

**Condensed Consolidated Statement of Comprehensive Income  
for the period ended 31 March 2015**

	<b>3 months ended 31.03.2015</b>	<b>3 months ended 31.03.2014</b>	<b>Cumulative 3 mths ended 31.03.2015</b>	<b>Cumulative 3 mths ended 31.03.2014</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	761,583	580,570	761,583	580,570
Cost of sales	(714,872)	(518,313)	(714,872)	(518,313)
<b>Gross profit</b>	<b>46,711</b>	<b>62,257</b>	<b>46,711</b>	<b>62,257</b>
Finance income	3,362	1,639	3,362	1,639
Other operating income	248	401	248	401
Administrative expenses	(10,033)	(8,084)	(10,033)	(8,084)
Finance cost	(766)	(94)	(766)	(94)
Share of result of Joint Venture	(1,685)	-	(1,685)	-
<b>Profit before zakat and taxation</b>	<b>37,837</b>	<b>56,119</b>	<b>37,837</b>	<b>56,119</b>
Zakat expenses	(875)	(875)	(875)	(875)
Tax expense	(8,490)	(13,637)	(8,490)	(13,637)
<b>Net profit for the period</b>	<b>28,472</b>	<b>41,607</b>	<b>28,472</b>	<b>41,607</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>28,472</b>	<b>41,607</b>	<b>28,472</b>	<b>41,607</b>
<b>Net profit attributable to:</b>				
Owners of the Parent	28,490	41,607	28,490	41,607
Non-controlling interest	(18)	-	(18)	-
	<b>28,472</b>	<b>41,607</b>	<b>28,472</b>	<b>41,607</b>
<b>Total comprehensive income attributable to:</b>				
Owners of the Parent	28,490	41,607	28,490	41,607
Non-controlling interest	(18)	-	(18)	-
	<b>28,472</b>	<b>41,607</b>	<b>28,472</b>	<b>41,607</b>
<b>Earnings per share for profit attributable to the owners of the Parent</b>				
Basic (Sen)	2.22	3.24	2.22	3.24
Diluted (Sen)	2.22	3.24	2.22	3.24

The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Audited Financial Statements for the financial year ended 31 December 2014.

**Condensed Consolidated Statement of Financial Position  
as at 31 March 2015**

	<b>As at 31.03.2015 RM' 000 (Unaudited)</b>	<b>As at 31.12.2014 RM' 000 (Audited)</b>
<b>Non-Current Assets</b>		
Property, plant and equipment	1,021,934	1,021,246
Prepaid lease payments	17,527	17,628
Investment in joint venture	17,408	11,547
Deferred taxation	1,937	1,937
	<u>1,058,806</u>	<u>1,052,358</u>
<b>Current Assets</b>		
Trade and other receivables	299,152	308,257
Deposits, bank and cash balances	433,944	430,472
	<u>733,096</u>	<u>738,729</u>
	<u>1,791,902</u>	<u>1,791,087</u>
<b>Total Assets</b>		
<b>Equity</b>		
<b>Equity attributable to owners of the Parent</b>		
Share capital	642,000	642,000
Retained profits	348,124	370,994
	<u>990,124</u>	<u>1,012,994</u>
Non-controlling interest	(18)	-
<b>Total equity</b>	<u>990,106</u>	<u>1,012,994</u>
<b>Non-Current Liabilities</b>		
Redeemable preference share	0 #	0 #
Deferred taxation	160,287	161,630
	<u>160,287</u>	<u>161,630</u>
<b>Current Liabilities</b>		
Trade and other payables	566,545	540,553
Borrowings	70,000	70,000
Taxation	4,964	5,910
	<u>641,509</u>	<u>616,463</u>
<b>Total liabilities</b>	<u>801,796</u>	<u>778,093</u>
	<u>1,791,902</u>	<u>1,791,087</u>
<b>Total equity and liabilities</b>		
Net assets per share attributable to ordinary equity holders of parent (Sen)	77.11	78.89

# 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 2014.

**Unaudited Condensed Consolidated Statement of Changes in Equity for the period ended 31 March 2015**

	<b>Number of Shares Million</b>	<b>Share Capital RM'000</b>	<b>Retained Profits RM'000</b>	<b>Total RM'000</b>	<b>Non-controlling interest RM'000</b>	<b>Total Equity RM'000</b>
<b>At 1 January 2015</b>	<b>1,284</b>	<b>642,000</b>	<b>370,994</b>	<b>1,012,994</b>	<b>-</b>	<b>1,012,994</b>
Net profit /total comprehensive income for the financial period	-	-	28,490	28,490	(18)	28,472
Dividend:						
- Second interim dividend for the financial year ended 31 December 2014	-	-	(51,360)	(51,360)	-	(51,360)
<b>At 31 March 2015</b>	<b>1,284</b>	<b>642,000</b>	<b>348,124</b>	<b>990,124</b>	<b>(18)</b>	<b>990,106</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 2014.

**Unaudited Condensed Consolidated Statement of Changes in Equity for the period ended 31 March 2014**

	Number of Share Million	Share Capital RM'000	Retained Earnings RM'000	Total RM'000
<b>At 1 January 2014</b>	1,284	642,000	362,068	1,004,068
Net profit /total comprehensive income for the financial period	-	-	41,607	41,607
Dividend:				
- Second interim dividend for the financial year ended 31 December 2013	-	-	(38,520)	(38,520)
<b>At 31 March 2014</b>	<b>1,284</b>	<b>642,000</b>	<b>365,155</b>	<b>1,007,155</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 2014.

**Condensed Consolidated Statement of Cash Flows  
for the period ended 31 March 2015**

	<b>3 months ended 31.03.2015 RM'000 (Unaudited)</b>	<b>3 months ended 31.03.2014 RM'000 (Unaudited)</b>
<b>Cash flows from operating activities</b>		
Profit before zakat and taxation	37,837	56,119
Adjustments for:		
Depreciation and amortisation	13,262	12,560
Share of result of Joint Venture	1,685	-
Finance income	(3,362)	(1,639)
Operating profit before working capital changes	<u>49,422</u>	<u>67,040</u>
Changes in working capital:		
Net change in receivables	9,105	7,747
Net change in payables	<u>25,992</u>	<u>(21,555)</u>
Cash generated from operations	84,519	53,232
Zakat paid	(875)	(875)
Tax paid	<u>(10,778)</u>	<u>(11,831)</u>
<b>Net cash generated from operating activities</b>	<b><u>72,866</u></b>	<b><u>40,526</u></b>
<b>Cash flows from investing activities</b>		
Investment in Joint Venture	(7,545)	-
Purchase of property, plant and equipment	(13,851)	(14,664)
Finance income received	<u>3,362</u>	<u>1,639</u>
<b>Net cash used in investing activities</b>	<b><u>(18,034)</u></b>	<b><u>(13,025)</u></b>
<b>Cash flows from financing activities</b>		
Dividend paid	<u>(51,360)</u>	<u>(38,520)</u>
<b>Net cash used in financing activities</b>	<b><u>(51,360)</u></b>	<b><u>(38,520)</u></b>
Net change in cash and cash equivalents	3,472	(11,019)
Cash and cash equivalents at beginning of financial year	<u>430,472</u>	<u>294,218</u>
<b>Cash and cash equivalents at end of financial period</b>	<b><u><u>433,944</u></u></b>	<b><u><u>283,199</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 2014.

**Notes to the interim financial statements****1. Basis of preparation**

The condensed consolidated interim financial information for the three months financial period ended 31 March 2015 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 2014, 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 2014.

The adoption of the following improvements to published standards that came into effect on 1 January 2015 did not have any significant impact on the unaudited condensed consolidated financial statements upon their initial application:

Annual Improvements to	2010-2012 Cycle
MFRSs	(effective from 1 July 2014)
	2011-2013 Cycle
	(effective from 1 July 2014)

Malaysian Accounting Standards Board had issued the following new standards and amendments to standards which are effective for the financial period beginning on or after 1 January 2016:

MFRS 9	Financial Instruments (effective from 1 January 2018)
MFRS 15	Revenue from Contracts with Customers (effective from 1 January 2017)
Amendments to MFRS 101	Disclosure Initiative (effective from 1 January 2016)
Amendments to MFRS 116 and MFRS 138	Clarification of Acceptable Methods of Depreciation and Amortisation (effective from 1 January 2016)
Annual Improvements to MFRSs	2012-2014 Cycle (effective from 1 January 2016)

The Group did not early adopt these new standards, amendments and improvements to published standards

### **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 2014 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 31 March 2015.

**8. Dividend Paid**

On 25 March 2015, the Company paid a single-tier second interim dividend of 4.00 sen per share on the 1,284,000,000 ordinary shares of RM0.50 each in issue, amounting to RM51,360,000 in respect of financial year ended 31 December 2014.



## 9. Segment Reporting

The Group's segmental report for the financial period ended 31 March 2015 is as follows:

	Natural Gas & LPG RM' 000	Others RM' 000	Total RM' 000
<u>31 March 2015</u>			
<u>Revenue:</u>			
Total segment revenue			
-external	761,583	-	761,583
<u>Results:</u>			
Profit/(loss) before zakat and taxation	39,555	(1,718)	37,837
Finance income	(3,362)	-	(3,362)
Depreciation and amortisation	13,249	13	13,262
Earnings before finance income, zakat, taxation, depreciation and amortisation	49,442	(1,705)	47,737

The Group's segmental report for the corresponding financial period ended 31 March 2014 is as follows:

	Natural		
	<u>Gas &amp; LPG</u>	<u>Others</u>	<u>Total</u>
	RM' 000	RM' 000	RM' 000
<u>31 March 2014</u>			
<u>Revenue:</u>			
Total segment revenue			
-external	580,570	-	580,570
<u>Results:</u>			
Profit/(loss) before zakat			
and taxation	56,152	(33)	56,119
Finance income	(1,639)	-	(1,639)
Depreciation and amortisation	12,527	33	12,560
Earnings before finance			
income, zakat, taxation,			
depreciation and amortisation	67,040	-	67,040

The Group's operations are conducted within Peninsular Malaysia.

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

On 28 April 2015, an announcement was made that the Company has entered into a Joint Venture Agreement with Sime Darby Offshore Engineering Sdn Bhd to undertake Biogas Compressed Natural Gas Distribution Business extracted from the Palm Oil Mill Effluent.

The joint venture will not have any material effect on the issued and paid-up share capital, net assets and earnings per share of Gas Malaysia Group for the financial year ending 31 December 2015.

There was no other material event which occurred subsequent to the end of the three months financial period ended 31 March 2015.

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

There was no change in the composition of the Group during the current quarter.

**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 2014.

**13. Capital commitments**

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

	As at 31.03.15 RM' 000
Property, plant and equipment:	
Authorised and contracted for	6,238
Authorised but not contracted for	131,229
	<hr/> 137,467 <hr/> <hr/>

**14. Related party transactions**

Significant related party transactions for the financial year ended 31 March 2015:

	Cumulative 3 months ended 31.03.15 RM' 000	Cumulative 3 months ended 31.03.14 RM' 000
Parties transacted with:		
Petroliam Nasional Berhad		
- Purchase of natural gas**	(689,520)	(492,291)
- Tolling fee income*	3,566	3,704
- Cash contribution for Citygate construction paid*	(1,308)	-
Petronas Dagangan Berhad		
- Purchase of liquefied petroleum gas*	(2,807)	(5,112)
Central Sugar Refinery Sdn Bhd		
- Sales of natural gas**	12,200	11,216
Gula Padang Terap Sdn Bhd		
- Sales of natural gas**	3,469	3,893
Enigma Harmoni Sdn Bhd		
- Cash contribution for pipeline construction received*	441	-

\* 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 first quarter ended 31 March 2015 was RM761.6 million compared to RM580.6 million in the corresponding period in 2014, representing an increase of 31.2%. This was mainly due to higher volume of gas sold and the upward revision of natural gas tariff.

The profit before zakat and taxation for the first quarter ended 31 March 2015 was RM37.8 million, a decrease of 32.6% compared to the profit before zakat and taxation of RM56.1 million in the corresponding period last year. This was mainly due to tariff revision resulting in lower gross profit.

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

The Group recorded a profit before zakat and taxation of RM37.8 million in the current quarter as compared to RM24.3 million in the preceding quarter. This was mainly due to gas cost adjustment made in the current quarter which resulted in higher gross profit.

**17. Current prospects**

The growth in revenue for the financial period ended 31 March 2015 was primarily driven by the increase in volume of gas sold and number of customers. The Board anticipates the increase in gas volume and number of customers to sustain in financial year 2015. The profitability of the Group for the financial year ending 31 December 2015 is expected to be in tandem with the level reflecting the current tariff setting mechanism framework.

**18. Profit before zakat and taxation**

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

	First Quarter		Financial	
	Ended		Period Ended	
	31.03.15	31.03.14	31.03.15	31.03.14
	RM' 000	RM' 000	RM' 000	RM' 000
Finance income	(3,362)	(1,639)	(3,362)	(1,639)
Depreciation and amortisation	13,262	12,560	13,262	12,560

Included in the revenue for the financial period ended 31 March 2015 is an amount relating to assets contributed by customers amounting to RM3,225,000 (31 March 2014: RM489,000).

**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	3 months ended	Cumulative 3 months ended	Cumulative 3 months ended
	31.03.15	31.03.14	31.03.15	31.03.14
	RM' 000	RM' 000	RM' 000	RM' 000
Current tax expense	(9,833)	(14,873)	(9,833)	(14,873)
Deferred tax - origination and reversal of temporary timing differences	1,343	1,236	1,343	1,236
	<u>(8,490)</u>	<u>(13,637)</u>	<u>(8,490)</u>	<u>(13,637)</u>

The Group's effective tax rate for three months period ended 31 March 2015 of 23.0% 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**

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 2015, 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 for rectifying 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.

## **22. Borrowing (Unsecured)**

The Company made a drawdown in the previous quarter amounting to RM70,000,000 from its Al-Murabahah Medium Term Notes ("MTN") facility for a tenure of one year which is to be paid in full on 27 November 2015.

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

The retained profits as at 31 March 2015 is analysed as follows:

	As at 31.03.15 RM' 000	As at 31.12.14 RM' 000
Total retained profits of the Company and its subsidiaries:		
- Realised	508,659	531,187
- Unrealised	(158,350)	(159,693)
Total accumulated losses from joint venture:		
- Realised	(2,185)	(500)
- Unrealised	-	-
	348,124	370,994

**24. Material litigation**

As at 31 March 2015, 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>31.03.15</u>	3 months ended <u>31.03.14</u>	Cumulative 3 months ended <u>31.03.15</u>	Cumulative 3 months ended <u>31.03.14</u>
Profit for the period attributable to owners of the Parent (RM mil)	28.5	41.6	28.5	41.6
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)	2.22	3.24	2.22	3.24
Diluted earnings per ordinary share (Sen)	2.22	3.24	2.22	3.24

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

**26. Dividends**

The shareholders had, at the Annual General Meeting held on 07 May 2015, approved the payment of a single-tier final dividend of 4.06 sen per share on the 1,284,000,000 ordinary shares of RM0.50 each in issue, amounting to RM52,130,400 in respect of financial year ended 31 December 2014.

No dividend has been declared by the Directors for the current financial period ended 31 March 2015. No dividend was declared by the Directors for the corresponding financial period ended 31 March 2014.

**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 07 May 2015.

By Order of the Board

Yanti Irwani binti Abu Hassan (MACS 01349)

Company Secretary

Shah Alam

Dated: 07 May 2015