

**Condensed Consolidated Statement of Comprehensive Income
for the financial period ended 30 September 2021**

	3 months ended 30.09.2021 RM'000 (Unaudited)	3 months ended 30.09.2020 RM'000 (Unaudited)	Cumulative 9 months ended 30.09.2021 RM'000 (Unaudited)	Cumulative 9 months ended 30.09.2020 RM'000 (Unaudited)
Revenue	1,383,168	1,722,101	3,911,142	4,867,946
Cost of sales	(1,284,017)	(1,632,256)	(3,619,592)	(4,621,048)
Gross profit	99,151	89,845	291,550	246,898
Finance income	1,056	2,530	4,172	6,571
Other operating income	874	517	1,608	1,699
Administrative expenses	(15,635)	(18,012)	(50,198)	(45,368)
Selling & distribution expenses	(101)	(328)	(443)	(957)
Finance costs	(2,791)	(4,932)	(8,053)	(12,186)
Share of results in joint ventures	877	188	(254)	(259)
Profit before zakat and taxation	83,431	69,808	238,382	196,398
Zakat expenses	(875)	(875)	(2,625)	(2,625)
Tax expense	(20,195)	(18,027)	(55,427)	(50,380)
Net profit for the financial period	62,361	50,906	180,330	143,393
Other comprehensive (loss)/income (net of tax):				
<i>Items that will be reclassified to profit or loss</i>				
Cash flow hedge of a joint venture	(169)	(234)	275	(2,221)
Total comprehensive income for the financial period	62,192	50,672	180,605	141,172
Net profit attributable to owners of the Parent	62,361	50,906	180,330	143,393
Total comprehensive income attributable to owners of the Parent	62,192	50,672	180,605	141,172
Earnings per share				
Basic (Sen)	4.86	3.96	14.04	11.17
Diluted (Sen)	4.86	3.96	14.04	11.17

The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Audited Financial Statements for the financial year ended 31 December 2020.

**Condensed Consolidated Statement of Financial Position
as at 30 September 2021**

	As at 30.09.2021 RM'000 (Unaudited)	As at 31.12.2020 RM'000 (Audited)
Non-Current Assets		
Property, plant and equipment	1,489,006	1,448,326
Right-of-use of lease assets	17,899	19,055
Investments in joint ventures	66,896	66,251
Other receivables	16,036	17,690
Deferred tax assets	1,538	2,156
	<u>1,591,375</u>	<u>1,553,478</u>
Current Assets		
Trade and other receivables	613,207	770,656
Tax recoverable	19,218	23,074
Investment funds with licensed financial institutions	333,500	77,000
Deposits, bank and cash balances	59,012	232,835
	<u>1,024,937</u>	<u>1,103,565</u>
Total Assets	<u>2,616,312</u>	<u>2,657,043</u>
Equity		
Equity attributable to owners of the Parent		
Share capital	642,000	642,000
Cash flow hedge reserve	3,104	2,829
Retained profits	415,307	435,281
Total Equity	<u>1,060,411</u>	<u>1,080,110</u>
Non-Current Liabilities		
Redeemable preference share	-	-
Deferred tax liabilities	186,507	175,452
Contract liabilities	5,347	8,491
Borrowings	111,000	111,000
Lease liabilities	2,601	3,389
	<u>305,455</u>	<u>298,332</u>
Current Liabilities		
Trade and other payables	930,356	963,242
Contract liabilities	4,529	4,529
Borrowings	231,706	285,720
Lease liabilities	936	1,016
Tax payable	21,287	24,094
Dividend payable	61,632	-
	<u>1,250,446</u>	<u>1,278,601</u>
Total Liabilities	<u>1,555,901</u>	<u>1,576,933</u>
Total Equity and Liabilities	<u>2,616,312</u>	<u>2,657,043</u>
Net assets per share attributable to ordinary equity holders of the Parent (Sen)	82.59	84.12

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 2020.

Unaudited Condensed Consolidated Statement of Changes in Equity for the financial period ended 30 September 2021

	Number of Shares Million	Share Capital RM'000	Cash Flow Hedge Reserve* RM'000	Retained Profits RM'000	Total Equity RM'000
At 1 January 2021	1,284	642,000	2,829	435,281	1,080,110
Net profit for the financial period	-	-	-	180,330	180,330
Other comprehensive income for the financial period	-	-	275	-	275
Total comprehensive income for the financial period	-	-	275	180,330	180,605
Dividends:					
- Second interim dividend for the financial year ended 31 December 2020	-	-	-	(69,336)	(69,336)
- Final dividend for the financial year ended 31 December 2020	-	-	-	(69,336)	(69,336)
- First interim dividend for the financial year ending 31 December 2021	-	-	-	(61,632)	(61,632)
	-	-	-	(200,304)	(200,304)
At 30 September 2021	1,284	642,000	3,104	415,307	1,060,411

* 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 2020.

Unaudited Condensed Consolidated Statement of Changes in Equity for the financial period ended 30 September 2020

	Number of Shares Million	Share Capital RM' 000	Cash Flow Hedge Reserve* RM' 000	Retained Profits RM' 000	Total Equity RM' 000
At 1 January 2020	1,284	642,000	4,414	396,641	1,043,055
Net profit for the financial period	-	-	-	143,393	143,393
Other comprehensive loss for the financial period	-	-	(2,221)	-	(2,221)
Total comprehensive income for the financial period	-	-	(2,221)	143,393	141,172
Dividends:					
- Second interim dividend for the financial year ended 31 December 2019	-	-	-	(61,632)	(61,632)
- Final dividend for the financial year ended 31 December 2019	-	-	-	(57,780)	(57,780)
- First interim dividend for the financial year ended 31 December 2020	-	-	-	(54,570)	(54,570)
	-	-	-	(173,982)	(173,982)
At 30 September 2020	1,284	642,000	2,193	366,052	1,010,245

* 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 2020.

**Condensed Consolidated Statement of Cash Flows
for the financial period ended 30 September 2021**

	9 months ended 30.09.2021 RM'000 (Unaudited)	9 months ended 30.09.2020 RM'000 (Unaudited)
Cash flows from operating activities		
Profit before zakat and taxation	238,382	196,398
Adjustments for:		
Depreciation and amortisation	69,124	65,054
Gain on disposal of property, plant and equipment	(484)	-
Property, plant and equipment written off	-	3,382
Impairment on trade and other receivables	-	727
Share of results in joint ventures	254	259
Impairment of investment in a joint venture	-	490
Finance income	(4,172)	(6,571)
Finance costs	8,053	12,186
Operating profit before working capital changes	311,157	271,925
Changes in working capital:		
Receivables	159,113	67,633
Payables and contract liabilities	(36,030)	(18,826)
Cash generated from operations	434,240	320,732
Zakat paid	(2,625)	(2,625)
Tax paid	(42,705)	(39,212)
Tax refund	-	2
Net cash flows generated from operating activities	388,910	278,897
Cash flows from investing activities		
Investment in a joint venture	(1,284)	(1,057)
Dividend income received from a joint venture	660	-
Purchase of property, plant and equipment	(108,338)	(116,328)
Proceeds from disposal of property, plant and equipment	500	-
Finance income received	4,162	6,642
Addition of investment funds with licensed financial institutions	(333,500)	(55,000)
Withdrawal of investment funds with licensed financial institutions	77,000	123,281
Net cash flows used in investing activities	(360,800)	(42,462)
Cash flows from financing activities		
Dividends paid	(138,672)	(119,412)
Issuance of Islamic Commercial Papers	1,885,000	1,250,000
Repayment of Islamic Medium Term Notes and Islamic Commercial Papers	(1,940,000)	(1,180,000)
Lease liabilities paid	(1,004)	(1,000)
Finance cost paid	(7,257)	(9,903)
Net cash flows used in financing activities	(201,933)	(60,315)
Net change in cash and cash equivalents	(173,823)	176,120
Cash and cash equivalents at beginning of financial period	232,835	169,145
Cash and cash equivalents at end of financial period	59,012	345,265

Non-cash transactions:

Finance income receivable arising from deposits with financial institution amounting to RM172,000 (30 September 2020: RM16,000) had been included within other receivables 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 2020.

**Condensed Consolidated Statement of Cash Flows
for the financial period ended 30 September 2021**

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

	Borrowings RM' 000	Dividends payable RM' 000	Lease liabilities RM' 000	Total RM' 000
At 1 January 2021	396,720	-	4,405	401,125
Cash flows - net of drawdown and repayment/payment	(62,257)	(138,672)	(1,004)	(201,933)
Non-cash items:				
- Dividends declared	-	200,304	-	200,304
- Finance cost	8,243	-	136	8,379
At 30 September 2021	<u>342,706</u>	<u>61,632</u>	<u>3,537</u>	<u>407,875</u>
At 1 January 2020	382,839	-	2,272	385,111
Cash flows - net of drawdown and repayment/payment	60,097	(119,412)	(1,000)	(60,315)
Non-cash items:				
- Dividends declared	-	173,982	-	173,982
- Finance cost	12,016	-	170	12,186
- Addition of lease liabilities	-	-	3,405	3,405
- Accrual for unpaid lease liabilities	-	-	(141)	(141)
At 30 September 2020	<u>454,952</u>	<u>54,570</u>	<u>4,706</u>	<u>514,228</u>

Notes to the interim financial statements

1. Basis of preparation

The condensed consolidated interim financial statements for the financial period ended 30 September 2021 have 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 2020, 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 2020.

The adoption of the following amendments to existing accounting standards that came into effect on or after 1 January 2021 which are applicable to the Group, did not have any significant financial impact on the condensed consolidated interim financial statements upon their initial application:

- Amendments to MFRS 7, 9, 16 and 139 on Interest Rate Benchmark Reform - Phase 2

The Malaysian Accounting Standards Board had issued the following 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 2022:
- Amendment to MFRS 16 "COVID-19-Related Rent Concessions beyond 30 June 2021"
 - Annual Improvements to Illustrative Example accompanying MFRS 16 Leases: Lease Incentives
 - Annual Improvements to MFRS 9 "Fees in the '10 per cent' test for Derecognition of Financial Liabilities"
 - Amendments to MFRS 3 "Reference to the Conceptual Framework"
 - Amendments to MFRS 116 "Proceeds before Intended Use"
 - Amendments to MFRS 137 "Onerous Contracts - Cost of Fulfilling a Contract"
- (ii) Financial year beginning on or after 1 January 2023:
- Amendments to MFRS 101 "Classification of liabilities as current or non-current"
 - Amendments to MFRS 101 "Presentation of financial statements" and MFRS Practice Statement 2 on disclosure of accounting policies
 - Amendments to MFRS 108 "Accounting policies, changes in accounting estimates and errors" on definition of accounting estimates
 - Amendments to MFRS 112 on "Deferred Tax related to Assets and Liabilities arising from a Single Transaction"
- (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 or Joint Ventures"

The Group did not early adopt any of the above amendments and annual improvements to the published accounting standards. The Group is in the midst of assessing the impact arising from the adoption of the above amendments and annual improvements to the published accounting standards in the year of initial application.

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 2020 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 unusual or significant event/transaction which has taken place which 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 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 issuance, cancellation, repurchase, resale and repayment of debt and equity securities during the current quarter ended 30 September 2021.

On 2 July 2021, 2 August 2021 and 2 September 2021, the Group issued Islamic Commercial Papers ("iCPs") under the Sukuk Murabahah Programme amounting to RM210.0 million, RM200.0 million and RM190.0 million respectively for a tenure of one month.

On 2 July 2021, 2 August 2021 and 2 September 2021, the Group repaid the outstanding iCPs of RM210.0 million, RM210.0 million and RM200.0 million which were previously issued on 3 June 2021, 2 July 2021 and 2 August 2021 respectively.

8. Dividends paid

On 31 March 2021, the Company paid a second interim dividend of 5.40 sen per share on the 1,284,000,000 ordinary shares in issue, amounting to RM69,336,000 in respect of the financial year ended 31 December 2020.

On 22 July 2021, the Company paid a final dividend of 5.40 sen per share on the 1,284,000,000 ordinary shares in issue, amounting to RM69,336,000 in respect of the financial year ended 31 December 2020.

9. Segment Reporting

The Group's segmental report for the financial period ended 30 September 2021 is as follows:

	Natural Gas & LPG	Others	Total
	RM' 000	RM' 000	RM' 000
<u>30 September 2021</u>			
<u>Revenue:</u>			
Total segment revenue			
- external	3,911,142	-	3,911,142
a) Sale of natural gas and LPG:			
- over time	3,904,138	-	3,904,138
b) Tolling fee:			
- over time	7,004	-	7,004
	<u>3,911,142</u>	<u>-</u>	<u>3,911,142</u>
<u>Results:</u>			
Profit before zakat and taxation	238,600	(218)	238,382
Finance income	(4,172)	-	(4,172)
Depreciation and amortisation	69,083	41	69,124
Earnings before finance income, zakat, taxation, depreciation and amortisation	<u>303,511</u>	<u>(177)</u>	<u>303,334</u>

	Natural		
	<u>Gas & LPG</u>	<u>Others</u>	<u>Total</u>
	RM' 000	RM' 000	RM' 000
<u>Assets and liabilities:</u>			
Segment assets	2,524,628	4,032	2,528,660
Investments in joint ventures	-	66,896	66,896
Tax recoverable	19,208	10	19,218
Deferred tax assets	1,538	-	1,538
Total assets	<u>2,545,374</u>	<u>70,938</u>	<u>2,616,312</u>
Segment liabilities	1,348,096	11	1,348,107
Taxation	21,287	-	21,287
Deferred tax liabilities	186,507	-	186,507
Total liabilities	<u>1,555,890</u>	<u>11</u>	<u>1,555,901</u>

The Group's segmental report for the corresponding financial period ended 30 September 2020 is as follows:

	Natural		
	<u>Gas & LPG</u>	<u>Others</u>	<u>Total</u>
	RM' 000	RM' 000	RM' 000
<u>30 September 2020</u>			
<u>Revenue:</u>			
Total segment revenue			
- external	<u>4,867,946</u>	<u>-</u>	<u>4,867,946</u>
a) Sale of natural gas and LPG:			
- over time	4,860,465	-	4,860,465
b) Tolling fee:			
- over time	7,481	-	7,481
	<u>4,867,946</u>	<u>-</u>	<u>4,867,946</u>

	Natural <u>Gas & LPG</u> RM' 000	<u>Others</u> RM' 000	<u>Total</u> RM' 000
<u>Results:</u>			
Profit before zakat and taxation	195,009	1,389	196,398
Finance income	(6,571)	-	(6,571)
Depreciation and amortisation	65,013	41	65,054
Earnings before finance income, zakat, taxation, depreciation and amortisation	<u>253,451</u>	<u>1,430</u>	<u>254,881</u>
<u>Assets and liabilities:</u>			
Segment assets	2,642,081	4,040	2,646,121
Investments in joint ventures	-	64,735	64,735
Total assets	<u>2,642,081</u>	<u>68,775</u>	<u>2,710,856</u>
Segment liabilities	1,522,604	20	1,522,624
Taxation	5,303	(12)	5,291
Deferred tax liabilities	172,696	-	172,696
Total liabilities	<u>1,700,603</u>	<u>8</u>	<u>1,700,611</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 2021 except for the issuance and repayment of iCPs by the Group as disclosed below:

- (i) On 1 October 2021 and 1 November 2021, the Group issued iCPs under the Sukuk Murabahah Programme amounting to RM180.0 million and RM180.0 million respectively for a tenure of one month.
- (ii) On 1 October 2021 and 1 November 2021, the Group repaid the outstanding iCPs of RM190.0 million and RM180.0 million which were previously issued on 2 September 2021 and 1 October 2021 respectively.

11. Changes in the composition of the Group

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

12. Changes in contingent liabilities or contingent assets

There was no contingent liability or contingent asset since the last audited financial statements for the financial year ended 31 December 2020.

13. Capital commitments

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

	As at 30.09.21 RM' 000
Property, plant and equipment:	
Authorised and contracted for	93,408
Authorised but not contracted for	158,990
	<hr/>
	252,398
	<hr/>

14. Related party transactions

Significant related party transactions for the financial period ended 30 September 2021:

	Cumulative 9 months ended 30.09.21 RM' 000	Cumulative 9 months ended 30.09.20 RM' 000
Parties transacted with:		
Petronas Energy & Gas Trading Sdn Bhd		
- Purchase of natural gas*	(3,481,727)	(4,500,647)
- Tolling fee income*	4,604	7,481
Petroliam Nasional Berhad		
- Cash contribution for Citygate construction paid*	-	(20,630)
Petronas Dagangan Berhad		
- Purchase of liquefied petroleum gas*	(5,926)	(6,101)
Central Sugar Refinery Sdn Bhd		
- Sale of natural gas**	50,187	63,016

	Cumulative 9 months ended 30.09.21 RM' 000	Cumulative 9 months ended 30.09.20 RM' 000
Central Sugar Refinery (Padang Terap) Sdn Bhd		
- Sale of natural gas**	18,879	24,803
HICOM Automotive Manufacturers (Malaysia) Sdn. Bhd.		
- Sale of natural gas**	1,501	831
Perusahaan Otomobil Nasional Sdn. Bhd.		
- Sale of natural gas**	2,370	2,383
Gas Malaysia Energy Advance Sdn. Bhd.		
- Sale of natural gas**	65,701	76,667
Johor Port Logistic Sdn. Bhd.		
- Logistic services*	986	1,053

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

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

15. Fair Value of Financial Instruments

The Group uses the following measurement hierarchy for determining the fair value of all financial instruments carried at fair value:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived prices).

Level 3: Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs).

As at 30 September 2021, the Group's financial instruments measured and recognised at fair value on a recurring basis are as follows:

	Level 1 RM' 000	Level 2 RM' 000	Level 3 RM' 000	Total RM' 000
Financial assets				
Financial assets at fair value through profit or loss	-	333,500	-	333,500
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

The above financial assets at fair value through profit or loss represent the Group's investment funds with licensed financial institutions.

Additional information required by the Bursa Securities Listing Requirements

16. Review of performance

	Third quarter ended		
	30.09.2021	30.09.2020	Variance
	RM'000	RM'000	%
Revenue	1,383,168	1,722,101	(19.7)
Operating profit	80,624	66,573	21.1
Profit before finance income, zakat and taxation	82,375	67,278	22.4
Profit before zakat and taxation	83,431	69,808	19.5
Profit after zakat and taxation	62,361	50,906	22.5
Profit attributable to ordinary equity holders of the Parent	62,361	50,906	22.5

The Group's revenue for the third quarter ended 30 September 2021 was RM1,383.2 million compared to RM1,722.1 million in the corresponding quarter in 2020, representing a decrease of 19.7%. This was in line with lower average natural gas tariff coupled with lower volume of natural gas sold, mitigated by the recognition of revenue cap adjustment during the current quarter.

The profit before zakat and taxation for the third quarter ended 30 September 2021 was RM83.4 million, an increase of 19.5% as compared to the profit before zakat and taxation of RM69.8 million in the corresponding quarter last year. This was mainly due to higher gross profit, lower administrative expenses and lower finance cost. Higher gross profit despite lower volume of natural gas sold was mainly due to the recognition of revenue cap adjustment in the current quarter.

	Financial period ended		
	30.09.2021	30.09.2020	Variance
	RM'000	RM'000	%
Revenue	3,911,142	4,867,946	(19.7)
Operating profit	232,856	188,387	23.6
Profit before finance income, zakat and taxation	234,210	189,827	23.4
Profit before zakat and taxation	238,382	196,398	21.4
Profit after zakat and taxation	180,330	143,393	25.8
Profit attributable to ordinary equity holders of the Parent	180,330	143,393	25.8

The Group's revenue for the financial period ended 30 September 2021 was RM3,911.1 million compared to RM4,867.9 million in the corresponding period in 2020, representing a decrease of 19.7%. This was in line with lower average natural gas tariff mitigated by higher volume of natural gas sold and the recognition of revenue cap adjustments.

The profit before zakat and taxation for the financial period ended 30 September 2021 was RM238.4 million, an increase of 21.4% as compared to the profit before zakat and taxation of RM196.4 million in the corresponding period last year. This was mainly due to higher gross profit and lower finance costs, offset by higher administrative expenses as well as lower finance income. The higher gross profit was in line with higher volume of natural gas sold coupled with the recognition of revenue cap adjustments and mitigated by higher overheads and depreciation being part of cost of sales.

17. Variation of results against preceding quarter

The Group recorded slightly higher profit before zakat and taxation of RM83.4 million in the current quarter as compared to RM82.8 million in the preceding quarter, despite lower volume of natural gas sold mainly due to higher recognition of revenue cap adjustment coupled with higher contribution from joint venture companies.

18. Current prospects

With the national vaccination programme surpassing 95% of the country's adult population and the gradual reopening of more economic sectors from August 2021 onwards, the Group is hopeful that Malaysia's economic recovery will progress further and intensify in the coming months. The Group will continue to take prudent measures to maintain its operational efficiencies and seek opportunities to grow its business.

Based on the foregoing, the Group is confident on delivering another year of satisfactory results in 2021.

19. Profit before zakat and taxation

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

	Third quarter ended		Financial period ended	
	30.09.21 RM' 000	30.09.20 RM' 000	30.09.21 RM' 000	30.09.20 RM' 000
Depreciation and amortisation	23,749	22,351	69,124	65,054
Gain on disposal of property, plant and equipment	(484)	-	(484)	-
Property, plant and equipment written off	-	3,256	-	3,382
Impairment on trade and other receivables	-	727	-	727
Impairment of investment in a joint venture	-	490	-	490

Included in the revenue for the financial period ended 30 September 2021 is an amount relating to assets contributed by customers amounting to RM3.1 million (30 September 2020: RM2.6 million), of which the remaining amount of RM9.9 million (30 September 2020: RM13.9 million) of deferred revenue had been recognised as contract liabilities in the statement of financial position as at the end of the reporting period.

20. Profit forecast or profit guarantee

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

21. Tax expense

	3 months ended 30.09.21 RM' 000	3 months ended 30.09.20 RM' 000	Cumulative 9 months ended 30.09.21 RM' 000	Cumulative 9 months ended 30.09.20 RM' 000
Income tax:				
- Current financial period	(17,502)	(11,901)	(48,606)	(41,824)
- Over accrual in prior financial period	<u>2,869</u>	<u>-</u>	<u>4,852</u>	<u>605</u>
	(14,633)	(11,901)	(43,754)	(41,219)
Deferred tax:				
- Origination and reversal of temporary differences	<u>(5,562)</u>	<u>(6,126)</u>	<u>(11,673)</u>	<u>(9,161)</u>
	<u>(20,195)</u>	<u>(18,027)</u>	<u>(55,427)</u>	<u>(50,380)</u>

The Group's effective tax rate for the quarter ended 30 September 2021 of 24.5%, which is higher than the statutory income tax rate in Malaysia, was mainly attributed to under recognition of deferred tax liabilities arising from prior year mitigated by reversal of over provision for prior year's income tax and items not subject to tax.

The Group's effective tax rate for the financial period ended 30 September 2021 of 23.5%, which is lower than the statutory income tax rate in Malaysia, was mainly attributed to the reversal of over provision for prior year's income tax and items not subject to tax, mitigated by under recognition of deferred tax liabilities arising from prior year.

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

Included in the "Trade and other receivables" of the Group are receivables relating to:

- (i) Amount receivable pursuant to the Gas Cost Pass Through mechanism - this receivable represents the under-recovery of natural gas costs arising from the variances between the actual market price and the forecast market price used for determining the tariff rates under the Incentive-Based Regulation ("IBR") framework up to 31 December 2019; and
- (ii) Amount receivable pursuant to the revenue and price cap mechanism - this receivable represents under-recovery of revenues arising from the variances between actual and estimate firm capacity reservations used in the determination of tariff rates for the utilisation of the Natural Gas Distribution System ("NGDS") owned by Gas Malaysia Distribution Sdn Bhd ("GMD").

These receivables will be recovered principally through a surcharge to be imposed by GMD to the users of the NGDS in the future. The receivables were recognised on the basis that the Government has provided an undertaking to the Group in respect of the under or over recovery of the foregoing.

23. Status of corporate proposals

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

24. Borrowings

The outstanding borrowings of the Group are analysed as follows:

	As at 30.09.21 RM' 000	As at 31.12.20 RM' 000
<u>Current (unsecured):</u>		
Islamic Commercial Papers	190,000	215,000
Islamic Medium Term Notes	41,706	70,720
	231,706	285,720
<u>Non-current (unsecured):</u>		
Islamic Medium Term Notes	111,000	111,000
Total borrowings	342,706	396,720

The Islamic Commercial Papers ("iCPs") and Islamic Medium Term Notes ("iMTNs") were issued under the Shariah principle of Murabahah by a wholly owned subsidiary, Gas Malaysia Distribution Sdn. Bhd.

The Sukuk Murabahah Programmes have a combined issuance limit of up to RM1.0 billion in nominal value and are secured by way of a corporate guarantee provided by the holding company, Gas Malaysia Berhad.

25. Material litigation

As at 30 September 2021, neither the Company nor its subsidiaries is 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>30.09.21</u>	3 months ended <u>30.09.20</u>	Cumulative 9 months ended <u>30.09.21</u>	Cumulative 9 months ended <u>30.09.20</u>
Profit for the period attributable to owners of the Parent (RM'mil)	62.4	50.9	180.3	143.4
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)	4.86	3.96	14.04	11.17
Diluted earnings per ordinary share (Sen)	4.86	3.96	14.04	11.17

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 had declared on 17 August 2021, a first interim dividend of 4.80 sen per share on the 1,284,000,000 ordinary shares, amounting to RM61,632,000 in respect of the financial year ending 31 December 2021, which was paid on 28 October 2021.

28. Authorisation for issue

The condensed consolidated interim financial statements have been authorised for issue by the Board of Directors in accordance with their resolution on 19 November 2021.

By Order of the Board,

Yanti Irwani Binti Abu Hassan (MACS 01349)

Company Secretary

Shah Alam

Dated: 19 November 2021