

**Condensed Consolidated Statement of Comprehensive Income  
for the period ended 30 June 2012**

	<u>3 months ended 30.06.2012</u> RM'000 (Unaudited)	<u>3 months ended 30.06.2011</u> RM'000 (Unaudited)	<u>Cumulative 6 mths ended 30.06.2012</u> RM'000 (Unaudited)	<u>Cumulative 6 mths ended 30.06.2011</u> RM'000 (Unaudited)
Revenue	524,314	487,177	1,030,895	951,241
Cost of sales	(466,336)	(399,034)	(921,281)	(758,356)
<b>Gross profit</b>	<u>57,978</u>	<u>88,143</u>	<u>109,614</u>	<u>192,885</u>
Interest income	1,981	2,122	4,257	5,122
Other operating income	92	57	258	222
Administrative expenses	(5,840)	(8,243)	(13,787)	(16,920)
Finance costs	(91)	(81)	(152)	(136)
<b>Profit before zakat and taxation</b>	<u>54,120</u>	<u>81,998</u>	<u>100,190</u>	<u>181,173</u>
Zakat expenses	(1,167)	-	(1,167)	-
Tax expenses	(12,120)	(20,912)	(23,650)	(45,673)
<b>Net profit for the period</b>	<u>40,833</u>	<u>61,086</u>	<u>75,373</u>	<u>135,500</u>
Other comprehensive income, (net of tax)	-	-	-	-
<b>Total comprehensive income for the period</b>	<u>40,833</u>	<u>61,086</u>	<u>75,373</u>	<u>135,500</u>
<b>Net profit attributable to:</b>				
Owners of the Parent	40,833	61,086	75,373	135,500
Non-controlling interest	-	-	-	-
	<u>40,833</u>	<u>61,086</u>	<u>75,373</u>	<u>135,500</u>
<b>Total comprehensive income attributable to:</b>				
Owners of the Parent	40,833	61,086	75,373	135,500
Non-controlling interest	-	-	-	-
	<u>40,833</u>	<u>61,086</u>	<u>75,373</u>	<u>135,500</u>
<b>Earnings per share for profit attributable to the owners of the Parent</b>				
Basic (Sen)	3.18	4.76 *	5.87	10.55 *
Diluted (Sen)	3.18	4.76 *	5.87	10.55 *

\*adjusted retrospectively to show the effect of the subdivision of shares

The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Audited Financial Statements for the financial year ended 31 December 2011.

**Condensed Consolidated Statement of Financial Position**  
**As at 30 June 2012**

	As at <u>30.06.2012</u> RM' 000 (Unaudited)	As at <u>31.12.2011</u> RM' 000 (Audited)	As at <u>1.1.2011</u> RM' 000 (Audited)
<b>Non-Current Assets</b>			
Property, plant and equipment	877,500	886,775	858,976
Construction work-in-progress	43,621	42,303	79,112
Prepaid lease payments	18,634	18,836	19,238
Deferred taxation	3,358	3,358	-
	<u>943,113</u>	<u>951,272</u>	<u>957,326</u>
<b>Current Assets</b>			
Trade and other receivables	206,471	196,150	180,704
Deposits, bank and cash balances	323,985	327,004	477,996
	<u>530,456</u>	<u>523,154</u>	<u>658,700</u>
<b>Total Assets</b>	<u>1,473,569</u>	<u>1,474,426</u>	<u>1,616,026</u>
<b>Equity</b>			
<b>Equity attributable to owners of the Parent</b>			
Share capital	642,000	642,000	642,000
Retained profits	343,157	367,454	525,550
	<u>985,157</u>	<u>1,009,454</u>	<u>1,167,550</u>
<b>Total equity</b>	<u>985,157</u>	<u>1,009,454</u>	<u>1,167,550</u>
<b>Non-Current Liabilities</b>			
Deferred taxation	177,469	176,047	173,807
	<u>177,469</u>	<u>176,047</u>	<u>173,807</u>
<b>Current Liabilities</b>			
Trade and other payables	230,036	203,904	171,216
Other creditors and credit balance	67,715	71,553	83,766
Taxation	13,192	13,468	19,687
	<u>310,943</u>	<u>288,925</u>	<u>274,669</u>
<b>Total liabilities</b>	<u>488,412</u>	<u>464,972</u>	<u>448,476</u>
<b>Total equity and liabilities</b>	<u>1,473,569</u>	<u>1,474,426</u>	<u>1,616,026</u>
Net assets per share attributable to ordinary equity holders of parent (Sen)	76.73	78.62 *	90.93 *

\*adjusted retrospectively to show the effect of the subdivision of shares

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Audited Financial Statements for the financial year ended 31 December 2011.

## Unaudited Condensed Consolidated Statement of Changes in Equity for the period ended 30 June 2012

	Number of Share '000	Share Capital RM'000	Distributable Retained Earnings RM'000	Total RM'000
At 1 January 2012	642	642,000	367,454	1,009,454
Net profit for the financial period	-	-	75,373	75,373
Other comprehensive income, net of tax	-	-	-	-
Total comprehensive income for the period	-	-	75,373	75,373
Dividends:				
- for the financial year ended 31 December 2011	-	-	(99,670)	(99,670)
Share split	1,283,358	-	-	-
At 30 June 2012	1,284,000	642,000	343,157	985,157

The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Audited Financial Statements for the financial year ended 31 December 2011.

## Unaudited Condensed Consolidated Statement of Changes in Equity for the period ended 30 June 2011

	Number of share '000	Share Capital RM'000	Distributable Retained Earnings RM'000	Total RM'000
At 1 January 2011	642	642,000	525,550	1,167,550
Net profit for the financial period	-	-	135,500	135,500
Other comprehensive income, net of tax	-	-	-	-
Total comprehensive income for the period	-	-	135,500	135,500
Dividends:				
- for the financial year ended 31 December 2010	-	-	(280,681)	(280,681)
- for the financial period ended 30 June 2011	-	-	(106,569)	(106,569)
At 30 June 2011	642	642,000	273,800	915,800

The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Audited Financial Statements for the financial year ended 31 December 2011.

**Condensed Consolidated Statement of Cash Flows  
for the period ended 30 June 2012**

	6 months ended 30.06.2012 RM'000 (Unaudited)	6 months ended 30.06.2011 RM'000 (Unaudited)
<b>Cash flows from operating activities</b>		
Profit before zakat and taxation	100,190	181,173
Adjustments for:		
Non-cash items	23,060	22,086
Gain on disposal of assets	(43)	(0)
	<u>123,207</u>	<u>203,259</u>
Operating profit before working capital changes		
Changes in working capital:		
Net change in current assets	(11,468)	(12,787)
Net change in current liabilities	22,276	46,011
	<u>134,015</u>	<u>236,483</u>
<b>Net cash generated from operating activities</b>		
<b>Cash flows from investing activities</b>		
Purchase of property, plant and equipment	(14,902)	(18,164)
Proceeds from sale of property, plant and equipment	43	0
	<u>(14,859)</u>	<u>(18,164)</u>
<b>Net cash used in investing activities</b>		
<b>Cash flows from financing activities</b>		
Tax paid	(22,505)	(36,040)
Dividend paid	(99,670)	(280,681)
	<u>(122,175)</u>	<u>(316,721)</u>
<b>Net cash used in financing activities</b>		
Net increase in cash and cash equivalents	(3,019)	(98,402)
Cash and cash equivalents at beginning of financial period	327,004	477,996
	<u>323,985</u>	<u>379,594</u>
<b>Cash and cash equivalents at end of financial period</b>		
<b>Cash and cash equivalents comprise:</b>		
Deposits, bank and cash balances	<u>323,985</u>	<u>379,594</u>

The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Audited Financial Statements for the financial year ended 31 December 2011.

## Notes to the interim financial statements

### 1. Basis of preparation

The consolidated condensed interim financial information for the six months financial period ended 30 June 2012 has been prepared in accordance with MFRS 134 "Interim financial reporting" and Appendix 9B (Part A) of the Listing Requirements of Bursa Malaysia. The consolidated condensed interim financial information should be read in conjunction with the annual audited financial statements for the financial year ended 31 December 2011, which have been prepared in accordance with the Financial Reporting Standards and the Companies Act, 1965.

Since the previous annual audited financial statements as at 31 December 2011 were issued, the Group has adopted the Malaysian Financial Reporting Standards ("MFRS") framework issued by the Malaysian Accounting Standards Board ("MASB"). This MFRS framework which became effective for period beginning on or after 1 January 2012 was introduced by the MASB in order to fully converge Malaysia's existing Financial Reporting Standards ("FRS") framework with the International Financial Reporting Standards ("IFRS") framework issued by the International Accounting Standards Board. Whilst all FRSs issued under the previous FRS framework were equivalent to the MFRSs issued under the MFRS framework, there are some differences in relation to the transitional provisions and effective dates contained in certain of the MFRSs.

These consolidated condensed interim financial statements are part of the period covered by the Group's first MFRS annual financial statements for the year ending 31 December 2012 and hence MFRS 1: First-Time Adoption of Malaysian Financial Reporting Standards (MFRS1) has been applied. The transition from FRS to MFRS has not had a material impact on the financial performance and financial position of the Group.

## **2. Changes in Accounting Policies**

The significant accounting policies, method of computation and basis of consolidation applied in the consolidated condensed interim financial information are consistent with those adopted in the audited financial statements for the financial year ended 31 December 2011 except for the adoption of the Malaysian Financial Reporting Standards ("MFRS") framework and Issues Committee Interpretations ("IC Int.") effective for the financial period beginning on 1 January 2012:

### Malaysian Financial Reporting Standards ("MFRS")

On 19 November 2011, MASB issued a new MASB approved accounting standard framework, the Malaysian Financial Reporting Standards Framework ("MFRS Framework") which comprises Standards as issued by the International Accounting Standards Board ("IASB") that are effective on 1 January 2012. It also comprises new/revised Standards recently issued by the IASB that will be effective after 1 January 2012 such as Standards on financial instruments, consolidation, joint arrangements and fair value measurement.

The MFRS Framework is to be applied by all Entities Other Than Private Entities for annual financial periods beginning on or after 1 January 2012, with the exception of entities that are within the scope of MFRS 141 Agriculture and/or IC Interpretation 15 Agreements for Construction of Real Estate, including its parent, significant investor and venturer ("Transitioning Entities"). Transitioning Entities will be allowed to defer adoption of the new MFRS Framework. Consequently, adoption of the MFRS Framework by Transitioning Entities will be mandatory for annual periods beginning on or after 1 January 2014.

The transition from FRS to MFRS has not had a material impact on the financial performance and financial position of the Group.

### **3. Audit qualification**

The report of the auditors on the Group's financial statements for the year ended 31 December 2011 was not subject to any qualification.

### **4. Seasonal or cyclical factors**

The Group's operations are not significantly affected by seasonal or cyclical factors.

### **5. Unusual or significant event/transactions**

There was no individual unusual or significant transaction that has taken place that materially affected the financial performance or financial position since the end of the previous annual reporting period.

**6. Changes in estimates**

There was no material change in financial estimates reported in prior interim periods that could materially affect the current interim period's financial statements.

**7. Debt and equity securities**

There was no issuance, cancellation, repurchase, resale and repayment of debt and equity securities during the six months financial period ended 30 June 2012 except as disclosed in Note 11.

**8. Dividend paid**

The Company paid a single tier final dividend in respect of financial year ended 31 December 2011 amounting to RM99,670,000 on 30 April 2012.

## 9. Segment Reporting

The Group's segmental report for the six months financial period ended 30 June 2012 is as follows:

	<u>Natural Gas and LPG</u> RM' 000	<u>Others</u> RM' 000	<u>Total</u> RM' 000
<u>30 June 2012</u>			
<u>Revenue:</u>			
Total segment revenue			
- External	1,030,895	-	1,030,895
<u>Results:</u>			
Profit/(loss) before zakat and taxation	100,255	(65)	100,190
Finance income	(4,257)	-	(4,257)
Depreciation and amortisation	22,995	65	23,060
Earnings before finance income, zakat and taxation, depreciation and amortisation (segment results)	118,993	-	118,993

The Group's segmental report for the corresponding six months financial period ended 30 June 2011 is as follows:

	Natural Gas and <u>LPG</u> RM' 000	<u>Others</u> RM' 000	<u>Total</u> RM' 000
<u>30 June 2011</u>			
<u>Revenue:</u>			
Total segment revenue			
- external	951,241	-	951,241
<u>Results:</u>			
Profit/(loss) before taxation	181,238	(65)	181,173
Finance income	(5,122)	-	(5,122)
Depreciation and amortisation	22,020	65	22,085
Earnings before finance income, taxation, depreciation and amortisation (segment results)	198,136	-	198,136

The Group's operations are mainly conducted within Malaysia.

#### 10. Events subsequent to the end of reporting period

There was no material event which occurred subsequent to the end of the six months financial period ended 30 June 2012.

#### 11. Issue of shares/debentures

As at 23 April 2012, the Company's number of ordinary shares increased from 642,000 to 1,284,000,000 arising from the share split exercise from RM1,000 per share to RM0.50 per share.

In addition, the Company issued one only redeemable preference share of RM0.50 at par.

**12. Changes in composition of the Group**

There was no change in the composition of the Group during the six months financial period except that MMC Corporation Berhad ceased to be the holding company upon the completion of the listing exercise on 11<sup>th</sup> June 2012.

**13. Changes in contingent liabilities or contingent assets**

There was no change in contingent liabilities or contingent assets since the last audited financial statements for the financial year ended 31 December 2011 except for the following bank guarantees issued to third parties:

	30.06.12	31.12.11
	RM' 000	RM' 000
Group	1,081	1,081

Bank guarantees issued to authorities were mainly for performance bonds.

**14. Capital commitments**

Capital commitments for the Group not provided for in the consolidated condensed interim financial information are as follows:

	As at 30.06.12
	RM million
Property, plant and equipment:	
Authorised and contracted for	16.6
Authorised but not contracted for	122.7
	<u>139.3</u>

**15. Related party transaction**

Significant related party transaction for the financial period ended 30<sup>th</sup> June 2012:

	Cumulative 6 months ended 30.06.12 RM'000	Cumulative 6 months ended 30.06.11 RM'000
Parties transacted:		
PETRONAS		
- Purchase of natural gas	(873,346)	(712,148)
- Tolling fee income	7,813	6,992
PETRONAS Dagangan Berhad		
- Purchase of liquefied petroleum gas	(8,762)	(7,472)
Central Sugar Refinery Sdn Bhd		
- Sales of gas	18,182	16,451

**Additional information required by the Bursa Securities Listing Requirements**

**16. Review of performance**

The Group's revenue for the second quarter ended 30 June 2012 was RM524.3 million compared to RM487.2 million in the corresponding period in 2011, representing an increase of 7.6%.

The Group's revenue for the six months financial period ended 30 June 2012 was RM1,030.9 million compared to RM951.2 million in the corresponding period in 2011, representing an increase of 8.4%.

The increase in Natural Gas and LPG segment's revenue during the 3 months and 6 months period ended 30 June 2012 to respective comparison above was mainly due to higher volume of gas sold by 2.0% and the upward revision in Natural Gas tariff which was effective beginning 1st June 2011. The full quarter and full 6 months period impact of the revised tariff would be seen in the period under review, compared to one-month impact in the prior corresponding period.

The profit before zakat and taxation for the second quarter ended 30 June 2012 was RM54.1 million, a decrease of 34.0% compared to RM82.0 million in the corresponding period last year.

The profit before zakat and taxation for the six months financial period ended 30 June 2012 was RM100.2 million, a decrease of 44.7% compared to RM181.1 million in the corresponding period last year.

The lower profit before zakat and taxation during the 3 months and 6 months period ended 30 June 2012 to respective comparison above was mainly due to margin compression resulting from the revision in gas tariff.

#### **17. Variation of results against preceding quarter**

The Group recorded a profit before zakat and taxation of RM54.1 million in the current quarter as compared to RM46.1 million in the preceding quarter mainly driven by higher sales volume and recognition of capital contribution revenue receivable from a customer of RM4.9 million.

**18. Current prospects**

The Board expects the Group's revenue to be better than previous financial year. However, profit is expected to be lower than previous financial year due to the full impact of the revised tariff which was enforced on 1<sup>st</sup> of June 2011.

**19. Profit before zakat and taxation**

Profit before zakat and taxation is stated after charging/(crediting) the following items:

	Second quarter ended		Financial period ended	
	30.06.12 RM'000	30.06.11 RM'000	30.06.12 RM'000	30.06.11 RM'000
Finance income	(1,981)	(2,122)	(4,257)	(5,122)
Depreciation & amortisation	11,569	11,333	23,060	22,085
Gain on disposal on property, plant and equipment	(15)	(0.2)	(43)	(0.4)

**20. Profit forecast or profit guarantee**

The Group did not issue any profit forecast or profit guarantee for the reporting period in a public document.

**21. Tax expenses**

	3 months ended 30.06.12	3 months ended 30.06.11	Cumulative 6 months ended 30.06.12	Cumulative 6 months ended 30.06.11
	RM mil	RM mil	RM mil	RM mil
Current tax expenses	(11.2)	(20.0)	(22.2)	(43.2)
Deferred tax expenses	(0.9)	(0.9)	(1.4)	(2.5)
	<u>(12.1)</u>	<u>(20.9)</u>	<u>(23.6)</u>	<u>(45.7)</u>

The Group's effective tax rate for the reporting period approximates to the statutory income tax rate in Malaysia.

**22. Status of corporate proposals**

The listing exercise of GMB was completed via its listing on the Main Market of Bursa Malaysia Securities Berhad on 11 June 2012.

Pursuant to the listing exercise, the Securities Commission ("SC"), vide its approval letter dated 7 October 2011 imposed a condition for GMB to rectify the non-compliance of those plots of land erected with stations which are not designated for gas station use within 12 months from the date of the SC's approval letter.

As disclosed in the listing Prospectus dated 18 May 2012, GMB has identified that as at 23 April 2012, there were 22 stations which were erected on land not designated for gas station use or where the express conditions pertaining to the use of land endorsed on the issue documents of title of the relevant land has not been ascertained ("Affected Stations"). As at 30 June 2012, GMB has rectified seven (7) Affected Stations. The management of the Company is in the midst of rectifying the remaining 15 Affected Stations.

The costs of rectification of the non-compliance are not expected to be significant.

There was no other corporate proposal announced and pending completion by the Group during the current quarter.

### 23. Borrowings

The Group did not have any borrowings as at 30 June 2012.

### 24. Realised and unrealised profit/losses disclosure

The retained earnings as at 30 June 2012 is analysed as follows:

	As at 30.06.12 RM' 000	As at 31.12.11 RM' 000
Total retained earnings of the Company and its subsidiaries:		
- Realised	517,268	540,143
- Unrealised	(174,111)	(172,689)
	343,157	367,454
	343,157	367,454

### 25. Material litigation

As at 30 June 2012, neither our Company nor our subsidiaries are engaged in any material litigation or arbitration, either as plaintiff or defendant, and our Board is not aware of any legal proceedings pending or threatened or of any fact likely to give rise to any legal proceeding which have a material adverse effect on the business or financial position of our Group.

**26. Dividend payable**

The Board declared a single tier interim dividend of RM0.05 per ordinary share for the financial year ending 31 December 2012 amounting to RM64,200,000 (for financial year ended 31 December 2011, a special single tier interim dividend of RM165.99 per ordinary share amounting to RM106,569,000).

**27. Earnings per ordinary share**

Basic/Diluted Earnings per ordinary share ("EPS"):

	3 months ended <u>30.06.12</u>	3 months ended <u>30.06.11</u>	Cumulative 6 months ended <u>30.06.12</u>	Cumulative 6 months ended <u>30.06.11</u>
Profit for the period attributable to owners of the Parent (RM mil)	40.8	61.1	75.4	135.5
Number of ordinary shares issued (mil)	<sup>^</sup> 1,284.0	*1,284.0	<sup>^</sup> 1,284.0	*1,284.0
Basic earnings per ordinary share (Sen)	3.18	*4.76	5.87	*10.55
Diluted earnings per ordinary share (Sen)	3.18	*4.76	5.87	*10.55

<sup>^</sup> On 23th April 2012, the company undertook a subdivision of its shares from 642,000 ordinary shares of RM1,000.00 each to 1,284,000,000 ordinary shares of RM0.50 each.

\* adjusted retrospectively to show the effect of the subdivision of shares as per Note 11.

The group has not issued any dilutive potential ordinary shares and therefore the diluted EPS is the same as basic EPS.

**28. Authorisation for issue**

The consolidated condensed interim financial information have been authorised for issue by the Board of Directors in accordance with their resolution on 7 August 2012.

By Order of the Board

Zainul Abidin bin Hj Ahmad (LS 0008854)

Company Secretary

Shah Alam

Dated : 7 August 2012