

**Condensed Consolidated Statement of Comprehensive Income  
for the financial period ended 30 September 2018**

|  | <b>3 months<br/>ended<br/>30.09.2018<br/>RM'000<br/>(Unaudited)</b> | <b>3 months<br/>ended<br/>30.09.2017<br/>RM'000<br/>(Restated)<br/>(Unaudited)</b> | <b>Cumulative<br/>9 months ended<br/>30.09.2018<br/>RM'000<br/>(Unaudited)</b> | <b>Cumulative<br/>9 months ended<br/>30.09.2017<br/>RM'000<br/>(Restated)<br/>(Unaudited)</b> |
|--|---|--|--|---|
| Revenue  | 1,556,281   | 1,392,528  | 4,494,716  | 3,859,869   |
| Cost of sales  | (1,484,358)   | (1,330,618)  | (4,274,847)  | (3,683,394)   |
| <b>Gross profit</b>  | <b>71,923</b>   | <b>61,910</b>  | <b>219,869</b>   | <b>176,475</b>  |
| Finance income   | 1,390   | 2,307  | 4,825  | 8,802   |
| Other operating income                                       | 262   | 428  | 1,128  | 1,041   |
| Administrative expenses                                      | (17,233)  | (17,802)   | (46,464)   | (48,624)  |
| Selling & distribution expenses                              | (313)   | (256)  | (897)  | (756)   |
| Finance cost   | (3,145)   | (2,390)  | (9,708)  | (3,498)   |
| Share of results in joint ventures                           | 1,517   | 228  | 4,126  | 389   |
| <b>Profit before zakat and taxation</b>                      | <b>54,401</b>   | <b>44,425</b>  | <b>172,879</b>   | <b>133,829</b>  |
| Zakat expenses   | (875)   | (875)  | (2,625)  | (2,625)   |
| Tax expense  | (12,498)  | (10,114)   | (40,940)   | (31,859)  |
| <b>Net profit for the period</b>                             | <b>41,028</b>   | <b>33,436</b>  | <b>129,314</b>   | <b>99,345</b>   |
| <b>Other comprehensive income/(loss)<br/>(net of tax):</b>   |   |  |  |   |
| <i>Items that will be reclassified<br/>to profit or loss</i> |   |  |  |   |
| Cash flow hedge of a joint venture                           | 387   | 109  | 146  | (233)   |
| <b>Total comprehensive income for the<br/>period</b>         | <b>41,415</b>   | <b>33,545</b>  | <b>129,460</b>   | <b>99,112</b>   |
| <b>Net profit attributable to:</b>                           |   |  |  |   |
| Owners of the Parent   | 41,028  | 33,608   | 129,314  | 99,793  |
| Non-controlling interests                                    | -   | (172)  | -  | (448)   |
|  | <b>41,028</b>   | <b>33,436</b>  | <b>129,314</b>   | <b>99,345</b>   |
| <b>Total comprehensive income<br/>attributable to:</b>       |   |  |  |   |
| Owners of the Parent   | 41,415  | 33,717   | 129,460  | 99,560  |
| Non-controlling interests                                    | -   | (172)  | -  | (448)   |
|  | <b>41,415</b>   | <b>33,545</b>  | <b>129,460</b>   | <b>99,112</b>   |
| <b>Earnings per share</b>                                    |   |  |  |   |
| Basic (Sen)  | 3.20  | 2.62   | 10.07  | 7.77  |
| Diluted (Sen)  | 3.20  | 2.62   | 10.07  | 7.77  |

The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Audited Financial Statements for the financial year ended 31 December 2017.

**Condensed Consolidated Statement of Financial Position  
as at 30 September 2018**

|   | <b>As at<br/>30.09.2018<br/>RM' 000<br/>(Unaudited)</b> | <b>As at<br/>31.12.2017<br/>RM' 000<br/>(Restated)<br/>(Unaudited)</b> |
|---|---|--|
| <b>Non-Current Assets</b>   |   |  |
| Property, plant and equipment   | 1,259,695   | 1,225,951  |
| Prepaid lease payments  | 16,127  | 16,420   |
| Investment in joint ventures  | 35,305  | 31,033   |
| Deferred tax assets   | -   | 218  |
|   | <u>1,311,127</u>  | <u>1,273,622</u>   |
| <b>Current Assets</b>   |   |  |
| Trade and other receivables   | 677,143   | 791,335  |
| Tax recoverable   | -   | 5,163  |
| Deposits, bank and cash balances  | 321,809   | 218,198  |
|   | <u>998,952</u>  | <u>1,014,696</u>   |
| <b>Total Assets</b>   | <u><b>2,310,079</b></u>                                 | <u><b>2,288,318</b></u>  |
| <b>Equity</b>   |   |  |
| <b>Equity attributable to owners of the Parent</b>                                  |   |  |
| Share capital   | 642,000   | 642,000  |
| Cash flow hedge reserve   | (2,132)   | (2,278)  |
| Retained profits  | 333,098   | 377,124  |
| <b>Total Equity</b>   | <u>972,966</u>  | <u>1,016,846</u>   |
| <b>Non-Current Liabilities</b>  |   |  |
| Redeemable preference share   | -   | -  |
| Deferred tax liabilities  | 150,529   | 155,496  |
| Contract liabilities  | 10,970  | 13,502   |
| Borrowings  | 235,980   | 208,970  |
|   | <u>397,479</u>  | <u>377,968</u>   |
| <b>Current Liabilities</b>  |   |  |
| Trade and other payables  | 921,547   | 887,139  |
| Contract liabilities  | 3,375   | 3,375  |
| Borrowings  | 2,990   | 2,990  |
| Tax payable   | 11,722  | -  |
|   | <u>939,634</u>  | <u>893,504</u>   |
| <b>Total liabilities</b>  | <u>1,337,113</u>  | <u>1,271,472</u>   |
| <b>Total equity and liabilities</b>   | <u><b>2,310,079</b></u>                                 | <u><b>2,288,318</b></u>  |
| Net assets per share attributable to<br>ordinary equity holders of the Parent (Sen) | 75.78   | 79.19  |

# 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 2017.

## Unaudited Condensed Consolidated Statement of Changes in Equity for the financial period ended 30 September 2018

|   | Number of<br>Shares<br>Million | Share<br>Capital<br>RM'000 | Cash Flow<br>Hedge Reserve*<br>RM'000 | Retained<br>Profits<br>RM'000 | Total<br>Equity<br>RM'000 |
|---|--------------------------------|----------------------------|---------------------------------------|-------------------------------|---------------------------|
| <b>At 1 January 2018, as previously stated</b>                          | 1,284                          | 642,000                    | (2,278)                               | 410,621                       | 1,050,343                 |
| Effects of adoption of MFRS 15  | -                              | -                          | -                                     | (33,497)                      | (33,497)                  |
| At 1 January 2018, as restated  | 1,284                          | 642,000                    | (2,278)                               | 377,124                       | 1,016,846                 |
| Net profit for the financial period                                     | -                              | -                          | -                                     | 129,314                       | 129,314                   |
| Other comprehensive income for the financial period                     | -                              | -                          | 146                                   | -                             | 146                       |
| Total comprehensive income for the financial period                     | -                              | -                          | 146                                   | 129,314                       | 129,460                   |
| Dividends:  |                                |                            |                                       |                               |                           |
| - Second interim dividend for the financial year ended 31 December 2017 | -                              | -                          | -                                     | (51,360)                      | (51,360)                  |
| - Final dividend for the financial year ended 31 December 2017          | -                              | -                          | -                                     | (64,200)                      | (64,200)                  |
| - First interim dividend for the financial year ending 31 December 2018 | -                              | -                          | -                                     | (57,780)                      | (57,780)                  |
|   | -                              | -                          | -                                     | (173,340)                     | (173,340)                 |
| <b>At 30 September 2018</b>   | <b>1,284</b>                   | <b>642,000</b>             | <b>(2,132)</b>                        | <b>333,098</b>                | <b>972,966</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 2017.

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

|   | Number of<br>Shares<br>Million | Share<br>Capital<br>RM'000 | Cash Flow<br>Hedge Reserve*<br>RM'000 | Retained<br>Profits<br>RM'000<br>(Restated) | Total<br>RM'000<br>(Restated) | Non-controlling<br>interests<br>RM'000 | Total<br>Equity<br>RM'000<br>(Restated) |
|---|--------------------------------|----------------------------|---------------------------------------|---|-------------------------------|--|---|
| <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 period                                     | -                              | -                          | -                                     | 99,793                                      | <b>99,793</b>                 | (448)                                  | <b>99,345</b>                           |
| Other comprehensive loss for the financial period                       | -                              | -                          | (233)                                 | -   | <b>(233)</b>                  | -                                      | <b>(233)</b>                            |
| Total comprehensive income for the financial period                     | -                              | -                          | (233)                                 | 99,793                                      | <b>99,560</b>                 | (448)                                  | <b>99,112</b>                           |
| Dividends:  |                                |                            |                                       |   |                               |  |   |
| - Second interim dividend for the financial year ended 31 December 2016 | -                              | -                          | -                                     | (51,360)                                    | <b>(51,360)</b>               | -                                      | <b>(51,360)</b>                         |
| - Final dividend for the financial year ended 31 December 2016          | -                              | -                          | -                                     | (62,402)                                    | <b>(62,402)</b>               | -                                      | <b>(62,402)</b>                         |
| - Interim dividend for the financial year ended 31 December 2017        | -                              | -                          | -                                     | (51,360)                                    | <b>(51,360)</b>               | -                                      | <b>(51,360)</b>                         |
|   | -                              | -                          | -                                     | (165,122)                                   | <b>(165,122)</b>              | -                                      | <b>(165,122)</b>                        |
| <b>At 30 September 2017</b>   | <b>1,284</b>                   | <b>642,000</b>             | <b>(3,327)</b>                        | <b>315,928</b>                              | <b>954,601</b>                | <b>29</b>                              | <b>954,630</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 2017.

**Condensed Consolidated Statement of Cash Flows  
for the financial period ended 30 September 2018**

|   | <b>9 months<br/>ended<br/>30.09.2018<br/>RM'000<br/>(Unaudited)</b> | <b>9 months<br/>ended<br/>30.09.2017<br/>RM'000<br/>(Restated)<br/>(Unaudited)</b> |
|---|---|--|
| <b>Cash flows from operating activities</b>   |   |  |
| Profit before zakat and taxation  | 172,879   | 133,829  |
| Adjustments for:  |   |  |
| Depreciation and amortisation   | 49,055  | 45,737   |
| Gain on disposal of property, plant & equipment   | (697)   | -  |
| Impairment of trade receivables   | -   | 10,053   |
| Write back of impairment of trade receivables   | -   | (5,715)  |
| Share of results in joint ventures  | (4,126)   | (389)  |
| Finance income  | (4,825)   | (8,802)  |
| Finance cost  | 9,708   | 3,498  |
| Operating profit before working capital changes   | <u>221,994</u>  | <u>178,211</u>   |
| Changes in working capital:   |   |  |
| Net change in receivables   | 114,349   | (183,063)  |
| Net change in payables  | <u>24,627</u>   | <u>3,236</u>   |
| Cash generated from/(used in) operations  | 360,970   | (1,616)  |
| Zakat paid  | (2,625)   | (2,625)  |
| Tax paid  | <u>(28,804)</u>   | <u>(65,471)</u>  |
| <b>Net cash flows generated from/(used in) operating activities</b>                         | <b><u>329,541</u></b>   | <b><u>(69,712)</u></b>   |
| <b>Cash flows from investing activities</b>   |   |  |
| Proceed from disbursement of government grant   | 5,000   | -  |
| Proceeds from disposal of property, plant and equipment                                     | 716   | -  |
| Purchase of property, plant and equipment   | (82,525)  | (71,109)   |
| Finance income received   | <u>4,668</u>  | <u>8,802</u>   |
| <b>Net cash flows used in investing activities</b>  | <b><u>(72,141)</u></b>  | <b><u>(62,307)</u></b>   |
| <b>Cash flows from financing activities</b>   |   |  |
| Dividends paid  | (173,340)   | (113,762)  |
| Drawdown of loan and issuance of Islamic Medium Term Notes<br>and Islamic Commercial Papers | 580,000   | 63,970   |
| Repayment of loan and Islamic Commercial Papers   | (552,990)   | (63,040)   |
| Finance cost paid   | <u>(7,459)</u>  | <u>(3,498)</u>   |
| <b>Net cash flows used in financing activities</b>  | <b><u>(153,789)</u></b>   | <b><u>(116,330)</u></b>  |
| Net change in cash and cash equivalents   | 103,611   | (248,349)  |
| Cash and cash equivalents at beginning of financial period                                  | <u>218,198</u>  | <u>585,113</u>   |
| <b>Cash and cash equivalents at end of financial period</b>                                 | <b><u>321,809</u></b>   | <b><u>336,764</u></b>  |

**Non-cash transaction:**

During the financial period, finance income receivable arising from deposits with financial institution amounting to RM157,000 (30 September 2017: RM NIL) and finance cost payable in respect of the Islamic Medium Term Notes amounting to RM4,000,000 (30 September 2017: RM NIL), had been included within other receivables and other payables respectively as at the end of the reporting period.

The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Audited Financial Statements for the financial year ended 31 December 2017.

**Condensed Consolidated Statement of Cash Flows  
for the financial period ended 30 September 2018**

The changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes are as follows:

|                                 | <b>Finance<br/>cost<br/>payable<br/>RM'000</b> | <b>Short-term<br/>borrowings<br/>RM'000</b> | <b>Long-term<br/>borrowings<br/>RM'000</b> | <b>Dividend<br/>payable<br/>RM'000</b> | <b>Total<br/>RM'000</b> |
|---------------------------------|--|---|--|--|-------------------------|
| At 1 January 2018               | 1,751  | 2,990                                       | 208,970                                    | -                                      | 213,711                 |
| Cash flow -<br>net of repayment | (7,459)  | -   | 27,010                                     | 173,340                                | 192,891                 |
| Non-cash items:                 |  |   |  |  |                         |
| - Dividends<br>declared         | -  | -   | -  | (173,340)                              | (173,340)               |
| - Finance cost                  | 9,708  | -   | -  | -                                      | 9,708                   |
| At 30 September 2018            | <u>4,000</u>                                   | <u>2,990</u>                                | <u>235,980</u>                             | <u>-</u>                               | <u>242,970</u>          |

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

The condensed consolidated interim financial statements for the three months financial period ended 30 September 2018 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 statements should be read in conjunction with the audited financial statements for the financial year ended 31 December 2017, which have been prepared in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 2016 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 statements are consistent with those adopted in the audited financial statements for the financial year ended 31 December 2017, except for the following amendment due to the adoption of MFRS 15 "Revenue from Contracts with Customers".

MFRS 15 "Revenue from Contracts with Customers"**Accounting policy - Sale of Natural Gas and Liquefied Petroleum Gas**

Revenue from the sale of gas is recognised upon gas consumption by customers and is measured at the fair value of consideration received and receivable from customers during the financial year.

Capital contribution from customers 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 the contract of gas supply with customer.

### **Impact of adoption**

The Group has adopted MFRS 15 "Revenue from Contracts with Customers" from 1 January 2018 which resulted in a change in the accounting policy and adjustments to the amounts recognised in the financial statements. In accordance with the transition provisions in MFRS 15, the Group has adopted the new rules retrospectively and has restated the comparatives accordingly. The following adjustments were made to the amounts recognised in the statement of financial position at the date of initial application:

|  | Carrying<br>amount as at<br>01.01.18<br>RM' 000 | Remeasurements<br>RM' 000 | MFRS 15<br>carrying<br>amount as at<br>01.01.18<br>RM' 000 |
|--|---|---------------------------|--|
| Retained earnings                          | 410,621   | (33,497)                  | 377,124  |
| Property, plant &<br>equipment             | 1,230,951                                       | (5,000)                   | 1,225,951  |
| Trade and other<br>receivables<br>-Current | 802,955   | (11,620)                  | 791,335  |
| Contract liabilities:                      |   |                           |  |
| -Non-current                               | -   | 13,502                    | 13,502   |
| -Current                                   | -   | 3,375                     | 3,375  |



The opening impact on the Group's retained earnings as at 1 January 2018 and 1 January 2017 are as follows:

|  | As at<br>01.01.18<br>RM'000 | As at<br>01.01.17<br>RM'000 |
|--|-----------------------------|-----------------------------|
| Opening retained earnings - per<br>statutory audited financial<br>statements | 410,621                     | 381,257                     |
| Impact arising from initial<br>application of MFRS 15                        | (33,497)                    | -                           |
|  | <hr/>                       | <hr/>                       |
| Opening retained earnings - per<br>restated balances                         | <u>377,124</u>              | <u>381,257</u>              |

Other than the above, the adoption of the following amendments, IC Interpretation and the new accounting standard that came into effect on 1 January 2018 which are applicable to the Group, did not have any significant financial impact on the condensed consolidated interim financial statements upon their initial application:

- Annual improvements to MFRS 128 "Investments in Associates and Joint Ventures"
- Amendments to MFRS 140 "Classification on 'Change in Use' - Assets transferred to, or from, Investment Properties"
- IC Interpretation 22 "Foreign Currency Transactions and Advance Consideration"
- MFRS 9 "Financial Instruments"

Malaysian Accounting Standards Board had issued the following new accounting standard, IC Interpretation, amendments and annual improvements to existing accounting standards which are relevant to the Group and effective for the following financial years:

- (i) Financial year beginning on or after 1 January 2019:
- MFRS 16 "Leases"
  - IC Interpretation 23 "Uncertainty over Income Tax Treatments"
  - Amendments to MFRS 128 "Long-term Interests in Associates and Joint Ventures"
  - Amendments to MFRS 9 "Prepayment features with negative compensation"
  - Annual improvements to MFRSs 2015 - 2017 cycle
  - Amendments to MFRS 119 "Plan amendment, curtailment and settlement"
- (ii) Financial year beginning on or after 1 January 2020:
- The Conceptual Framework for Financial Reporting (Revised 2018)
- (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 the above new accounting standard, IC Interpretation, amendments and annual improvements to the existing accounting 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 2017 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 2018.

On 6 July 2018, the Company repaid RM50.0 million Islamic Commercial Papers under the Sukuk Murabahah Programme which was previously issued on 8 June 2018.

**8. Dividends Paid**

On 27 March 2018, 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 2017.

On 26 June 2018, the Company paid a single-tier final dividend of 5.00 sen per share on the 1,284,000,000 ordinary shares in issue, amounting to RM64,200,000 in respect of the financial year ended 31 December 2017.

On 26 September 2018, the Company paid a first single-tier interim dividend of 4.50 sen per share on the 1,284,000,000 ordinary shares in issue, amounting to RM57,780,000 in respect of financial year ending 31 December 2018.

## 9. Segment Reporting

The Group's segmental report for the financial period ended 30 September 2018 is as follows:

|  | Natural              |               |                  |
|--|----------------------|---------------|------------------|
|  | <u>Gas &amp; LPG</u> | <u>Others</u> | <u>Total</u>     |
|  | RM' 000              | RM' 000       | RM' 000          |
| <u>30 September 2018</u>   |                      |               |                  |
| <u>Revenue:</u>  |                      |               |                  |
| Total segment revenue  |                      |               |                  |
| - external   | 4,494,716            | -             | 4,494,716        |
|  | <u>4,494,716</u>     | <u>-</u>      | <u>4,494,716</u> |
| <u>Timing of revenue recognition:</u>  |                      |               |                  |
| a) Sale of natural gas and<br>LPG:   |                      |               |                  |
| - over time  | 4,483,665            | -             | 4,483,665        |
| b) Tolling fee:  |                      |               |                  |
| - over time  | 11,051               | -             | 11,051           |
|  | <u>4,494,716</u>     | <u>-</u>      | <u>4,494,716</u> |
| <u>Results:</u>  |                      |               |                  |
| Profit before zakat and<br>taxation  | 168,818              | 4,061         | 172,879          |
| Finance income   | (4,825)              | -             | (4,825)          |
| Depreciation and amortisation  | 49,014               | 41            | 49,055           |
| Earnings before finance<br>income, zakat, taxation,<br>depreciation and amortisation | <u>213,007</u>       | <u>4,102</u>  | <u>217,109</u>   |

|                                | Natural              |               |                  |
|--------------------------------|----------------------|---------------|------------------|
|                                | <u>Gas &amp; LPG</u> | <u>Others</u> | <u>Total</u>     |
|                                | RM' 000              | RM' 000       | RM' 000          |
| <u>Assets and liabilities:</u> |                      |               |                  |
| Segment assets                 | 2,270,675            | 4,099         | 2,274,774        |
| Investment in joint ventures   | 332                  | 34,973        | 35,305           |
| Total assets                   |                      |               | <u>2,310,079</u> |
| Segment liabilities            | 1,174,846            | 16            | 1,174,862        |
| Taxation                       | 11,734               | (12)          | 11,722           |
| Deferred tax liabilities       | 150,529              | -             | 150,529          |
| Total liabilities              |                      |               | <u>1,337,113</u> |

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

|                                       | Natural              |               |                  |
|---------------------------------------|----------------------|---------------|------------------|
|                                       | <u>Gas &amp; LPG</u> | <u>Others</u> | <u>Total</u>     |
|                                       | RM' 000              | RM' 000       | RM' 000          |
|                                       | (Restated)           |               | (Restated)       |
| <u>30 September 2017</u>              |                      |               |                  |
| <u>Revenue:</u>                       |                      |               |                  |
| Total segment revenue                 |                      |               |                  |
| - external                            | <u>3,859,869</u>     | <u>-</u>      | <u>3,859,869</u> |
| <u>Timing of revenue recognition:</u> |                      |               |                  |
| a) Sale of natural gas and LPG:       |                      |               |                  |
| - over time                           | 3,844,094            | -             | 3,844,094        |
| b) Tolling fee:                       |                      |               |                  |
| - over time                           | 15,775               | -             | 15,775           |
|                                       | <u>3,859,869</u>     | <u>-</u>      | <u>3,859,869</u> |

|                                | Natural                     |                             |                             |
|--------------------------------|-----------------------------|-----------------------------|-----------------------------|
|                                | <u>Gas &amp; LPG</u>        | <u>Others</u>               | <u>Total</u>                |
|                                | RM' 000                     | RM' 000                     | RM' 000                     |
|                                | (Restated)                  |                             | (Restated)                  |
| <u>Results:</u>                |                             |                             |                             |
| Profit before zakat and        |                             |                             |                             |
| Taxation                       | 133,451                     | 378                         | 133,829                     |
| Finance income                 | (8,802)                     | -                           | (8,802)                     |
| Depreciation and               |                             |                             |                             |
| Amortisation                   | 45,696                      | 41                          | 45,737                      |
| Earnings before finance        |                             |                             |                             |
| income, zakat, taxation,       |                             |                             |                             |
| depreciation and               |                             |                             |                             |
| amortisation                   | 170,345                     | 419                         | 170,764                     |
|                                | <u>                    </u> | <u>                    </u> | <u>                    </u> |
| <u>Assets and liabilities:</u> |                             |                             |                             |
| Segment assets                 | 2,149,445                   | 4,130                       | 2,153,575                   |
| Tax recoverable                | 10,535                      | 12                          | 10,547                      |
| Investment in joint ventures   | -                           | 27,056                      | 27,056                      |
| Deferred tax assets            | 689                         | -                           | 689                         |
| Total assets                   |                             |                             | <u>2,191,867</u>            |
| Segment liabilities            | 1,082,172                   | 20                          | 1,082,192                   |
| Deferred tax liabilities       | 155,045                     | -                           | 155,045                     |
| Total liabilities              |                             |                             | <u>1,237,237</u>            |

The Group's operations are conducted within Peninsular Malaysia.

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

There was no material event which occurred subsequent to the end of the three months financial period ended 30 September 2018.

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

There has been no change to 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 2017.

**13. Capital commitments**

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

|                                   | As at       |
|-----------------------------------|-------------|
|                                   | 30.09.18    |
|                                   | RM' 000     |
| Property, plant and equipment:    |             |
| Authorised and contracted for     | 94,727      |
| Authorised but not contracted for | 93,756      |
|                                   | <hr/>       |
|                                   | 188,483     |
|                                   | <hr/> <hr/> |

**14. Related party transactions**

Significant related party transactions for the financial period ended 30 September 2018:

|  | Cumulative<br>9 months<br>ended<br>30.09.18<br>RM' 000 | Cumulative<br>9 months<br>ended<br>30.09.17<br>RM' 000 |
|--|--|--|
| Parties transacted with:                               |  |  |
| Petroliam Nasional Berhad                              |  |  |
| - Purchase of natural gas**                            | (4,174,932)  | (3,588,388)  |
| - Tolling fee income*                                  | 11,051   | 15,775   |
| - Cash contribution for Citygate<br>construction paid* | (13,568)   | (11,684)   |
| Petronas Dagangan Berhad                               |  |  |
| - Purchase of liquefied petroleum<br>gas*              | (10,765)   | (10,530)   |
| Central Sugar Refinery Sdn Bhd                         |  |  |
| - Sale of natural gas***                               | 58,046   | 53,100   |
| Gula Padang Terap Sdn Bhd                              |  |  |
| - Sale of natural gas***                               | 18,107   | 19,998   |
| HICOM Automotive Manufacturers<br>(Malaysia) Sdn Bhd   |  |  |
| - Sale of natural gas***                               | 2,362  | 1,797  |

\* 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 |                      |          |
|--|---------------------|----------------------|----------|
|  | 30.09.18            | 30.09.17             | Variance |
|  | RM'000              | RM'000<br>(Restated) | %        |
| Revenue  | 1,556,281           | 1,392,528            | 11.8     |
| Operating profit                                 | 51,232              | 41,462               | 23.6     |
| Profit before finance income, zakat and taxation | 53,011              | 42,118               | 25.9     |
| Profit before zakat and taxation                 | 54,401              | 44,425               | 22.5     |
| Profit after zakat and taxation                  | 41,028              | 33,436               | 22.7     |
| Profit attributable to owners of the Parent      | 41,028              | 33,608               | 22.1     |

The Group's revenue for the third quarter ended 30 September 2018 was RM1,556.3 million compared to RM1,392.5 million in the corresponding quarter in 2017, representing an increase of 11.8%. This was mainly due to higher volume of natural gas sold and higher natural gas tariff.

The profit before zakat and taxation for the third quarter ended 30 September 2018 was RM54.4 million, an increase by 22.5% compared to the profit before zakat and taxation of RM44.4 million in the corresponding quarter last year. This was mainly due to higher gross profit which is in line with the increase in volume of natural gas sold and the higher income arising from asset contribution from customers.

|  | Financial period ended |                      |          |
|--|------------------------|----------------------|----------|
|  | 30.09.18               | 30.09.17             | Variance |
|  | RM'000                 | RM'000<br>(Restated) | %        |
| Revenue  | 4,494,716              | 3,859,869            | 16.4     |
| Operating profit                                 | 162,800                | 123,597              | 31.7     |
| Profit before finance income, zakat and taxation | 168,054                | 125,027              | 34.4     |
| Profit before zakat and taxation                 | 172,879                | 133,829              | 29.2     |
| Profit after zakat and taxation                  | 129,314                | 99,345               | 30.2     |
| Profit attributable to owners of the Parent      | 129,314                | 99,793               | 29.6     |

The Group's revenue for the financial period ended 30 September 2018 was RM4,494.7 million compared to RM3,859.9 million in the corresponding period in 2017, representing an increase of 16.4% due to the higher natural gas tariff and higher volume of natural gas sold.

The profit before zakat and taxation for the financial period ended 30 September 2018 was RM172.9 million, an increase by 29.2% compared to RM133.8 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 natural gas sold.

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

The Group recorded a lower profit before zakat and taxation of RM54.4 million in the current quarter as compared to RM63.7 million in the preceding quarter mainly due to lower gas contribution and higher operating expenses.

#### **17. Current prospects**

The growth in revenue for the financial period ended 30 September 2018 was primarily driven by the increase in volume of natural gas sold and revision in gas tariff. The Board anticipates that the yearly increase in natural gas sale 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:

|   | Third quarter ended |                     | Financial period ended |                     |
|---|---------------------|---------------------|------------------------|---------------------|
|   | 30.09.18<br>RM' 000 | 30.09.17<br>RM' 000 | 30.09.18<br>RM' 000    | 30.09.17<br>RM' 000 |
| Depreciation and amortisation                 | 16,642              | 15,526              | 49,055                 | 45,737              |
| Impairment of trade receivables               | -                   | 2,848               | -                      | 10,053              |
| Write back of impairment of trade receivables | -                   | -                   | -                      | (5,715)             |

Included in the revenue for the financial period ended 30 September 2018 is an amount relating to assets contributed by customers amounting to RM5,314,000 (30 September 2017: RM660,000), of which the remaining amount of RM14.3 million (30 September 2017: RM17.9 million) of deferred revenue had been recognised as contract liabilities in the statement of financial position at the end of the reporting period.

**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<br>ended<br>30.09.18<br><u>RM' 000</u> | 3 months<br>ended<br>30.09.17<br><u>RM' 000</u> | Cumulative<br>9 months<br>ended<br>30.09.18<br><u>RM' 000</u> | Cumulative<br>9 months<br>ended<br>30.09.17<br><u>RM' 000</u> |
|---|---|---|---|---|
| Current income tax  | (11,070)  | 5,077   | (45,689)  | (10,100)  |
| Deferred tax - origination and reversal of temporary timing differences | <u>(1,428)</u>                                  | <u>(15,191)</u>                                 | <u>4,749</u>  | <u>(21,759)</u>   |
|   | <u>(12,498)</u>                                 | <u>(10,114)</u>                                 | <u>(40,940)</u>   | <u>(31,859)</u>   |

The Group's effective tax rate for the three months period ended 30 September 2018 of 23.3% is lower than the statutory income tax rate in Malaysia due to the effects of items not subject to tax.

The Group's effective tax rate for the financial period ended 30 September 2018 of 24.0% is similar to the statutory income tax rate in Malaysia.

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

Included in the "Trade and other receivables" is a receivable for the recovery of natural 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 2017.

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<br>30.09.18<br>RM' 000 | As at<br>31.12.17<br>RM' 000 |
|---------------------------------|------------------------------|------------------------------|
| <u>Current (unsecured):</u>     |                              |                              |
| Term Loan                       | 2,990                        | 2,990                        |
| <u>Non-current (unsecured):</u> |                              |                              |
| Islamic Medium Term Notes       | 230,000                      | 200,000                      |
| Term Loan                       | 5,980                        | 8,970                        |
|                                 | <u>235,980</u>               | <u>208,970</u>               |
| Total borrowings                | <u>238,970</u>               | <u>211,960</u>               |

## 24. Material litigation

As at 30 September 2018, 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<br>ended<br><u>30.09.18</u> | 3 months<br>ended<br><u>30.09.17</u><br>(Restated) | Cumulative<br>9 months<br>ended<br><u>30.09.18</u> | Cumulative<br>9 months<br>ended<br><u>30.09.17</u><br>(Restated) |
|---|--------------------------------------|--|--|--|
| Profit for the period attributable to owners of the Parent (RM'mil) | 41.0                                 | 33.6   | 129.3  | 99.8   |
| 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)                             | 3.20                                 | 2.62   | 10.07  | 7.77   |
| Diluted earnings per ordinary share (Sen)                           | 3.20                                 | 2.62   | 10.07  | 7.77   |

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

**26. Dividend declared**

The Directors have declared on 8 August 2018, a single-tier interim dividend of 4.50 sen per share on the 1,284,000,000 ordinary shares in issue, amounting to RM57,780,000 in respect of financial year ending 31 December 2018, which has been paid on 26 September 2018.

**27. Authorisation for issue**

The condensed consolidated interim financial statements has been authorised for issue by the Board of Directors in accordance with their resolution on 14 November 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: 14 November 2018