

**Condensed Consolidated Statement of Comprehensive Income  
for the financial year ended 31 December 2017**

	<b>3 months ended <u>31.12.2017</u> RM'000 (Unaudited)</b>	<b>3 months ended <u>31.12.2016</u> RM'000 (Unaudited)</b>	<b>Cumulative 12 months ended <u>31.12.2017</u> RM'000 (Unaudited)</b>	<b>Cumulative 12 months ended <u>31.12.2016</u> RM'000 (Audited)</b>
Revenue	1,471,087	1,050,003	5,348,821	4,052,969
Cost of sales	(1,357,661)	(972,611)	(5,041,055)	(3,797,619)
<b>Gross profit</b>	<b>113,426</b>	<b>77,392</b>	<b>307,766</b>	<b>255,350</b>
Finance income	1,321	3,893	10,123	13,321
Other operating income	1,202	336	2,243	1,739
Administrative expenses	(19,943)	(12,408)	(68,567)	(52,069)
Selling & distribution expenses	(323)	(215)	(1,079)	(874)
Finance cost	(2,124)	(610)	(5,622)	(3,110)
Share of result in joint ventures	2,928	(586)	3,317	(1,512)
<b>Profit before zakat and taxation</b>	<b>96,487</b>	<b>67,802</b>	<b>248,181</b>	<b>212,845</b>
Zakat expenses	(875)	(875)	(3,500)	(3,500)
Tax expense	(18,671)	(15,759)	(50,530)	(44,925)
<b>Net profit for the period/year</b>	<b>76,941</b>	<b>51,168</b>	<b>194,151</b>	<b>164,420</b>
<b>Other comprehensive income/(loss) (net of tax):</b>				
<b>Items that will be reclassified to profit or loss</b>				
Cash flow hedge of a joint venture	1,049	1,689	816	(3,094)
<b>Total comprehensive income for the period/year</b>	<b>77,990</b>	<b>52,857</b>	<b>194,967</b>	<b>161,326</b>
<b>Net profit attributable to:</b>				
Owners of the Parent	76,980	51,586	194,638	165,138
Non-controlling interests	(39)	(418)	(487)	(718)
	<b>76,941</b>	<b>51,168</b>	<b>194,151</b>	<b>164,420</b>
<b>Total comprehensive income attributable to:</b>				
Owners of the Parent	78,029	53,275	195,454	162,044
Non-controlling interests	(39)	(418)	(487)	(718)
	<b>77,990</b>	<b>52,857</b>	<b>194,967</b>	<b>161,326</b>
<b>Earnings per share</b>				
Basic (Sen)	6.00	4.02	15.16	12.86
Diluted (Sen)	6.00	4.02	15.16	12.86

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 31 December 2017**

	<b>As at 31.12.2017 RM' 000 (Unaudited)</b>	<b>As at 31.12.2016 RM' 000 (Audited)</b>
<b>Non-Current Assets</b>		
Property, plant and equipment	1,230,951	1,121,145
Prepaid lease payments	16,420	16,822
Investment in joint ventures	31,033	26,900
Deferred tax assets	218	689
	<u>1,278,622</u>	<u>1,165,556</u>
<b>Current Assets</b>		
Trade and other receivables	836,680	474,747
Tax recoverable	5,163	-
Deposits, bank and cash balances	218,198	585,113
	<u>1,060,041</u>	<u>1,059,860</u>
<b>Total Assets</b>	<u><b>2,338,663</b></u>	<u><b>2,225,416</b></u>
<b>Equity</b>		
<b>Equity attributable to owners of the Parent</b>		
Share capital	642,000	642,000
Cash flow hedge reserve	(2,278)	(3,094)
Retained profits	410,621	381,257
	<u>1,050,343</u>	<u>1,020,163</u>
Non-controlling interests	-	477
<b>Total Equity</b>	<u><b>1,050,343</b></u>	<u><b>1,020,640</b></u>
<b>Non-Current Liabilities</b>		
Redeemable preference share	-	-
Deferred tax liabilities	155,496	133,286
Borrowings	208,970	107,990
	<u>364,466</u>	<u>241,276</u>
<b>Current Liabilities</b>		
Trade and other payables	920,864	915,636
Borrowings	2,990	3,040
Taxation	-	44,824
	<u>923,854</u>	<u>963,500</u>
<b>Total liabilities</b>	<u><b>1,288,320</b></u>	<u><b>1,204,776</b></u>
<b>Total equity and liabilities</b>	<u><b>2,338,663</b></u>	<u><b>2,225,416</b></u>
Net assets per share attributable to ordinary equity holders of the Parent (Sen)	81.80	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 year ended 31 December 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
<b>At 1 January 2017</b>	<b>1,284</b>	<b>642,000</b>	<b>(3,094)</b>	<b>381,257</b>	<b>1,020,163</b>	<b>477</b>	<b>1,020,640</b>
Net profit for the financial year	-	-	-	194,638	194,638	(487)	194,151
Other comprehensive income for the financial year	-	-	816	-	816	-	816
Total comprehensive income for the financial year	-	-	816	194,638	195,454	(487)	194,967
Transaction with owners: Effect arising from changes in composition of the Group	-	-	-	(152)	(152)	10	(142)
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 ended 31 December 2017	-	-	-	(51,360)	(51,360)	-	(51,360)
	-	-	-	(165,122)	(165,122)	-	(165,122)
<b>At 31 December 2017</b>	<b>1,284</b>	<b>642,000</b>	<b>(2,278)</b>	<b>410,621</b>	<b>1,050,343</b>	<b>-</b>	<b>1,050,343</b>

\* This is related to the cash flow hedge reserve of a joint venture.

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.

## Audited Condensed Consolidated Statement of Changes in Equity for the financial year ended 31 December 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
<b>At 1 January 2016</b>	<b>1,284</b>	<b>642,000</b>	<b>-</b>	<b>328,726</b>	<b>970,726</b>	<b>1,195</b>	<b>971,921</b>
Net profit for the financial year	-	-	-	165,138	<b>165,138</b>	(718)	<b>164,420</b>
Other comprehensive loss for the financial year	-	-	(3,094)	-	<b>(3,094)</b>	-	<b>(3,094)</b>
Total comprehensive income for the financial year	-	-	(3,094)	165,138	<b>162,044</b>	(718)	<b>161,326</b>
Dividends:							
- Final dividend for the financial year ended 31 December 2015	-	-	-	(61,247)	<b>(61,247)</b>	-	<b>(61,247)</b>
- Interim dividend for the financial year ended 31 December 2016	-	-	-	(51,360)	<b>(51,360)</b>	-	<b>(51,360)</b>
	-	-	-	(112,607)	(112,607)	-	(112,607)
<b>At 31 December 2016</b>	<b>1,284</b>	<b>642,000</b>	<b>(3,094)</b>	<b>381,257</b>	<b>1,020,163</b>	<b>477</b>	<b>1,020,640</b>

\* This is related to the cash flow hedge reserve of a joint venture.

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 year ended 31 December 2017**

	<b>12 months ended 31.12.2017 RM'000 (Unaudited)</b>	<b>12 months ended 31.12.2016 RM'000 (Audited)</b>
<b>Cash flows from operating activities</b>		
Profit before zakat and taxation	248,181	212,845
Adjustments for:		
Depreciation and amortisation	61,364	57,836
Gain on disposal of property, plant and equipment	-	(789)
Impairment of trade receivables	10,292	7,509
Write back of impairment of trade receivables	(5,792)	(12,526)
Share of results in joint ventures	(3,317)	1,512
Finance income	(10,123)	(13,321)
Finance cost	5,622	3,110
Operating profit before working capital changes	<u>306,227</u>	<u>256,176</u>
Changes in working capital:		
Net change in receivables	(366,433)	171,289
Net change in payables	<u>3,477</u>	<u>88,797</u>
Cash (used in)/generated from operations	(56,729)	516,262
Zakat paid	(3,500)	(3,500)
Tax paid	<u>(77,836)</u>	<u>(30,034)</u>
<b>Net cash flows (used in)/generated from operating activities</b>	<b><u>(138,065)</u></b>	<b><u>482,728</u></b>
<b>Cash flows from investing activities</b>		
Investment in joint ventures	-	(6,232)
Purchase of property, plant and equipment	(170,768)	(133,454)
Proceed from sale of property, plant and equipment	-	789
Acquisition of non-controlling interest	(142)	-
Finance income received	<u>10,123</u>	<u>13,321</u>
<b>Net cash flows used in investing activities</b>	<b><u>(160,787)</u></b>	<b><u>(125,576)</u></b>
<b>Cash flows from financing activities</b>		
Dividends paid	(165,122)	(112,607)
Drawdown of loan and issuance of Islamic Medium Term Notes	163,970	111,030
Repayment of loan and Islamic Medium Term Notes	(63,040)	(130,000)
Finance cost paid	<u>(3,871)</u>	<u>(2,416)</u>
<b>Net cash flows used in financing activities</b>	<b><u>(68,063)</u></b>	<b><u>(133,993)</u></b>
Net change in cash and cash equivalents	(366,915)	223,159
Cash and cash equivalents at beginning of financial year	<u>585,113</u>	<u>361,954</u>
<b>Cash and cash equivalents at end of financial year</b>	<b><u>218,198</u></b>	<b><u>585,113</u></b>

**Non-cash transaction:**

During the financial year, finance cost payable to the Islamic Medium Term Notes of RM1,751,000 (2016: RM694,000) had been included within other payables as at 31 December 2017.

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 31 December 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, 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, annual improvement, IC Interpretation and new standards which are relevant to the Group and 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 improvement, IC Interpretation and new standards.

Under MFRS 15, capital contribution from customer is considered as part of the process to obtain gas supply from the Group and therefore, this is considered as one performance obligation. Accordingly, the capital contribution will be accounted for as a contract liability which will be recognised as revenue over time.

The initial application of MFRS 9 is not expected to have significant financial impact to the Group. The financial impact of adopting MFRS 16 is still being assessed by 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 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 31 December 2017.

On 4 October 2017, the Company issued Islamic Medium Term Notes under the Sukuk Murabahah Programme amounting to RM100.0 million for a tenure of 3 years.



**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 ended 31 December 2017.

## 9. Segment Reporting

The Group's segmental report for the financial year ended 31 December 2017 is as follows:

	Natural Gas & LPG RM' 000	Others RM' 000	Total RM' 000
<u>31 December 2017</u>			
<u>Revenue:</u>			
Total segment revenue			
-external	5,348,821	-	5,348,821
<u>Results:</u>			
Profit before zakat and taxation	247,991	190	248,181
Finance income	(10,123)	-	(10,123)
Depreciation and amortisation	61,309	55	61,364
Earnings before finance income, zakat, taxation, depreciation and amortisation	299,177	245	299,422

The Group's segmental report for the corresponding financial year ended 31 December 2016 is as follows:

	Natural		
	<u>Gas &amp; LPG</u>	<u>Others</u>	<u>Total</u>
	RM' 000	RM' 000	RM' 000
<u>31 December 2016</u>			
<u>Revenue:</u>			
Total segment revenue			
-external	4,052,969	-	4,052,969
<u>Results:</u>			
Profit/(loss) before zakat			
and taxation	214,491	(1,646)	212,845
Finance income	(13,321)	-	(13,321)
Depreciation and			
amortisation	57,781	55	57,836
Earnings before finance			
income, zakat, taxation,			
depreciation and			
amortisation	258,951	(1,591)	257,360

The Group's operations are conducted within Peninsular Malaysia.

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

- a) The Company had, on 10 January 2018, issued RM200.0 million in nominal value of Islamic Commercial Paper under the Sukuk Murabahah Programme for a tenure of one month.
- b) On 18 January 2018, the Company executed a Novation Agreement with its wholly-owned subsidiary, Gas Malaysia Venture 2 Sdn Bhd ("GMV2") and Sime Darby Offshore Engineering Sdn Bhd ("SDOE"), for Gas Malaysia Berhad to transfer and novate all rights, titles, interest, liabilities, obligations and covenants vested in or imposed upon Gas Malaysia Berhad by and/or pursuant to the Joint Venture Agreement ("JVA") to GMV2. SDOE is agreeable to the substitution of Gas Malaysia Berhad with GMV2 as a party to the JVA with effect from 18 January 2018, in accordance with the terms and conditions as stipulated in the Novation Agreement.

Pursuant to Paragraph 9.19(5) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad and in relation to the Novation Agreement, the Company has on the same date, disposed all of its shares in Sime Darby Gas Malaysia BioCNG Sdn Bhd ("SDGM"), comprising 490,000 ordinary shares representing 49% of issued share capital of SDGM, to its wholly-owned subsidiary, GMV2 for a total cash consideration of RM490,000.00. The Novation Agreement and the disposal of shares are part of the rationalisation and streamlining exercise of Gas Malaysia Berhad Group's business activities. Following the disposal, SDGM becomes a joint venture of GMV2.

- c) The Company had, on 9 February 2018, issued RM250.0 million in nominal value of Islamic Commercial Paper under the Sukuk Murabahah Programme for a tenure of one month.

- d) The Company had also on 9 February 2018, disposed all of its shares in Gas Malaysia Virtual Pipeline Sdn Bhd (formerly known as Gas Malaysia IEV Sdn Bhd) ("GMVP"), consisting of 5,209,240 ordinary shares and representing the entire issued share capital of GMVP, to its wholly-owned subsidiary, GMV2 for a total cash consideration of RM5,209,240.00.

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

- a) The Company had, 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.
- b) The Company had 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. Upon completion of the acquisition on 3 November 2017, the total shareholding by the Company increased to 100%. The name of the wholly-owned subsidiary was subsequently changed to GMVP.
- c) The Company had, on 21 November 2017, announced the incorporation of Gas Malaysia Distribution Sdn Bhd ("GMD") and Gas Malaysia Energy and Services Sdn Bhd ("GMES"), both of which are wholly-owned subsidiaries of the Company.

GMD was incorporated as a private company limited by shares in Malaysia under the Companies Act, 2016. The entire issued share capital of GMD of RM5,000,000, consisting of five million (5,000,000) ordinary shares, is held by the Company. The principal activities of GMD are to carry out the business of developing, operating and maintaining the distribution pipeline and to deliver gas through the distribution pipeline.

GMES was incorporated as a private company limited by shares in Malaysia under the Companies Act, 2016. The entire issued share capital of GMES of RM5,000,000, consisting of five million (5,000,000) ordinary shares, is held by the Company. The principal activities of GMES are to carry out the business of selling, marketing and promotion of natural gas, liquefied petroleum gas and other gaseous fuel and providing related services and energy solution to industrial, commercial and residential sectors.

## **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 31.12.17 RM' 000
Property, plant and equipment:	
Authorised and contracted for	147,373
Authorised but not contracted for	73,943
	<u>221,316</u>

**14. Related party transactions**

Significant related party transactions for the financial year ended 31 December 2017:

	Cumulative 12 months ended 31.12.17 RM' 000	Cumulative 12 months ended 31.12.16 RM' 000
Parties transacted with:		
Petroliam Nasional Berhad		
– Purchase of natural gas**	(4,902,597)	(3,676,426)
– Tolling fee income*	19,549	25,827
– Cash contribution for Citygate construction paid*	(14,607)	(6,182)
Petronas Dagangan Berhad		
– Purchase of liquefied petroleum gas*	(14,502)	(10,319)
Central Sugar Refinery Sdn Bhd		
– Sales of natural gas***	71,660	71,039

Gula Padang Terap Sdn Bhd

- Sales of natural gas***	25,737	28,179
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\* 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**

	Fourth quarter ended		
	31.12.2017	31.12.2016	Variance
	RM'000	RM'000	%
Revenue	1,471,087	1,050,003	40.1
Operating profit	91,036	64,159	41.9
Profit before finance income, zakat and taxation	95,166	63,909	48.9
Profit before zakat and taxation	96,487	67,802	42.3
Profit after zakat and taxation	76,941	51,168	50.4
Profit attributable to ordinary equity holders of the Parent	76,980	51,586	49.2

The Group's revenue for the fourth quarter ended 31 December 2017 was RM1,471.1 million compared to RM1,050.0 million in the corresponding period in 2016, representing an increase of 40.1%. This was mainly due to higher volume of gas sold and higher natural gas tariff.

The profit before zakat and taxation for the fourth quarter ended 31 December 2017 was RM96.5 million, an increase by 42.3% compared to the profit before zakat and taxation of RM67.8 million in the corresponding period last year. This was mainly due to higher gross profit which is in line with the increase in volume of gas sold and partly offsetted by higher operating expenses.

	Financial year ended		
	31.12.2017	31.12.2016	Variance
	RM'000	RM'000	%
Revenue	5,348,821	4,052,969	32.0
Operating profit	232,498	199,297	16.7
Profit before finance income, zakat and taxation	238,058	199,524	19.3
Profit before zakat and taxation	248,181	212,845	16.6
Profit after zakat and taxation	194,151	164,420	18.1
Profit attributable to ordinary equity holders of the Parent	194,638	165,138	17.9

The Group's revenue for the financial year ended 31 December 2017 was RM5,348.8 million compared to RM4,053.0 million in the corresponding period in 2016, representing an increase of 32.0% due to the higher volume of gas sold and higher natural gas tariff.

The profit before zakat and taxation for the financial year ended 31 December 2017 was RM248.2 million, an increase by 16.6% compared to RM212.8 million in the corresponding period last year. This was mainly due to higher gross profit which is in line with the increase in volume of gas sold and partly offsetted by higher operating expenses.

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

The Group recorded a higher profit before zakat and taxation of RM96.5 million in the current quarter as compared to RM55.3 million in the preceding quarter mainly due to higher volume of gas sold and higher capital contribution.

**17. Current prospects**

The growth in revenue for the financial year ended 31 December 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 2018. The profitability of the Group for the financial year ending 31 December 2018 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:

	Fourth quarter ended		Financial year ended	
	31.12.17 RM'000	31.12.16 RM'000	31.12.17 RM'000	31.12.16 RM'000
Depreciation and amortisation	15,629	14,695	61,364	57,836
Write back of impairment of trade receivables	(77)	(2,675)	(5,792)	(12,526)
Impairment of trade receivables	239	295	10,292	7,509

Included in the revenue for the financial year ended 31 December 2017 is an amount relating to assets contributed by customers amounting to RM35,005,000 (31 December 2016: RM25,628,000).

**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 31.12.17	3 months ended 31.12.16	Cumulative 12 months ended 31.12.17	Cumulative 12 months ended 31.12.16
	RM'000	RM'000	RM'000	RM'000
Current tax credit/(expense)	(17,749)	(37,805)	(27,849)	(69,440)
Deferred tax - origination and reversal of temporary timing differences	(922)	22,046	(22,681)	24,515
	<u>(18,671)</u>	<u>(15,759)</u>	<u>(50,530)</u>	<u>(44,925)</u>

The Group's effective tax rate for three months period ended 31 December 2017 of 19.5% is lower than the statutory income tax rate in Malaysia due to the effects of items not subject to tax and reversal made for over-provision of tax in the prior years.

The Group's effective tax rate for the financial year ended 31 December 2017 of 20.7% is lower than the statutory income tax rate in Malaysia due to the effects of items not subject to tax and reversal made for over-provision of tax in the prior years.

**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 31.12.17 RM' 000	As at 31.12.16 RM' 000
<u>Current (unsecured):</u>		
Islamic Commercial Papers	-	1,000
Term Loan	2,990	2,040
	<hr/> 2,990	<hr/> 3,040

Non-current (unsecured):

Islamic Medium Term Notes	200,000	100,000
Term Loan	8,970	7,990
	<u>208,970</u>	<u>107,990</u>
Total borrowings	<u>211,960</u>	<u>111,030</u>

**24. Material litigation**

As at 31 December 2017, neither the Company nor its subsidiaries are engaged in any material litigation or arbitration, either as plaintiff or defendant.

**25. Earnings per ordinary share**

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

	3 months ended <u>31.12.17</u>	3 months ended <u>31.12.16</u>	Cumulative 12 months ended <u>31.12.17</u>	Cumulative 12 months ended <u>31.12.16</u>
Profit for the period attributable to owners of the Parent (RM'mil)	77.0	51.6	194.6	165.1
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)	6.00	4.02	15.16	12.86
Diluted earnings per ordinary share (Sen)	6.00	4.02	15.16	12.86

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

**27. Dividend declared**

The Directors have declared on 14 February 2018, a single-tier second interim dividend of 4.00 sen per share on the 1,284,000,000 ordinary shares, amounting to RM51,360,000 in respect of financial year ended 31 December 2017.

**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 14 February 2018.

By Order of the Board,

Yanti Irwani Binti Abu Hassan (MACS 01349)

Noor Raniz Bin Mat Nor (MAICSA 7061903)

Company Secretaries

Shah Alam

Dated: 15 February 2018