

**Condensed Consolidated Statement of Comprehensive Income
for the financial period ended 30 September 2017**

	3 months ended 30.09.2017 RM'000 (Unaudited)	3 months ended 30.09.2016 RM'000 (Unaudited)	Cumulative 9 mths ended 30.09.2017 RM'000 (Unaudited)	Cumulative 9 mths ended 30.09.2016 RM'000 (Unaudited)
Revenue	1,403,377	1,067,918	3,877,734	3,002,966
Cost of sales	(1,330,618)	(1,004,313)	(3,683,394)	(2,825,008)
Gross profit	72,759	63,605	194,340	177,958
Finance income	2,307	2,983	8,802	9,428
Other operating income	428	263	1,041	1,403
Administrative expenses	(17,802)	(10,407)	(48,624)	(39,661)
Selling & distribution expenses	(256)	(214)	(756)	(659)
Finance cost	(2,390)	(205)	(3,498)	(2,500)
Share of results in joint ventures	228	(429)	389	(926)
Profit before zakat and taxation	55,274	55,596	151,694	145,043
Zakat expenses	(875)	(875)	(2,625)	(2,625)
Tax expense	(10,114)	(11,634)	(31,859)	(29,166)
Net profit for the period	44,285	43,087	117,210	113,252
Other comprehensive income/(loss) (net of tax):				
<i>Items that will be reclassified to profit or loss</i>				
Cash flow hedge of the joint venture	109	846	(233)	(4,783)
Total comprehensive income for the period	44,394	43,933	116,977	108,469
Net profit attributable to:				
Owners of the Parent	44,457	43,198	117,658	113,552
Non-controlling interests	(172)	(111)	(448)	(300)
	44,285	43,087	117,210	113,252
Total comprehensive income attributable to:				
Owners of the Parent	44,566	44,044	117,425	108,769
Non-controlling interests	(172)	(111)	(448)	(300)
	44,394	43,933	116,977	108,469
Earnings per share				
Basic (Sen)	3.46	3.36	9.16	8.84
Diluted (Sen)	3.46	3.36	9.16	8.84

The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Audited Financial Statements for the financial year ended 31 December 2016.

**Condensed Consolidated Statement of Financial Position
as at 30 September 2017**

	As at 30.09.2017 RM' 000 (Unaudited)	As at 31.12.2016 RM' 000 (Audited)
Non-Current Assets		
Property, plant and equipment	1,146,819	1,121,145
Prepaid lease payments	16,520	16,822
Investment in joint ventures	27,056	26,900
Deferred tax assets	689	689
	<u>1,191,084</u>	<u>1,165,556</u>
Current Assets		
Trade and other receivables	653,472	474,747
Tax recoverable	10,547	-
Deposits, bank and cash balances	336,764	585,113
	<u>1,000,783</u>	<u>1,059,860</u>
Total Assets	<u><u>2,191,867</u></u>	<u><u>2,225,416</u></u>
Equity		
Equity attributable to owners of the Parent		
Share capital	642,000	642,000
Cash flow hedge reserve	(3,327)	(3,094)
Retained profits	333,793	381,257
	<u>972,466</u>	<u>1,020,163</u>
Non-controlling interests	29	477
Total Equity	<u>972,495</u>	<u>1,020,640</u>
Non-Current Liabilities		
Redeemable preference share	-	0 #
Deferred tax liabilities	155,045	133,286
Borrowings	108,970	107,990
	<u>264,015</u>	<u>241,276</u>
Current Liabilities		
Trade and other payables	901,007	915,636
Borrowings	2,990	3,040
Taxation	-	44,824
Dividend payable	51,360	-
	<u>955,357</u>	<u>963,500</u>
Total liabilities	<u>1,219,372</u>	<u>1,204,776</u>
Total equity and liabilities	<u><u>2,191,867</u></u>	<u><u>2,225,416</u></u>
Net assets per share attributable to ordinary equity holders of the Parent (Sen)	75.74	79.45

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 2016.

Unaudited Condensed Consolidated Statement of Changes in Equity for the financial period ended 30 September 2017

	Number of Shares Million	Share Capital RM'000	Cash Flow Hedge Reserve RM'000	Retained Profits RM'000	Total RM'000	Non-controlling interests RM'000	Total Equity RM'000
At 1 January 2017	1,284	642,000	(3,094)	381,257	1,020,163	477	1,020,640
Net profit for the financial period	-	-	-	117,658	117,658	(448)	117,210
Other comprehensive loss for the financial period	-	-	(233)	-	(233)	-	(233)
Total comprehensive income for the financial period	-	-	(233)	117,658	117,425	(448)	116,977
Dividends:							
- Interim dividend for the financial year ended 31 December 2016	-	-	-	(51,360)	(51,360)	-	(51,360)
- Final dividend for the financial year ended 31 December 2016	-	-	-	(62,402)	(62,402)	-	(62,402)
- Interim dividend for the financial year ending 31 December 2017	-	-	-	(51,360)	(51,360)	-	(51,360)
	-	-	-	(165,122)	(165,122)	-	(165,122)
At 30 September 2017	1,284	642,000	(3,327)	333,793	972,466	29	972,495

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 2016.

Unaudited Condensed Consolidated Statement of Changes in Equity for the financial period ended 30 September 2016

	Number of Shares Million	Share Capital RM'000	Cash Flow Hedge Reserve RM'000	Retained Profits RM'000	Total RM'000	Non-controlling interests RM'000	Total Equity RM'000
At 1 January 2016	1,284	642,000	-	328,726	970,726	1,195	971,921
Net profit for the financial period	-	-	-	113,552	113,552	(300)	113,252
Other comprehensive loss for the financial period	-	-	(4,783)	-	(4,783)	-	(4,783)
Total comprehensive income for the financial period	-	-	(4,783)	113,552	108,769	(300)	108,469
Dividends:							
- Final dividend for the financial year ended 31 December 2015	-	-	-	(61,247)	(61,247)	-	(61,247)
- Interim dividend for the financial year ended 31 December 2016	-	-	-	(51,360)	(51,360)	-	(51,360)
	-	-	-	(112,607)	(112,607)	-	(112,607)
At 30 September 2016	1,284	642,000	(4,783)	329,671	966,888	895	967,783

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 2016.

**Condensed Consolidated Statement of Cash Flows
for the financial period ended 30 September 2017**

	9 months ended 30.09.2017 RM'000 (Unaudited)	9 months ended 30.09.2016 RM'000 (Unaudited)
Cash flows from operating activities		
Profit before zakat and taxation	151,694	145,043
Adjustments for:		
Depreciation and amortisation	45,737	43,141
Gain on disposal of property, plant and equipment	-	(583)
Impairment of trade receivables	10,053	6,233
Write back of impairment of trade receivables	(5,715)	(486)
Share of results in joint ventures	(389)	926
Finance income	(8,802)	(9,428)
Operating profit before working capital changes	<u>192,578</u>	<u>184,846</u>
Changes in working capital:		
Net change in receivables	(183,063)	130,181
Net change in payables	<u>(14,629)</u>	<u>123,894</u>
Cash (used in)/generated from operations	(5,114)	438,921
Zakat paid	(2,625)	(2,625)
Tax paid	<u>(65,471)</u>	<u>(22,263)</u>
Net cash flows (used in)/generated from operating activities	<u>(73,210)</u>	<u>414,033</u>
Cash flows from investing activities		
Investment in joint ventures	-	(6,232)
Purchase of property, plant and equipment	(71,109)	(55,977)
Proceed from sale of property, plant and equipment	-	583
Finance income received	<u>8,802</u>	<u>9,428</u>
Net cash flows used in investing activities	<u>(62,307)</u>	<u>(52,198)</u>
Cash flows from financing activities		
Dividends paid	(113,762)	(112,607)
Drawdown of loans	63,970	10,030
Repayment of loans	<u>(63,040)</u>	<u>(130,000)</u>
Net cash flows used in financing activities	<u>(112,832)</u>	<u>(232,577)</u>
Net change in cash and cash equivalents	(248,349)	129,258
Cash and cash equivalents at beginning of financial period	<u>585,113</u>	<u>361,954</u>
Cash and cash equivalents at end of financial period	<u><u>336,764</u></u>	<u><u>491,212</u></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 2016.

Notes to the interim financial statements

1. Basis of preparation

The condensed consolidated interim financial information for the three months financial period ended 30 September 2017 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 audited financial statements for the financial year ended 31 December 2016, which have been prepared in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act, 1965 in Malaysia.

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 2016.

The adoption of the following amendments and annual improvements to published standards that came into effect on 1 January 2017 which are applicable to the Group and the Company, did not have any significant impact on the condensed consolidated financial statements upon their initial application:

- Amendments to MFRS 107 "Statement of Cash Flows - Disclosure Initiative"
- Amendments to MFRS 112 "Income Taxes - Recognition of Deferred Tax Assets for Unrealised Losses"
- Annual Improvement to MFRS 12 "Disclosures of Interest in Other Entities"

Malaysian Accounting Standards Board had issued the following amendments and new standards which are effective for the following financial years:

- (i) Financial year beginning on or after 1 January 2018:
 - MFRS 9 "Financial Instruments"
 - MFRS 15 "Revenue from Contracts with Customers"
 - Annual Improvement to MFRS 128 "Investments in Associates and Joint Ventures"
- (ii) Financial year beginning on or after 1 January 2019:
 - MFRS 16 "Leases"
 - IC Interpretation 23 "Uncertainty over Income Tax Treatments"
- (iii) Effective date yet to be determined:
 - Amendments to MFRS 10 "Consolidated Financial Statements" and MFRS 128 "Investment in associates and joint ventures - Sale or contribution of assets between an investor and its associates/joint ventures".

The Group did not early adopt these amendments, annual improvements, IC Intepretation and new standards and is currently assessing the impact of adopting MFRS 9, MFRS 15 and MFRS 16.

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 2016 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

Save as disclosed below, there was no other issuance, cancellation, repurchase, resale and repayment of debt and equity securities during the current quarter ended 30 September 2017.

On 31 July 2017 and 20 September 2017, the Company repaid Islamic Commercial Papers under the Sukuk Murabahah Programme amounting to RM1.0 million and RM60.0 million respectively, which were previously issued for a tenure of 9 months and 3 months respectively.

8. Dividends Paid

On 20 March 2017, the Company paid a single-tier second interim dividend of 4.00 sen per share on the 1,284,000,000 ordinary shares in issue, amounting to RM51,360,000 in respect of the financial year ended 31 December 2016.

On 16 June 2017, the Company paid a single-tier final dividend of 4.86 sen per share on the 1,284,000,000 ordinary shares in issue, amounting to RM62,402,400 in respect of the financial year ended 31 December 2016.

On 6 October 2017, the Company paid a single-tier first interim dividend of 4.00 sen per share on the 1,284,000,000 ordinary shares in issue, amounting to RM51,360,000 in respect of the financial year ending 31 December 2017.

9. Segment Reporting

The Group's segmental report for the financial period ended 30 September 2017 is as follows:

	Natural Gas & LPG	Others	Total
	RM' 000	RM' 000	RM' 000
<u>30 September 2017</u>			
<u>Revenue:</u>			
Total segment revenue			
-external	3,877,734	-	3,877,734
<u>Results:</u>			
Profit before zakat and taxation	151,316	378	151,694
Finance income	(8,802)	-	(8,802)
Depreciation and amortisation	45,696	41	45,737
Earnings before finance income, zakat, taxation, depreciation and amortisation	188,210	419	188,629

The Group's segmental report for the corresponding financial period ended 30 September 2016 is as follows:

	Natural		
	<u>Gas & LPG</u>	<u>Others</u>	<u>Total</u>
	RM' 000	RM' 000	RM' 000
<u>30 September 2016</u>			
<u>Revenue:</u>			
Total segment revenue			
-external	3,002,966	-	3,002,966
<u>Results:</u>			
Profit/(loss) before zakat			
and taxation	146,067	(1,024)	145,043
Finance income	(9,428)	-	(9,428)
Depreciation and			
amortisation	43,100	41	43,141
Earnings before finance			
income, zakat, taxation,			
depreciation and			
amortisation	179,739	(983)	178,756

The Group's operations are conducted within Peninsular Malaysia.

10. Events subsequent to the end of reporting period

Save as disclosed in Note 11 and the Joint Venture Agreement ("JVA") entered into as mentioned below, there was no material event which occurred subsequent to 30 September 2017.

On 7 November 2017, Gas Malaysia Venture 1 Sdn Bhd, a wholly-owned subsidiary of Gas Malaysia Ventures Sdn Bhd which in turn is a wholly-owned subsidiary of the Company, had entered into a JVA with Sime Darby Offshore Engineering Sdn Bhd to undertake the business of provision of electricity, steam, chilled water, hot water, hot air and/or any other utilities through Combined Heat and Power System to industries in Malaysia through the incorporation of a joint venture company.

11. Changes in the composition of the Group

The Company has, on 3 October 2017, disposed of all its shares in its subsidiary, namely Gas Malaysia Venture 1 Sdn Bhd ("GMV1") and Gas Malaysia Venture 2 Sdn Bhd ("GMV2"), comprising 2 ordinary shares each which represents the entire issued share capital of GMV1 and GMV2, to its wholly-owned subsidiary, Gas Malaysia Ventures Sdn Bhd ("GMV") for a total cash consideration of RM2.00 each.

On 3 November 2017, the Company has entered into a Share Sale Agreement with IEV Energy Sdn Bhd ("IEV") for the acquisition of 1,302,310 Ordinary Shares representing 25% equity interest in the issued and paid up capital of Gas Malaysia IEV Sdn Bhd that are currently held by IEV for a cash consideration of RM141,865.50, financed by the Company's internally generated funds. Total shareholding by the Company increase to 100%.

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 2016.

13. Capital commitments

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

	As at 30.09.17 RM' 000
Property, plant and equipment:	
Authorised and contracted for	104,118
Authorised but not contracted for	117,198
	<u>221,316</u>

14. Related party transactions

Significant related party transactions for the financial period ended 30 September 2017:

	Cumulative 9 months ended 30.09.17 RM' 000	Cumulative 9 months ended 30.09.16 RM' 000
Parties transacted with:		
Petroliam Nasional Berhad		
– Purchase of natural gas**	(3,588,388)	(2,748,973)
– Tolling fee income*	15,775	9,183
– Cash contribution for Citygate construction paid*	(11,684)	(2,002)
Petronas Dagangan Berhad		
– Purchase of liquefied petroleum gas*	(10,530)	(7,945)

Central Sugar Refinery Sdn Bhd		
- Sales of natural gas***	56,286	55,947
Gula Padang Terap Sdn Bhd		
- Sales of natural gas***	21,198	21,752

* 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 and market prices.

*** The sales of natural gas have been entered into based on regulated price.

Additional information required by the Bursa Securities Listing Requirements

15. Review of performance

	Third quarter ended		
	30.09.2017	30.09.2016	Variance
	RM'000	RM'000	%
Revenue	1,403,377	1,067,918	31.4
Operating profit	52,311	52,779	(0.9)
Profit before finance income, zakat and taxation	52,967	52,613	0.7
Profit before zakat and taxation	55,274	55,596	(0.6)
Profit after zakat and taxation	44,285	43,087	2.8
Profit attributable to ordinary equity holders of the Parent	44,457	43,198	2.9

The Group's revenue for the third quarter ended 30 September 2017 was RM1,403.4 million compared to RM1,067.9 million in the corresponding period in 2016, representing an increase of 31.4%. This was mainly due to higher volume of gas sold and higher natural gas tariff.

The profit before zakat and taxation for the third quarter ended 30 September 2017 was RM55.3 million, a decrease by 0.6% compared to the profit before zakat and taxation of RM55.6 million in the corresponding period last year. This was mainly due to higher operating expenses despite higher gross profit in line with the increase in volume of gas sold and higher assets contributed by customers.

	Financial period ended		
	30.09.2017	30.09.2016	Variance
	RM'000	RM'000	%
Revenue	3,877,734	3,002,966	29.1
Operating profit	141,462	135,138	4.7
Profit before finance income, zakat and taxation	142,892	135,615	5.4
Profit before zakat and taxation	151,694	145,043	4.6
Profit after zakat and taxation	117,210	113,252	3.5
Profit attributable to ordinary equity holders of the Parent	117,658	113,552	3.6

The Group's revenue for the financial period ended 30 September 2017 was RM3,877.7 million compared to RM3,003.0 million in the corresponding period in 2016, representing an increase of 29.1% due to the higher natural gas tariff and higher volume of gas sold.

The profit before zakat and taxation for the financial period ended 30 September 2017 was RM151.7 million, an increase by 4.6% compared to RM145.0 million in the corresponding period last year. This was due to higher gross profit in line with increase in volume of gas sold and assets contributed by customers.

16. Variation of results against preceding quarter

The Group recorded a higher profit before zakat and taxation of RM55.3 million in the current quarter as compared to RM51.3 million in the preceding quarter mainly due to higher gross profit in line with the increase in volume of gas sold and higher assets contributed by customers.

17. Current prospects

The growth in revenue for the financial period ended 30 September 2017 was primarily driven by the increase in volume of gas sold and revisions in gas tariff. The Board anticipates that the yearly increase in gas sales volume and number of customers will sustain for the financial year 2017. The profitability of the Group for the financial year ending 31 December 2017 is expected to be in tandem with the level reflecting the prevailing tariff setting mechanism framework.

18. Profit before zakat and taxation

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

	Third quarter ended		Financial period ended	
	30.09.17 RM' 000	30.09.16 RM' 000	30.09.17 RM' 000	30.09.16 RM' 000
Depreciation and amortisation	15,526	14,485	45,737	43,141
Write back of impairment of trade receivables	-	(486)	(5,715)	(486)
Impairment of trade receivables	2,848	-	10,053	6,233

Included in the revenue for the financial period ended 30 September 2017 is an amount relating to assets contributed by customers amounting to RM18,524,200 (30 September 2016: RM17,652,224).

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 30.09.17	3 months ended 30.09.16	Cumulative 9 months ended 30.09.17	Cumulative 9 months ended 30.09.16
	RM' 000	RM' 000	RM' 000	RM' 000
Current tax credit/(expense)	5,077	(12,318)	(10,100)	(31,635)
Deferred tax - origination and reversal of temporary timing differences	(15,191)	684	(21,759)	2,469
	<u>(10,114)</u>	<u>(11,634)</u>	<u>(31,859)</u>	<u>(29,166)</u>

The Group's effective tax rate for three months period ended 30 September 2017 of 18.6% is lower than the statutory income tax rate in Malaysia due to the effect of items not subject to tax.

The Group's effective tax rate for the nine months financial period ended 30 September 2017 of 21.4% is lower than the statutory income tax rate in Malaysia due to the effect of items not subject to tax.

21. Gas Cost Pass Through ("GCPT") in tariff revision

Included in the "Trade and other receivables" is a receivable for the recovery of gas cost arising from the variance between the actual market price and the forecast market price which was used for determining the current tariffs. This receivable is based on the Government's undertaking to the Company that it remains financially neutral from the resultant gas price fluctuations following the GCPT mechanism which was implemented on 1 January 2016.

The GCPT mechanism is an integral component of the Incentive Based Regulations ("IBR"), an economic regulation framework approved by the Government. Its implementation is regulated by Suruhanjaya Tenaga ("ST").

22. Status of corporate proposals

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

23. Borrowing

The outstanding borrowings of the Group are analysed as follows:

	As at 30.09.17 RM' 000	As at 31.12.16 RM' 000
<u>Current (unsecured):</u>		
Islamic Commercial Papers	-	1,000
Term Loan	2,990	2,040
	<u>2,990</u>	<u>3,040</u>
 <u>Non-current (unsecured):</u>		
Islamic Medium Term Notes	100,000	100,000
Term Loan	8,970	7,990
	<u>108,970</u>	<u>107,990</u>
Total borrowings	<u><u>111,960</u></u>	<u><u>111,030</u></u>

24. Realised and unrealised profit/(losses) disclosure

The retained profits as at 30 September 2017 is analysed as follows:

	As at 30.09.17 RM'000	As at 31.12.16 RM'000
Total retained profits of the Company and its subsidiaries:		
- Realised	491,256	517,350
- Unrealised	(154,356)	(132,597)
Total share of accumulated losses from joint ventures:		
- Realised	(3,107)	(3,496)
Total retained profits	<u>333,793</u>	<u>381,257</u>

25. Material litigation

As at 30 September 2017, neither the Company nor its subsidiaries are engaged in any material litigation or arbitration, either as plaintiff or defendant.

26. Earnings per ordinary share

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

	3 months ended <u>30.09.17</u>	3 months ended <u>30.09.16</u>	Cumulative 9 months ended <u>30.09.17</u>	Cumulative 9 months ended <u>30.09.16</u>
Profit for the period attributable to owners of the Parent (RM'mil)	44.5	43.2	117.7	113.6
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)	3.46	3.36	9.16	8.84
Diluted earnings per ordinary share (Sen)	3.46	3.36	9.16	8.84

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

27. Dividend

During the current quarter ended 30 September 2017, the directors have declared on 10 August 2017, a single-tier interim dividend of 4.00 sen per share on the 1,284,000,000 ordinary shares in issue, amounting to RM51,360,000 in respect of financial year ending 31 December 2017. This dividend has been paid on 6 October 2017.

For the corresponding quarter ended 30 September 2016, a single-tier first interim dividend of 4.00 sen per share on the 1,284,000,000 ordinary shares in issue, amounting to RM51,360,000 in respect of financial year ended 31 December 2016, was declared by the Directors on 11 August 2016 and paid on 21 September 2016.

28. 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 9 November 2017.

By Order of the Board,

Yanti Irwani Binti Abu Hassan (MACS 01349)

Noor Raniz Bin Mat Nor (MAICSA 7061903)

Company Secretaries

Shah Alam

Dated: 9 November 2017