

Petronas Chemicals remains profitable and projects on track

KUALA LUMPUR: Petronas Chemicals Group Bhd (PCG) remains profitable despite the challenging environment while its projects are all progressing as planned, says Managing Director and Chief Executive Officer Datuk Sazali Hamzah.

He said plummeting crude oil price has had an impact on the group's bottom line but business remained profitable as the company optimised and reprioritised its expenditure.

"We have intensified our focus on operational expenditure optimisation and reprioritised our capital expenditure spending in navigating through this tough time," he said at the PCG-Media Meet & Greet 2016 Thursday night.

His speech was read, on his behalf, by the Chief Executive Office of Petronas Chemicals Marketing Labuan Sdn Bhd Akbar Md Thayoob, who is also PCG Head of Com-

mercial.

Based on major project portfolio rationalisation and cost optimisation initiatives, he said its Sabah Ammonia Urea Project in Sipitang was on track for completion in the final quarter of this year which would propel PCG as the second largest granular urea producer in Southeast Asia.

Meantime, its three chemical specialty projects in Gebeng, Pahang, are also on track, namely the Integrated Aroma Ingredients complex, 2-Ethyl Hexanoic Acid (2-EHA) and Highly Reactive Polyisobutene (HR-PIB) projects, undertaken by joint venture company BASF-Petronas Chemicals Sdn Bhd.

"I am pleased to inform you that all three projects are progressing as planned with the first plant under Integrated Aroma Ingredients Complex and 2-EHA

to come on stream in 2016 while the HR-PIB plant is targeted to come on stream next year," he said.

Sazali said the group was also excited to continue with its major investment in the Petronas Refinery and Petrochemical Integrated Development project in Pengerang, Johor, scheduled for operations in 2019.

He expressed PCG's gratitude to the media for raising awareness about key issues surrounding the petrochemical industry, in particular.

Meanwhile, PCG recorded a pre-tax profit of RM896 million for the first quarter ended March 31, 2016 from RM843 million recorded in the same quarter of last year.

— Bernama

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Datuk Sazali Hamzah, PCG Managing Director and CEO



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