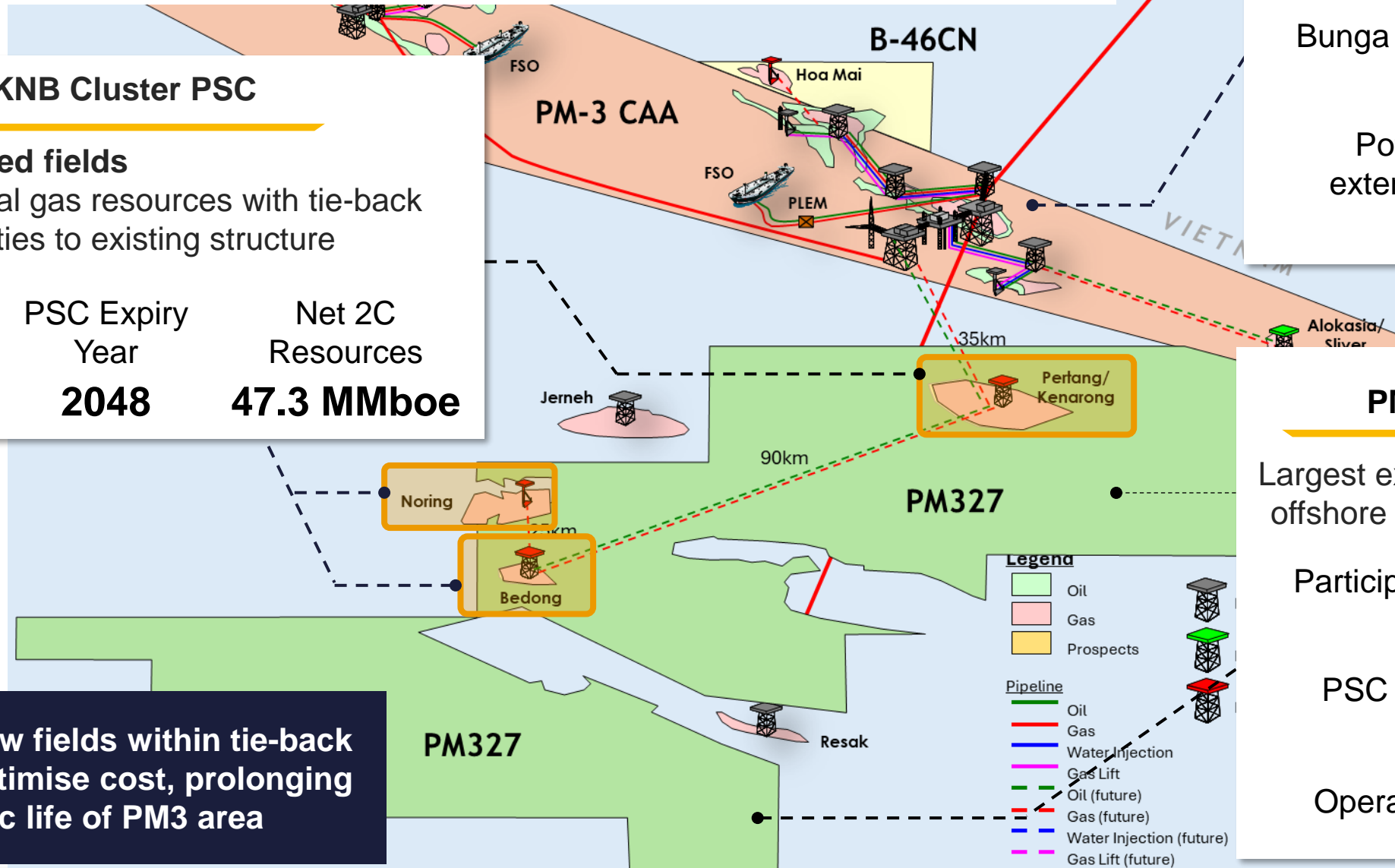
PENINSULA: POTENTIAL EXTENSION OF PM3 CAA PSC BEYOND 2027; PM3 MASTER HUB PLAN

PKNB Cluster PSC

4 Discovered fields
Substantial gas resources with tie-back opportunities to existing structure

Operated Interest	PSC Expiry Year	Net 2C Resources
65%	2048	47.3 MMboe

Developing new fields within tie-back distance to optimise cost, prolonging economic life of PM3 area



PM3 CAA

Bunga Aster discovery
2024
Potential PSC extension beyond
2027

PM327 PSC

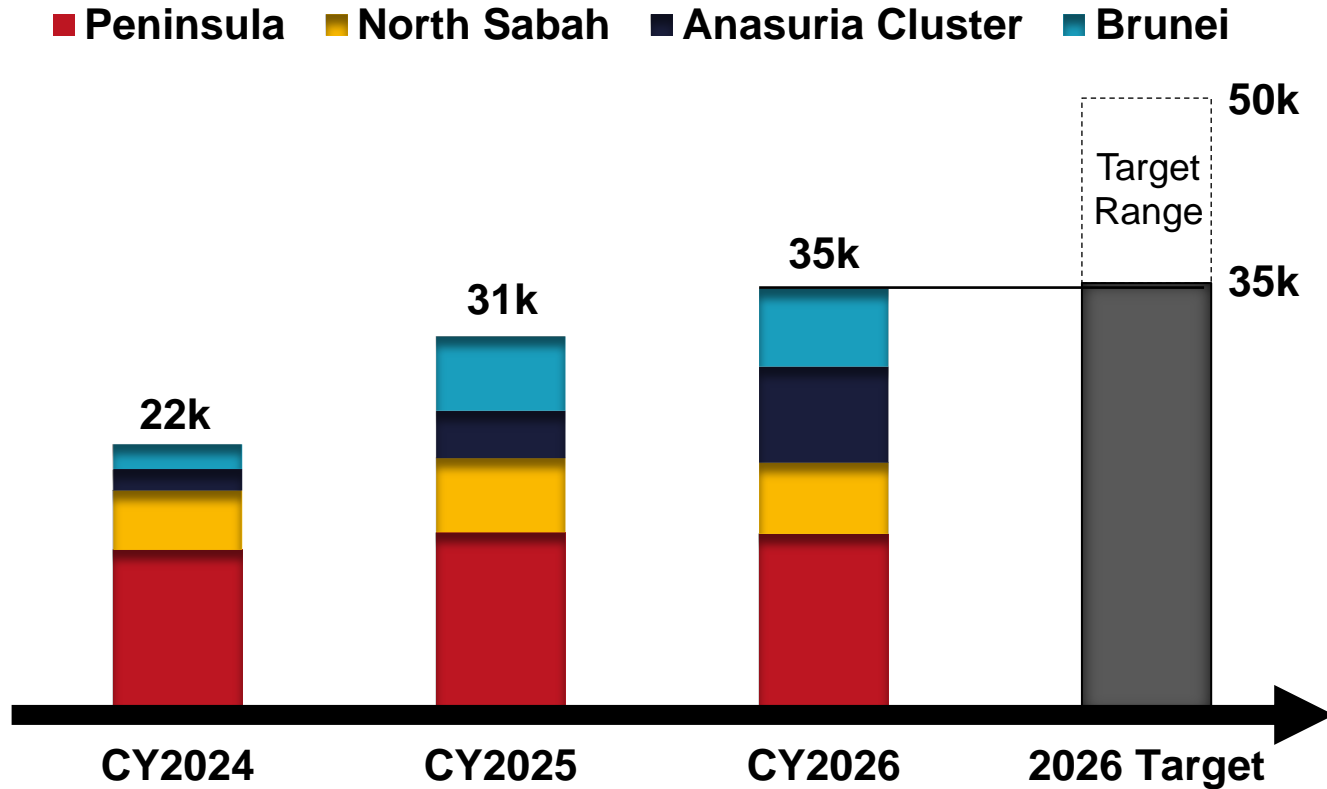
Largest exploration block offshore West Malaysia

Participating Interest
30%
PSC Expiry Year
2051

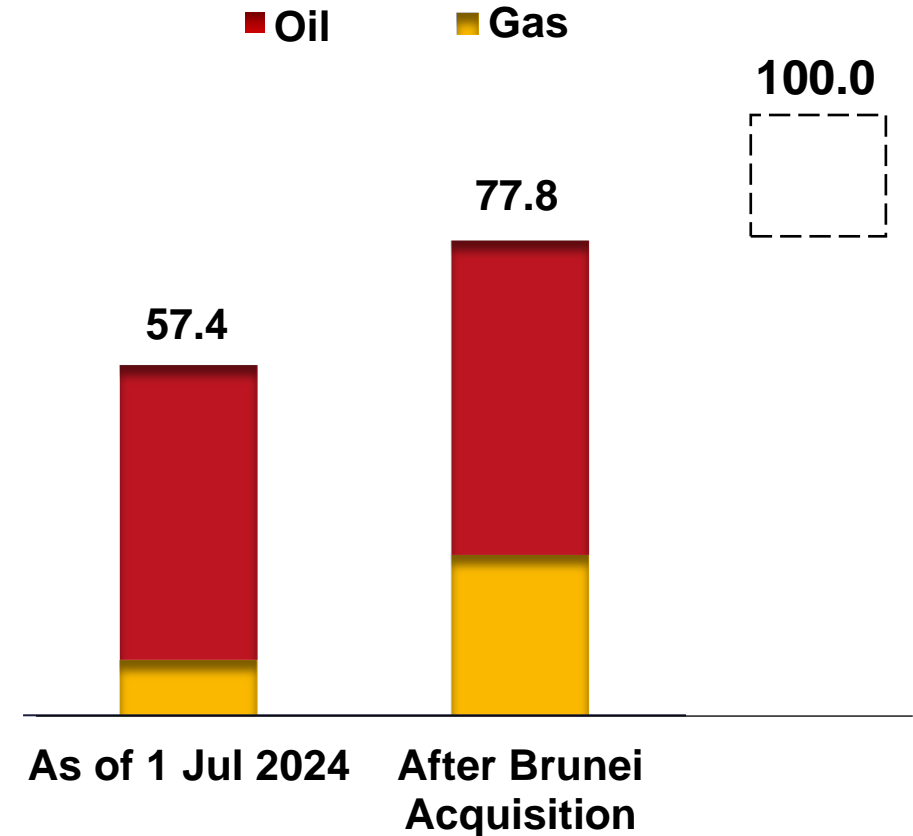
Operator:

CLOSING IN ON ACHIEVING OUR 2026 TARGETS

Estimated Net Production (boe/d)



2P Reserves (MMboe)



On track to meet 2026 net production targets through current and identified projects, acquisitions and PSC renewal

GROWTH FRAMEWORK

Towards achievement of 2026 Corporate Mission and beyond



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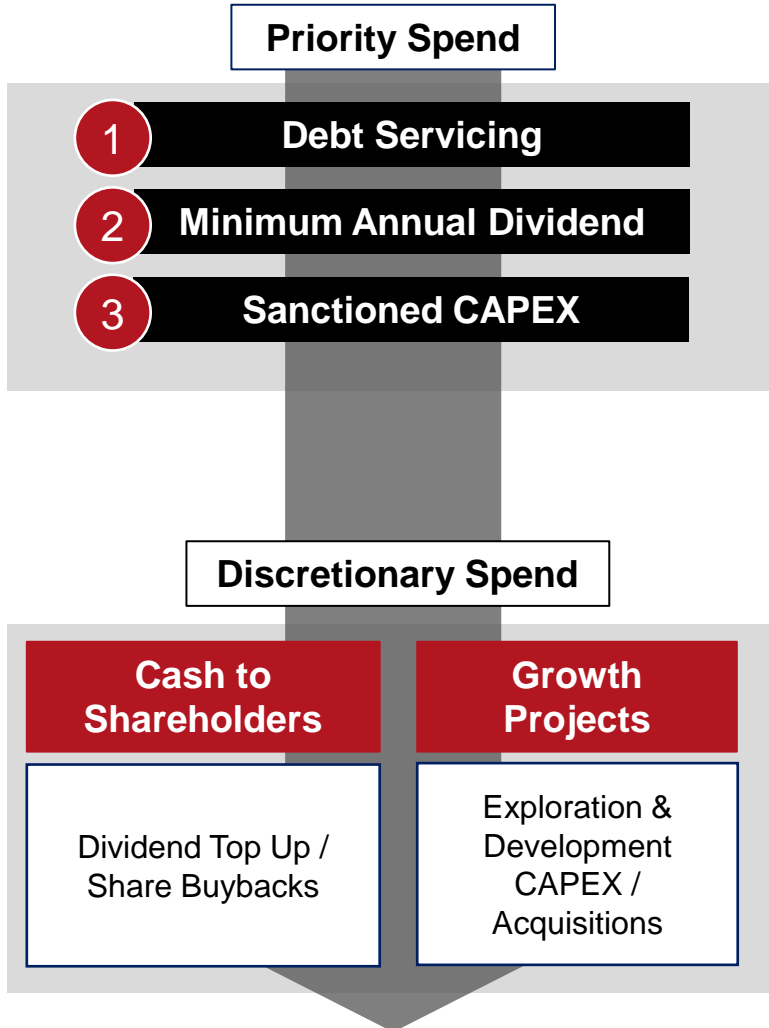
Enhance Shareholders Returns

Twin-focus of Enhancing Shareholder Returns and Development of a Sustainable Business

CAPITAL ALLOCATION FRAMEWORK

Guiding principles assuming USD70 bbl Brent, selective and disciplined deployment

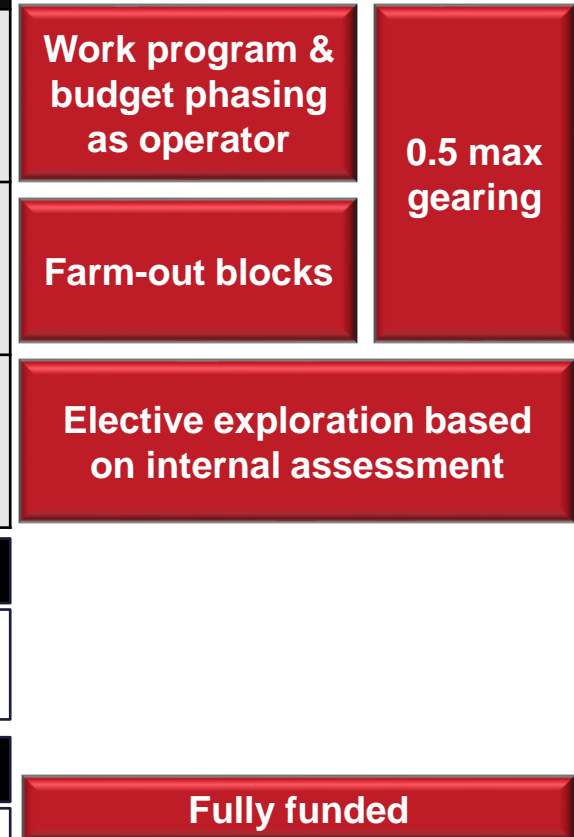
CASHFLOW WATERFALL



KEY PRINCIPLES

Investment Criteria		
	Target Criteria	Funding
Production	IRR ≥ 15% Payback ≤ 5 years	Internal cash Debt/Prepayment
Development	IRR ≥ 20% Payback ≤ 7 years	Internal cash Debt/Prepayment Farm-out proceeds
Exploration	Strategic fit on a highly selective basis	Internal cash
Minimum Annual Dividend		
Target to maintain minimum at generally similar level as previous year (subject to oil price)		
Potential Acquisitions		
Value accretive, operatorship, production, upsides		

CONTROL LEVERS



GROWTH FRAMEWORK

Towards achievement of 2026 Corporate Mission and beyond



RETURNING FREE CASHFLOWS TO SHAREHOLDERS

Increasing returns via dividends and share buybacks

Share Buybacks
(since Dec 2023
to 31 Dec 2024)

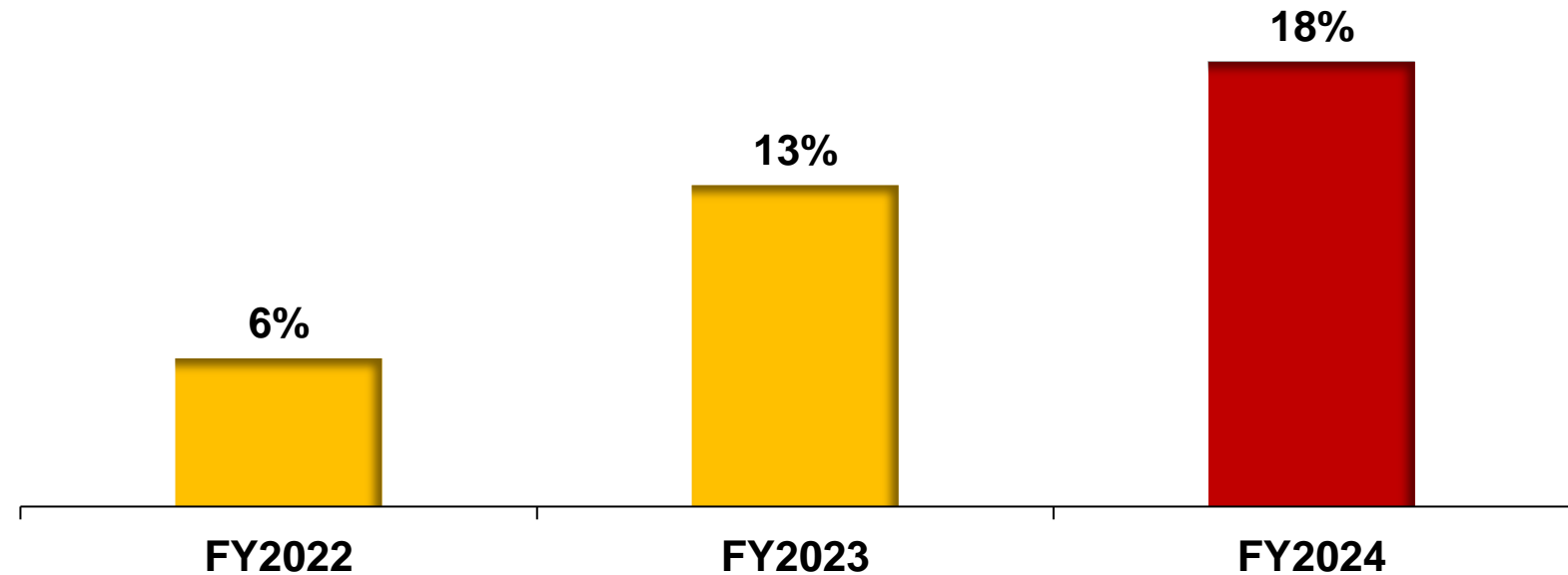
36.6m
Shares
(Cancelled)

9.8m
Shares
(Treasury)

RM98.9m
in Cost

RM2.13
Avg. Share Price

Total Payout
(Dividends + Share Buybacks as a % of Net Profit)

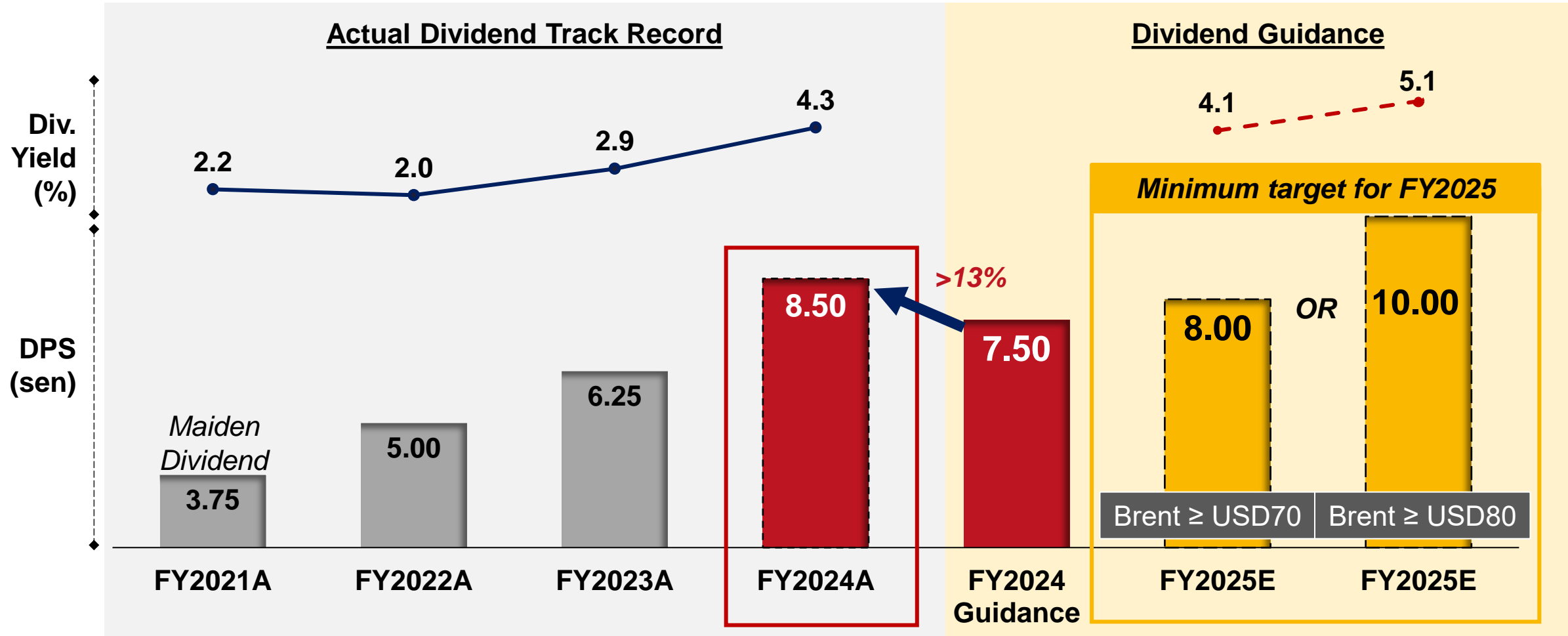


Returns
(FY2024)

7.3%
Return on Assets

16.1%
Return on Equity

INCREASING DIVIDEND TREND



*FY2023A to FY2024A dividend yield is based on the share price as of the last trading day of the corresponding FY | *FY2025E dividend yield is based on share price as of 2 Jan 2025 | FY2023A to FY2024A figures were adjusted for 5-to-2 share consolidation

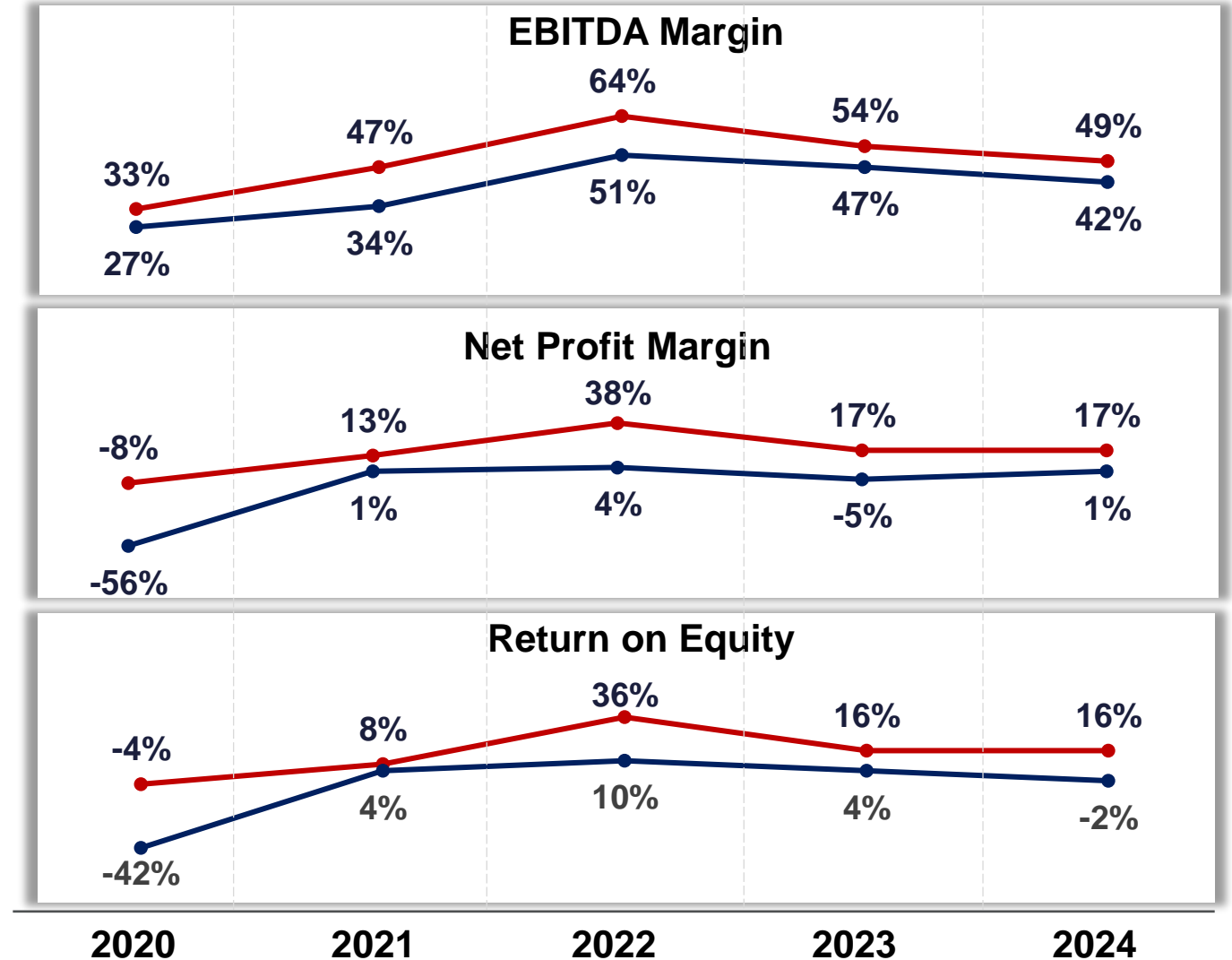
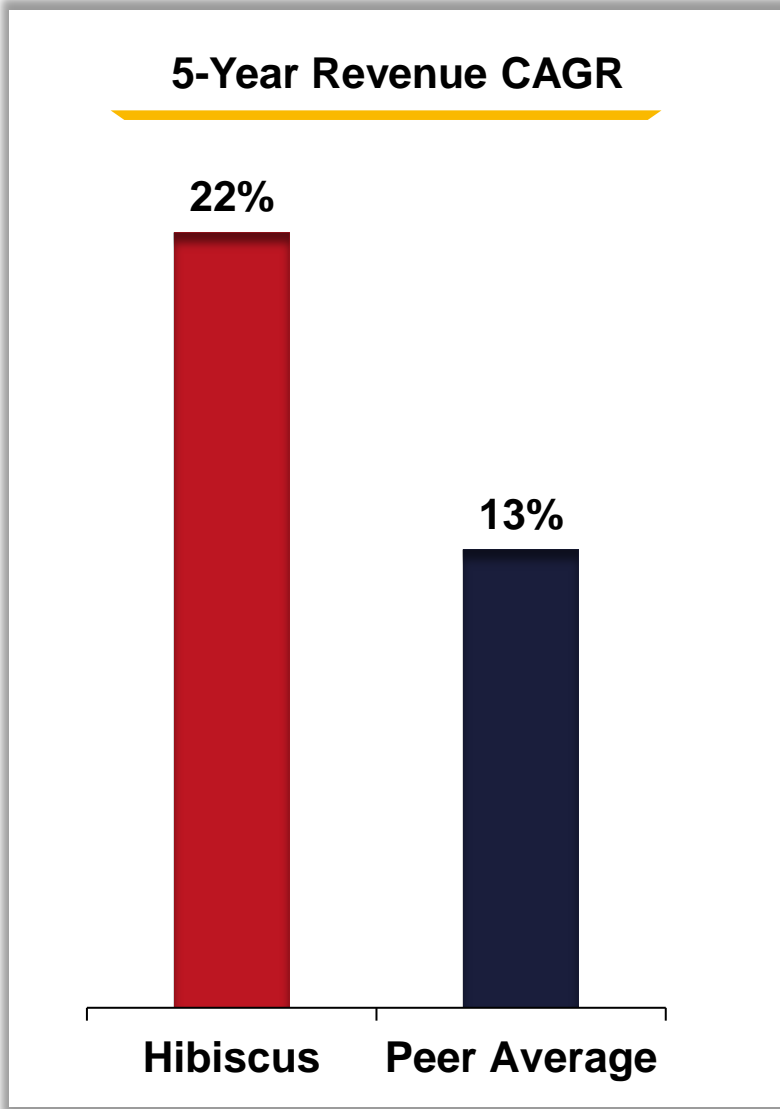


WHY INVEST IN HIBISCUS?

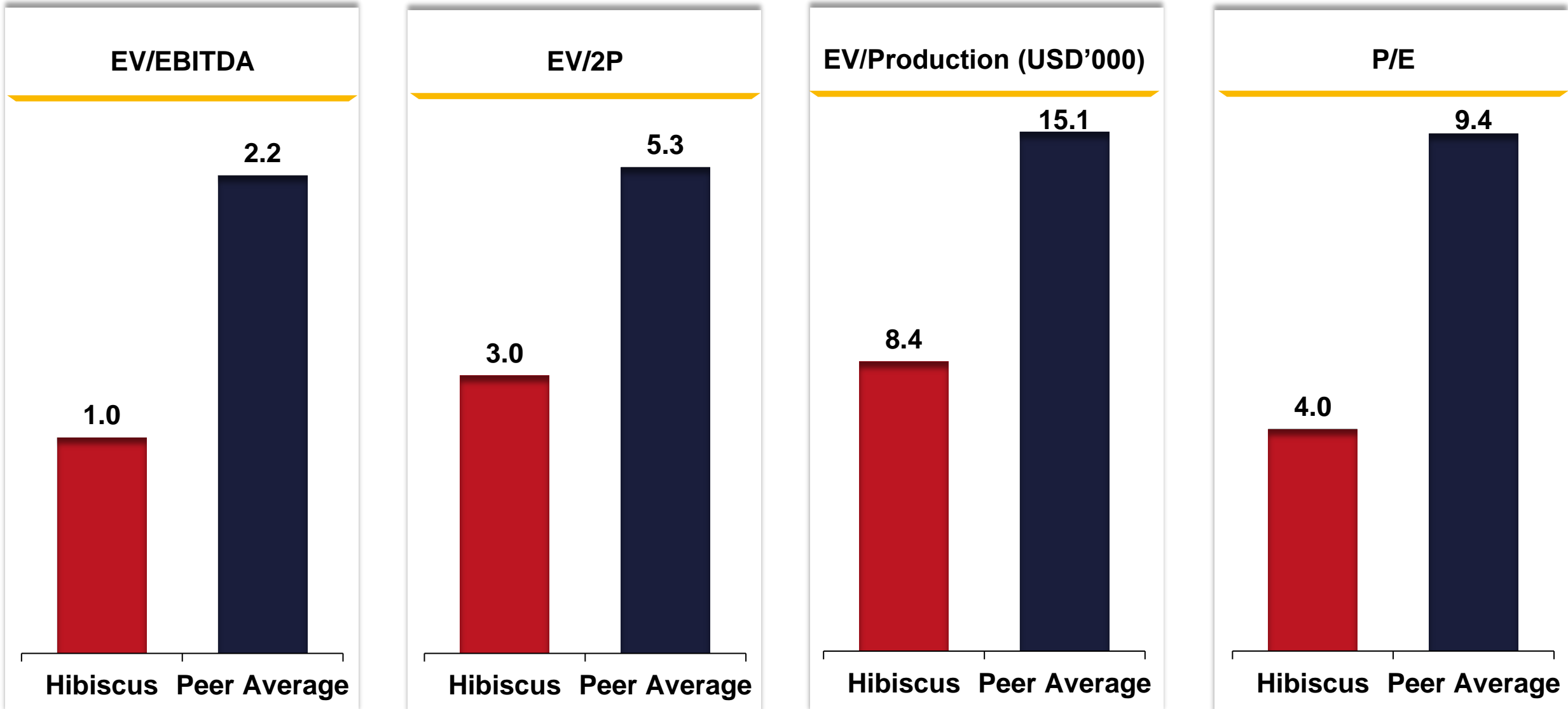
WE HAVE OUTPERFORMED OUR PEERS....

Outperformed industry peer average over the past 5 years

Red Hibiscus
Blue Peer Average



BUT WE LAG BEHIND IN VALUATIONS ...



TIME FOR A RE-RATING ...

Robust Platform for Growth

Acquisitions from oil majors

- Experienced & competent team
- Well maintained facilities



Partnership with national oil companies

- Builds credibility
- Robust reviews
- Enhances access to opportunities



Financial resilience

- Cash generating assets
- Multiple funding sources
- Strong balance sheet and prudent gearing
- Disciplined capital allocation

Clear Pathway to Growth

Fully funded near term value triggers:
achieving our 2026 Mission of 35 – 50,000 boe/day

Teal West Development

SF30 Waterflood Phase 2
Project

Block B MLJ Acquisition

PM3 CAA Extension

Analysts' consensus target price of RM2.69 doesn't include future value of the PM3 CAA extension

Identified mid to long-term value triggers

PM3 Master
Hub Plan

Supported by expected strong oil & gas prices due to demand:supply gap



THANK YOU

For more information, please contact faq@hibiscuspetroleum.com

