

**Condensed Consolidated Statement of Comprehensive Income  
for the period ended 30 June 2014**

	<b>3 months ended 30.06.2014</b>	<b>3 months ended 30.06.2013</b>	<b>Cumulative 6 mths ended 30.06.2014</b>	<b>Cumulative 6 mths ended 30.06.2013</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
	<b>(Unaudited)</b>	<b>(Unaudited)</b>	<b>(Unaudited)</b>	<b>(Unaudited)</b>
Revenue	677,989	593,837	1,258,559	1,129,280
Cost of sales	(603,350)	(525,856)	(1,121,663)	(1,004,324)
<b>Gross profit</b>	<b>74,639</b>	<b>67,981</b>	<b>136,896</b>	<b>124,956</b>
Finance income	1,682	2,372	3,320	4,541
Other operating income	108	237	509	414
Administrative expenses	(13,029)	(11,036)	(21,113)	(18,777)
Finance cost	(90)	(70)	(183)	(129)
<b>Profit before zakat and taxation</b>	<b>63,310</b>	<b>59,484</b>	<b>119,429</b>	<b>111,005</b>
Zakat expenses	(875)	(875)	(1,750)	(1,750)
Tax expense	(13,529)	(13,646)	(27,166)	(24,148)
<b>Net profit for the period</b>	<b>48,906</b>	<b>44,963</b>	<b>90,513</b>	<b>85,107</b>
<b>Other comprehensive income (net of tax)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total comprehensive income for the period</b>	<b>48,906</b>	<b>44,963</b>	<b>90,513</b>	<b>85,107</b>
<b>Net profit attributable to:</b>				
Owners of the Parent	48,906	44,963	90,513	85,107
Non-controlling interest	-	-	-	-
	<b>48,906</b>	<b>44,963</b>	<b>90,513</b>	<b>85,107</b>
<b>Total comprehensive income attributable to:</b>				
Owners of the Parent	48,906	44,963	90,513	85,107
Non-controlling interest	-	-	-	-
	<b>48,906</b>	<b>44,963</b>	<b>90,513</b>	<b>85,107</b>
<b>Earnings per share for profit attributable to the owners of the Parent</b>				
Basic (Sen)	3.81	3.50	7.05	6.63
Diluted (Sen)	3.81	3.50	7.05	6.63

The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Audited Financial Statements for the financial year ended 31 December 2013.

**Condensed Consolidated Statement of Financial Position  
as at 30 June 2014**

	<b>As at 30.06.2014 RM' 000 (Unaudited)</b>	<b>As at 31.12.2013 RM' 000 (Audited)</b>
<b>Non-Current Assets</b>		
Property, plant and equipment	974,123	961,512
Prepaid lease payments	17,829	18,030
Deferred taxation	2,384	2,384
	<u>994,336</u>	<u>981,926</u>
<b>Current Assets</b>		
Trade and other receivables	281,893	231,094
Deposits, bank and cash balances	281,124	294,218
	<u>563,017</u>	<u>525,312</u>
	<u>                    </u>	<u>                    </u>
<b>Total Assets</b>	<b><u>1,557,353</u></b>	<b><u>1,507,238</u></b>
<b>Equity</b>		
<b>Equity attributable to owners of the Parent</b>		
Share capital	642,000	642,000
Retained profits	358,079	362,068
<b>Total equity</b>	<u>1,000,079</u>	<u>1,004,068</u>
<b>Non-Current Liabilities</b>		
Redeemable preference share	0 #	0 #
Deferred taxation	167,423	170,763
	<u>167,423</u>	<u>170,763</u>
<b>Current Liabilities</b>		
Trade and other payables	376,988	326,401
Taxation	12,863	6,006
	<u>389,851</u>	<u>332,407</u>
<b>Total liabilities</b>	<u>557,274</u>	<u>503,170</u>
	<u>                    </u>	<u>                    </u>
<b>Total equity and liabilities</b>	<b><u>1,557,353</u></b>	<b><u>1,507,238</u></b>
Net assets per share attributable to ordinary equity holders of parent (Sen)	77.89	78.20

# Denotes RM0.50

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Audited Financial Statements for the financial year ended 31 December 2013.

**Unaudited Condensed Consolidated Statement of Changes in Equity for the period ended 30 June 2014**

	<b>Number of Shares Million</b>	<b>Share Capital RM'000</b>	<b>Retained Profits RM'000</b>	<b>Total RM'000</b>
<b>At 1 January 2014</b>	<b>1,284</b>	<b>642,000</b>	<b>362,068</b>	<b>1,004,068</b>
Net profit /total comprehensive income for the financial period	-	-	90,513	90,513
Dividends:				
- Final dividend for the financial year ended 31 December 2013	-	-	(55,982)	(55,982)
- Second interim dividend for the financial year ended 31 December 2013	-	-	(38,520)	(38,520)
<b>At 30 June 2014</b>	<b>1,284</b>	<b>642,000</b>	<b>358,079</b>	<b>1,000,079</b>

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 2013.

**Unaudited Condensed Consolidated Statement of Changes in Equity for the period ended 30 June 2013**

	Number of Share Million	Share Capital RM'000	Retained Earnings RM'000	Total RM'000
<b>At 1 January 2013</b>	1,284	642,000	366,412	1,008,412
Net profit /total comprehensive income for the financial period	-	-	85,107	85,107
Dividends:				
- Final dividend for the financial year ended 31 December 2012	-	-	(98,740)	(98,740)
<b>At 30 June 2013</b>	<b>1,284</b>	<b>642,000</b>	<b>352,779</b>	<b>994,779</b>

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 2013.

**Condensed Consolidated Statement of Cash Flows  
for the period ended 30 June 2014**

	<b>6 months ended 30.06.2014 RM'000 (Unaudited)</b>	<b>6 months ended 30.06.2013 RM'000 (Unaudited)</b>
<b>Cash flows from operating activities</b>		
Profit before zakat and taxation	119,429	111,005
Adjustments for:		
Depreciation and amortisation	25,272	23,775
Gain on disposal of property, plant and equipment	(3)	(10)
Finance income	(3,320)	(4,541)
Operating profit before working capital changes	<u>141,378</u>	<u>130,229</u>
Changes in working capital:		
Net change in receivables	(51,139)	(2,403)
Net change in payables	50,928	7,778
Cash generated from operations	141,167	135,604
Zakat paid	(1,750)	(1,750)
Tax paid	<u>(23,649)</u>	<u>(22,103)</u>
<b>Net cash generated from operating activities</b>	<b><u>115,768</u></b>	<b><u>111,751</u></b>
<b>Cash flows from investing activities</b>		
Purchase of property, plant and equipment	(37,687)	(48,621)
Proceeds from sale of property, plant and equipment	7	10
Finance income received	3,320	4,541
<b>Net cash used in investing activities</b>	<b><u>(34,360)</u></b>	<b><u>(44,070)</u></b>
<b>Cash flows from financing activities</b>		
Dividend paid	<u>(94,502)</u>	<u>(98,740)</u>
<b>Net cash used in financing activities</b>	<b><u>(94,502)</u></b>	<b><u>(98,740)</u></b>
Net change in cash and cash equivalents	(13,094)	(31,059)
Cash and cash equivalents at beginning of financial year	<u>294,218</u>	<u>345,138</u>
<b>Cash and cash equivalents at end of financial period</b>	<b><u><u>281,124</u></u></b>	<b><u><u>314,079</u></u></b>

The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Audited Financial Statements for the financial year ended 31 December 2013.

## Notes to the interim financial statements

### 1. Basis of preparation

The condensed consolidated interim financial information for the three months financial period ended 30 June 2014 has been prepared in accordance with MFRS 134 "Interim Financial Reporting" and Appendix 9B (Part A) of the Listing Requirements of Bursa Malaysia. The condensed consolidated interim financial information should be read in conjunction with the annual financial statements for the financial year ended 31 December 2013, which have been prepared in accordance with the Malaysian Financial Reporting Standards, International Financial Reporting Standards and the Companies Act, 1965.

### 2. Changes in Accounting Policies

The significant accounting policies, method of computation and basis of consolidation applied in the condensed consolidated interim financial information are consistent with those adopted in the audited financial statements for the financial year ended 31 December 2013 except for the adoption of the following amendments to Malaysian Financial Reporting Standards ("MFRS") which are effective for the financial period beginning on or after 1 January 2014:

Amendment to MFRS 132	Financial Instruments: Presentation
Amendment to MFRS 136	Impairment of Assets
Amendments to MFRS 10, MFRS 12 and MFRS 127	Investment Entities

The adoption of the above amendments to MFRSs does not have a significant impact on the financial performance and financial position of the Group.

**3. Auditors' report on preceding annual financial statements**

The report of the auditors on the Group's financial statements for the financial year ended 31 December 2013 was unqualified.

**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 affects the financial performance or financial position of the Group 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 three months financial period ended 30 June 2014.

**8. Dividend Paid**

On 20 June 2014, the Company paid a single-tier final dividend of 4.36 sen per share on the 1,284,000,000 ordinary shares of RM0.50 each, amounting to RM55,982,400 in respect of financial year ended 31 December 2013.

## 9. Segment Reporting

The Group's segmental report for the six months financial period ended 30 June 2014 is as follows:

	Natural <u>Gas &amp; LPG</u>	<u>Others</u>	<u>Total</u>
	RM' 000	RM' 000	RM' 000
<u>30 June 2014</u>			
<u>Revenue:</u>			
Total segment revenue			
-external	1,258,559	-	1,258,559
<u>Results:</u>			
Profit/(loss) before zakat and taxation	119,633	(204)	119,429
Finance income	(3,320)	-	(3,320)
Depreciation and amortisation	25,207	65	25,272
Earnings before finance income, zakat, taxation, depreciation and amortisation	141,520	(139)	141,381





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

There was no contingent liability or contingent asset since the last audited financial statements for the financial year ended 31 December 2013.

**13. Capital commitments**

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

	As at
	30.06.14
	RM' 000
Property, plant and equipment:	
Authorised and contracted for	54,377
Authorised but not contracted for	136,439
	<u>190,816</u>

**14. Related party transactions**

Significant related party transactions for the financial period ended 30 June 2014:

	Cumulative 6 months ended 30.06.14  RM' 000	Cumulative 6 months ended 30.06.13  RM' 000
Parties transacted with:		
Petroliam Nasional Berhad		
- Purchase of natural gas**	(1,066,929)	(954,431)
- Tolling fee income*	7,584	7,684
Petronas Dagangan Berhad		
- Purchase of liquefied petroleum gas*	(10,709)	(8,380)
Central Sugar Refinery Sdn Bhd		
- Sales of natural gas**	23,567	20,450
Gula Padang Terap Sdn Bhd		
- Cash contribution received*	-	3,115
- Sales of natural gas**	6,646	3,769

\* The transactions have been entered into in the normal course of business and have been established under negotiated terms agreed by both parties.

\*\* The transactions have been entered into based on regulated prices in Peninsular Malaysia which are set by Energy Commission of Malaysia.

**Additional information required by the Bursa Securities Listing Requirements****15. Review of performance**

The Group's revenue for the second quarter ended 30 June 2014 was RM678.0 million compared to RM593.8 million in the corresponding period in 2013, representing an increase of 14.2%. This was mainly due to higher volume of gas sold by 1.8%.

The profit before zakat and taxation for the second quarter ended 30 June 2014 was RM63.3 million, an increase of 6.4% compared to RM59.5 million in the corresponding period last year. This was in line with the higher volume of gas sold as stated above.

**16. Variation of results against preceding quarter**

The Group recorded a profit before zakat and taxation of RM63.3 million in the current quarter as compared to RM56.1 million in the preceding quarter due to higher gross profit by 19.9%.

**17. Current prospects**

The growth in revenue and profit before tax for the financial period ended 30 June 2014 as compared to corresponding financial period ended 30 June 2013 was primarily driven by the increase in volume of gas sold, number of customers and revision in gas tariff effective 1 May 2014. The Board anticipates the increase in gas volume and number of customers to sustain in the second half of financial year 2014.

The Company has announced on 11 April 2014 that the Government has approved the natural gas tariff revision for the non-power sector taking effect from 1 May 2014 and that the purchase price of gas procures from Petroliam Nasional Berhad will also be adjusted accordingly.

The impact on Group's earnings is dependent on the cost of natural gas purchased as well as the volume sold to customers. On the assumption that the Group continues to supply natural gas to customers based on volume at prevailing levels, the impact of this tariff revision to the Group's earnings is not expected to be material for financial year 2014.

#### **18. Profit before zakat and taxation**

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

	Second Quarter		Financial	
	Ended		Period Ended	
	30.06.14	30.06.13	30.06.14	30.06.13
	RM' 000	RM' 000	RM' 000	RM' 000
Finance income	(1,682)	(2,372)	(3,320)	(4,541)
Depreciation and amortisation	12,712	11,923	25,272	23,775

Included in the revenue for the period ended 30 June 2014 is an amount relating to assets contributed by customers amounting to RM979,000 (30 June 2013: RM13,353,000).

#### **19. Profit forecast or profit guarantee**

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

**20. Tax expense**

	3 months ended 30.06.14	3 months ended 30.06.13	Cumulative 6 months ended 30.06.14	Cumulative 6 months ended 30.06.13
	RM'000	RM'000	RM'000	RM'000
Current tax expense	(16,632)	(13,660)	(30,506)	(24,665)
Deferred tax - origination and reversal of temporary timing differences	3,103	14	3,340	517
	<u>(13,529)</u>	<u>(13,646)</u>	<u>(27,166)</u>	<u>(24,148)</u>

The Group's effective tax rate for three months period ended 30 June 2014 of 21.7% is lower than the statutory income tax rate in Malaysia due to the effect of items not subject to tax and reduction of deferred tax liabilities.

The Group's effective tax rate for the six months financial period ended 30 June 2014 of 23.1% is lower than the statutory income tax rate in Malaysia due to the effect of items not subject to tax and reduction of deferred tax liabilities.

**21. Status of corporate proposals**

- a) On 24 December 2013, the Company announced that the Securities Commission Malaysia ("SC") had granted its approval for a further extension of time until 31 December 2015 for the Company to rectify the non-compliance of plots of land erected with stations which are not designated for gas station use ("Condition"). The Condition was imposed by the SC in its approval letter dated 7 October 2011 for the listing exercise of the Company ("Approval").

As at 31 March 2014, the Company rectified thirteen (13) 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"). The management is in the midst of rectifying the remaining nine (9) Affected Stations, of which the costs of rectification of the non-compliance are not expected to be significant.

- b) On 24 February 2014, an announcement was also made that the Company has entered into a Joint Venture Agreement with IEV Energy Sdn Bhd to undertake the Compressed Natural Gas Distribution system for areas that is not accessible by gas pipeline. The incorporation of the joint venture company is pending the fulfillment of conditions precedent in the joint venture agreement.

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

## **22. Borrowing**

The Group does not have any borrowing as at 30 June 2014.

**23. Realised and unrealised profit/losses disclosure**

The retained profits as at 30 June 2014 is analysed as follows:

	As at 30.06.14 RM' 000	As at 31.12.13 RM' 000
Total retained profits of the Company and its subsidiaries:		
- Realised	523,118	530,447
- Unrealised	(165,039)	(168,379)
	<u>358,079</u>	<u>362,068</u>

**24. Material litigation**

As at 30 June 2014, neither the Company nor its 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 the Group.

**25. Earnings per ordinary share**

Basic/Diluted Earnings Per Ordinary Share ("EPS"):

	3 months ended <u>30.06.14</u>	3 months ended <u>30.06.13</u>	Cumulative 6 months ended <u>30.06.14</u>	Cumulative 6 months ended <u>30.06.13</u>
Profit for the period attributable to owners of the Parent (RM mil)	48.9	45.0	90.5	85.1
Number of ordinary shares in issue (mil)	1,284.0	1,284.0	1,284.0	1,284.0
Basic earnings per ordinary share (Sen)	3.81	3.50	7.05	6.63
Diluted earnings per ordinary share (Sen)	3.81	3.50	7.05	6.63

The Group has no dilutive potential ordinary shares and therefore the diluted EPS is the same as the basic EPS.



**26. Dividends**

The Directors have declared on 20 August 2014, a single-tier interim dividend of 5.0 sen per share on the 1,284,000,000 ordinary shares of RM0.50 each, amounting to RM64,200,000 in respect of financial year ending 31 December 2014. For the corresponding financial period ended 30 June 2013, a single-tier interim dividend of 6.0 sen per share on the 1,284,000,000 ordinary shares of RM0.50 each, amounting to RM77,040,000 in respect of financial year ended 31 December 2013, was declared by the Directors on 1 August 2013.

**27. Authorisation for issue**

The condensed consolidated interim financial information has been authorised for issue by the Board of Directors in accordance with their resolution on 20 August 2014.

By Order of the Board

Zainul Abidin bin Hj Ahmad (LS 0008854)

Yanti Irwani binti Abu Hassan (MACS 01349)

Company Secretaries

Shah Alam

Dated : 20 August 2014