

**Condensed Consolidated Statement of Comprehensive Income
for the financial period ended 31 March 2023**

	3 months ended 31.03.2023 RM'000 (Unaudited)	3 months ended 31.03.2022 RM'000 (Unaudited)	Cumulative 3 months ended 31.03.2023 RM'000 (Unaudited)	Cumulative 3 months ended 31.03.2022 RM'000 (Unaudited)
Revenue	2,439,815	1,784,153	2,439,815	1,784,153
Cost of sales	(2,295,598)	(1,647,752)	(2,295,598)	(1,647,752)
Gross profit	144,217	136,401	144,217	136,401
Finance income	4,951	1,552	4,951	1,552
Other operating income	496	442	496	442
Administrative expenses	(21,234)	(16,291)	(21,234)	(16,291)
Selling & distribution expenses	(354)	(171)	(354)	(171)
Finance costs	(2,718)	(2,854)	(2,718)	(2,854)
Share of results in joint ventures	1,270	1,246	1,270	1,246
Profit before zakat and taxation	126,628	120,325	126,628	120,325
Zakat expenses	(875)	(875)	(875)	(875)
Tax expense	(30,657)	(28,133)	(30,657)	(28,133)
Net profit for the financial period	95,096	91,317	95,096	91,317
Other comprehensive income/(loss) (net of tax):				
<i>Items that will be reclassified to profit or loss</i>				
Cash flow hedge of a joint venture	605	(114)	605	(114)
Total comprehensive income for the financial period	95,701	91,203	95,701	91,203
Net profit attributable to owners of the Company	95,096	91,317	95,096	91,317
Total comprehensive income attributable to owners of the Company	95,701	91,203	95,701	91,203
Earnings per share				
Basic (Sen)	7.41	7.11	7.41	7.11
Diluted (Sen)	7.41	7.11	7.41	7.11

The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Audited Financial Statements for the financial year ended 31 December 2022.

**Condensed Consolidated Statement of Financial Position
as at 31 March 2023**

	As at 31.03.2023 RM'000 (Unaudited)	As at 31.12.2022 RM'000 (Audited)
Non-Current Assets		
Property, plant and equipment	1,612,360	1,616,047
Right-of-use assets	16,353	16,807
Investments in joint ventures	81,417	76,110
Other receivables	14,281	15,215
Deferred tax assets	2,585	2,233
	<u>1,726,996</u>	<u>1,726,412</u>
Current Assets		
Trade and other receivables	910,448	824,769
Tax recoverable	4,818	4,653
Deposits, bank and cash balances	586,988	591,297
	<u>1,502,254</u>	<u>1,420,719</u>
Total Assets	<u>3,229,250</u>	<u>3,147,131</u>
Equity		
Equity attributable to owners of the Company		
Share capital	642,000	642,000
Cash flow hedge reserve	3,805	3,200
Retained profits	511,748	633,135
Total Equity	<u>1,157,553</u>	<u>1,278,335</u>
Non-Current Liabilities		
Redeemable preference share	-	-
Deferred tax liabilities	226,366	226,168
Borrowings	80,000	80,000
Lease liabilities	1,694	2,261
	<u>308,060</u>	<u>308,429</u>
Current Liabilities		
Trade and other payables	1,445,027	1,361,886
Contract liabilities	1,254	1,254
Borrowings	162,290	161,233
Lease liabilities	1,185	997
Tax payable	43,200	34,997
Dividend payable	110,681	-
	<u>1,763,637</u>	<u>1,560,367</u>
Total Liabilities	<u>2,071,697</u>	<u>1,868,796</u>
Total Equity and Liabilities	<u>3,229,250</u>	<u>3,147,131</u>
Net assets per share attributable to ordinary equity holders of the Company (Sen)	90.15	99.56

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 2022.

Unaudited Condensed Consolidated Statement of Changes in Equity for the financial period ended 31 March 2023

	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 2023	1,284	642,000	3,200	633,135	1,278,335
Net profit for the financial period	-	-	-	95,096	95,096
Other comprehensive income for the financial period	-	-	605	-	605
Total comprehensive income for the financial period	-	-	605	95,096	95,701
Dividends:					
- Second interim dividend for the financial year ended 31 December 2022	-	-	-	(105,802)	(105,802)
- Final dividend for the financial year ended 31 December 2022	-	-	-	(110,681)	(110,681)
	-	-	-	(216,483)	(216,483)
At 31 March 2023	1,284	642,000	3,805	511,748	1,157,553

* 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 2022.

Unaudited Condensed Consolidated Statement of Changes in Equity for the financial period ended 31 March 2022

	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 2022	1,284	642,000	3,447	484,599	1,130,046
Net profit for the financial period	-	-	-	91,317	91,317
Other comprehensive loss for the financial period	-	-	(114)	-	(114)
Total comprehensive income for the financial period	-	-	(114)	91,317	91,203
Dividends:					
- Second interim dividend for the financial year ended 31 December 2021	-	-	-	(77,040)	(77,040)
- Final dividend for the financial year ended 31 December 2021	-	-	-	(88,211)	(88,211)
	-	-	-	(165,251)	(165,251)
At 31 March 2022	1,284	642,000	3,333	410,665	1,055,998

* 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 2022.

**Condensed Consolidated Statement of Cash Flows
for the financial period ended 31 March 2023**

	3 months ended 31.03.2023 RM'000 (Unaudited)	3 months ended 31.03.2022 RM'000 (Unaudited)
Cash flows from operating activities		
Profit before zakat and taxation	126,628	120,325
Adjustments for:		
Depreciation and amortisation	26,404	24,859
Gain on disposal of property, plant and equipment	-	(65)
Share of results in joint ventures	(1,270)	(1,246)
Finance income	(4,951)	(1,552)
Finance costs	2,718	2,854
Operating profit before working capital changes	149,529	145,175
Changes in working capital:		
Receivables	(84,719)	33,144
Payables and contract liabilities	83,129	143,432
Cash generated from operations	147,939	321,751
Zakat paid	(875)	(875)
Tax paid	(22,773)	(22,906)
Net cash flows generated from operating activities	124,291	297,970
Cash flows from investing activities		
Additional investment in a joint venture	(3,432)	-
Advances to a joint venture	-	(1,855)
Proceeds from disposal of property, plant and equipment	-	65
Purchase of property, plant and equipment	(22,156)	(31,323)
Finance income received	4,925	1,372
Addition of investment funds with licensed financial institutions	-	(13,000)
Withdrawal of investment funds with licensed financial institutions	-	413,000
Net cash flows (used in)/generated from investing activities	(20,663)	368,259
Cash flows from financing activities		
Dividends paid	(105,802)	(77,040)
Issuance of Islamic Commercial Paper ("iCP")	150,000	660,000
Repayment of iCP	(150,000)	(660,000)
Lease liabilities paid	(402)	(415)
Finance cost paid	(1,733)	(1,222)
Net cash flows used in financing activities	(107,937)	(78,677)
Net change in cash and cash equivalents	(4,309)	587,552
Cash and cash equivalents at beginning of financial period	591,297	42,947
Cash and cash equivalents at the end of financial period	586,988	630,499

Non-cash transactions:

Finance income receivable arising from deposits with financial institution amounting to RM279,000 (31 December 2022: RM253,000) had been included within other receivables as at 31 March 2023.

The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Audited Financial Statements for the financial year ended 31 December 2022.

**Condensed Consolidated Statement of Cash Flows
for the financial period ended 31 March 2023**

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	Dividend payable RM'000	Lease liabilities RM'000	Total RM'000
At 1 January 2023	241,233	-	3,258	244,491
Cash flows - net of drawdown and repayment/payment	(1,733)	(105,802)	(402)	(107,937)
Non-cash items:				
- Dividends declared	-	216,483	-	216,483
- Finance cost	2,790	-	35	2,825
- Accrual for unpaid lease liabilities	-	-	(12)	(12)
At 31 March 2023	<u>242,290</u>	<u>110,681</u>	<u>2,879</u>	<u>355,850</u>
At 1 January 2022	331,198	-	3,172	334,370
Cash flows - net of drawdown and repayment/payment	(1,222)	(77,040)	(415)	(78,677)
Non-cash items:				
- Dividends declared	-	165,251	-	165,251
- Finance cost	2,214	-	709	2,923
- Addition of lease liabilities	-	-	958	958
- Accrual for unpaid lease liabilities	-	-	(13)	(13)
At 31 March 2022	<u>332,190</u>	<u>88,211</u>	<u>4,411</u>	<u>424,812</u>

Notes to the interim financial statements

1. Basis of preparation

The condensed consolidated interim financial statements for the financial period ended 31 March 2023 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 2022, 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 2022.

The adoption of the following amendments to existing accounting standards that came into effect on or after 1 January 2023 which are applicable to the Group, did not have any significant financial impact on the condensed consolidated interim financial statements upon their initial applications:

- 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"

The Malaysian Accounting Standards Board had issued the following amendments to existing accounting standards which are relevant to the Group and effective for the following financial year:

- (i) Financial year beginning on or after 1 January 2024:
- Amendments to MFRS 101 "Classification of liabilities as current or non-current"
 - Amendments to MFRS 101 "Non-current Liabilities with Covenants"
 - Amendments to MFRS 16 "Lease Liability in a Sale and Leaseback transactions"
- (ii) 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 to the published accounting standards. The Group is in the midst of assessing the impact arising from the adoption of the above amendments 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 2022 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 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 31 March 2023.

The issuance made under the Sukuk Murabahah Programme during the current quarter is as follows:

Type of issuance	Issuance date	Tenure	Amount (RM million)
iCP	10 Mar 2023	1 month	150.0

The repayment made during the current quarter is as follows:

Type of issuance	Issuance date	Repayment date	Amount (RM million)
iCP	12 Dec 2022	10 Mar 2023	150.0

8. Dividends paid

On 31 March 2023, the Company paid a second interim dividend of 8.24 sen per share on the 1,284,000,000 ordinary shares in issue, amounting to RM105,801,600 in respect of the financial year ended 31 December 2022.

9. Segment Reporting

The Group's segmental report for the financial period ended 31 March 2023 is as follows:

	Natural		
	<u>Gas & LPG</u>	<u>Others</u>	<u>Total</u>
	RM' 000	RM' 000	RM' 000
<u>31 March 2023</u>			
<u>Revenue:</u>			
Total segment revenue			
- external	2,439,815	-	2,439,815

	Natural		
	<u>Gas & LPG</u>	<u>Others</u>	<u>Total</u>
	RM' 000	RM' 000	RM' 000
a) Sale of natural gas and LPG:			
- over time	2,415,806	-	2,415,806
b) Tolling fee:			
- over time	24,009	-	24,009
	<u>2,439,815</u>	<u>-</u>	<u>2,439,815</u>
<u>Results:</u>			
Profit before zakat and taxation	125,039	1,589	126,628
Finance income	(4,951)	-	(4,951)
Depreciation and amortisation	26,390	14	26,404
Earnings before finance income, zakat, taxation, depreciation and amortisation	<u>146,478</u>	<u>1,603</u>	<u>148,081</u>
<u>Assets and liabilities:</u>			
Segment assets	3,132,696	7,734	3,140,430
Investments in joint ventures	-	81,417	81,417
Tax recoverable	4,818	-	4,818
Deferred tax assets	2,585	-	2,585
Total assets	<u>3,140,099</u>	<u>89,151</u>	<u>3,229,250</u>
Segment liabilities	1,802,071	60	1,802,131
Tax payable	43,200	-	43,200
Deferred tax liabilities	226,366	-	226,366
Total liabilities	<u>2,071,637</u>	<u>60</u>	<u>2,071,697</u>

The Group's segmental report for the corresponding financial period ended 31 March 2022 is as follows:

	Natural		
	<u>Gas & LPG</u>	<u>Others</u>	<u>Total</u>
	RM' 000	RM' 000	RM' 000
<u>31 March 2022</u>			
<u>Revenue:</u>			
Total segment revenue			
- external	1,784,153	-	1,784,153
a) Sale of natural gas and LPG:			
- over time	1,770,577	-	1,770,577
b) Tolling fee:			
- over time	13,576	-	13,576
	<u>1,784,153</u>	<u>-</u>	<u>1,784,153</u>
<u>Results:</u>			
Profit before zakat and taxation	118,928	1,397	120,325
Finance income	(1,552)	-	(1,552)
Depreciation and amortisation	24,845	14	24,859
Earnings before finance income, zakat, taxation, depreciation and amortisation	<u>142,221</u>	<u>1,411</u>	<u>143,632</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	2,930,057	6,305	2,936,362
Investments in joint ventures	-	67,509	67,509
Tax recoverable	25,570	-	25,570
Deferred tax assets	1,905	-	1,905
Total assets	<u>2,957,532</u>	<u>73,814</u>	<u>3,031,346</u>
Segment liabilities	1,767,306	25	1,767,331
Tax payable	7,002	-	7,002
Deferred tax liabilities	201,015	-	201,015
Total liabilities	<u>1,975,323</u>	<u>25</u>	<u>1,975,348</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 31 March 2023.

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 2022.

13. Capital commitments

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

	As at
	31.03.23
	RM' 000
Property, plant and equipment:	
Authorised and contracted for	51,935
Authorised but not contracted for	186,599
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	238,534
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14. Related party transactions

Significant related party transactions for the financial period ended 31 March 2023:

	Cumulative 3 months ended 31.03.23 RM' 000	Cumulative 3 months ended 31.03.22 RM' 000
(i) The transactions have been entered into in the normal course of business and have been established under negotiated terms agreed by both parties:		
Natural gas sales to:		
- Gas Malaysia Energy Advance Sdn. Bhd.	44,076	34,202
- Central Sugar Refinery Sdn. Bhd.	42,053	25,783
- Central Sugars Refinery (Padang Terap) Sdn. Bhd.	18,255	10,091
- HICOM Automotive Manufacturers (Malaysia) Sdn. Bhd.	1,426	897
- HICOM-Teck See Manufacturing (Malaysia) Sdn. Bhd.	340	22
- HICOM Diecastings Sdn. Bhd.	306	192
- Perusahaan Otomobil Nasional Sdn. Bhd.	6,176	1,318
- Horsedale Development Berhad	140	84
- Honda Malaysia Sdn. Bhd.	1,784	1,219
- THR Hotel (Selangor) Bhd.	29	13
- Oriental Summit Industries Sdn. Bhd.	87	59
Purchase of LPG from:		
- PETRONAS Dagangan Berhad	(3,521)	(3,393)

	Cumulative 3 months ended 31.03.23 RM' 000	Cumulative 3 months ended 31.03.22 RM' 000
(i) The transactions have been entered into in the normal course of business and have been established under negotiated terms agreed by both parties: (continued)		
Purchase of natural gas from:		
- PETRONAS Energy & Gas Trading Sdn. Bhd.	(2,233,466)	(1,597,570)
Logistic services from:		
- Johor Port Logistic Sdn. Bhd.	-	(986)
(ii) The transactions have been entered into based on regulated prices:		
Tolling fee income from:		
- PETRONAS Energy & Gas Trading Sdn. Bhd.	14,229	19,421

Additional information required by the Bursa Securities Listing Requirements

15. Review of performance

	First quarter ended		
	31.03.2023	31.03.2022	Variance
	RM'000	RM'000	%
Revenue	2,439,815	1,784,153	36.7
Operating profit	119,911	117,085	2.4
Profit before finance income, zakat and taxation	121,677	118,773	2.4
Profit before zakat and taxation	126,628	120,325	5.2
Profit after zakat and taxation	95,096	91,317	4.1
Profit attributable to ordinary equity holders of the Company	95,096	91,317	4.1

The Group's revenue for the first quarter ended 31 March 2023 was RM2,439.8 million compared to RM1,784.2 million in the corresponding quarter in 2022, representing an increase of 36.7%. This was in line with higher average natural gas selling price, in tandem with global market price, mitigated by lower volume of natural gas sold during the current quarter.

The profit before zakat and taxation for the first quarter ended 31 March 2023 was RM126.6 million, an increase of 5.2% as compared to the profit before zakat and taxation of RM120.3 million in the corresponding quarter last year. This was mainly due to higher gross profit and higher finance income, partially offset by higher administrative expenses.

16. Variation of results against preceding quarter

The Group recorded lower profit before zakat and taxation of RM126.6 million in the current quarter as compared to RM143.5 million in the preceding quarter. This was mainly attributed to lower gross profit, partially offset by lower administrative expenses and higher contribution from the Group's joint venture companies.

17. Current prospects

Malaysia's economic growth is expected to be in the range of 4.0% to 5.0% in 2023, supported by firm domestic demand and resilient labour market. However, headwinds such as inflationary pressures and projected slowdown in the global economy will remain as part of the backdrop.

Based on the above, the Group will continue to take prudent measures to maintain its operational efficiency to remain competitive and seek opportunities to grow its business. With the measures in place, the Board expects that the Group will deliver a satisfactory performance for the financial year 2023 in tandem with the expected domestic economic growth.

18. Profit before zakat and taxation

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

	First quarter ended		Financial period ended	
	31.03.23 RM' 000	31.03.22 RM' 000	31.03.23 RM' 000	31.03.22 RM' 000
Depreciation and amortisation	26,404	24,859	26,404	24,859
Gain on disposal of property, plant and equipment	-	(65)	-	(65)

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 31.03.23 RM' 000	3 months ended 31.03.22 RM' 000	Cumulative 3 months ended 31.03.23 RM' 000	Cumulative 3 months ended 31.03.22 RM' 000
Income tax:				
- Current financial period	(31,665)	(26,349)	(31,665)	(26,349)
- Over accrual in prior financial period	<u>854</u>	<u>4</u>	<u>854</u>	<u>4</u>
	(30,811)	(26,345)	(30,811)	(26,345)
Deferred tax:				
- Origination and reversal of temporary differences	<u>154</u>	<u>(1,788)</u>	<u>154</u>	<u>(1,788)</u>
	<u>(30,657)</u>	<u>(28,133)</u>	<u>(30,657)</u>	<u>(28,133)</u>

The Group's effective tax rate for the first quarter ended 31 March 2023 of 24.4%, which is slightly higher than the statutory income tax rate in Malaysia, was mainly attributed to under accrual of deferred tax in prior financial year, mitigated by over accrual of income tax in prior financial year.

21. Revenue and price cap in tariff revision

Included in the "Trade and other payables" of the Group as of 31 March 2023 is an amount payable pursuant to the revenue and price cap mechanism. This payable represents over-recovery of revenues arising in prior financial year from the variances between actual and estimated 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").

The payable will be refunded principally through a rebate payable by GMD to the users of the NGDS in the future. The payable was recognised based on GMD's obligations under the Incentive Based Regulation guideline.

22. Status of corporate proposals

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

23. Borrowings

The outstanding borrowings of the Group are analysed as follows:

	As at 31.03.23 RM'000	As at 31.12.22 RM'000
<u>Current (unsecured):</u>		
Islamic Commercial Papers	151,290	150,233
Islamic Medium Term Notes	11,000	11,000
	<u>162,290</u>	<u>161,233</u>
<u>Non-current (unsecured):</u>		
Islamic Medium Term Notes	80,000	80,000
Total borrowings	<u>242,290</u>	<u>241,233</u>

The Islamic Commercial Papers and Islamic Medium Term Notes were issued under the Shariah principle of Murabahah by a wholly owned subsidiary of the Company, GMD.

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.

24. Material litigation

As at 31 March 2023, 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	3 months ended	Cumulative 3 months ended	Cumulative 3 months ended
	<u>31.03.23</u>	<u>31.03.22</u>	<u>31.03.23</u>	<u>31.03.22</u>
Profit for the period attributable to owners of the Company (RM'mil)	95.1	91.3	95.1	91.3
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)	7.41	7.11	7.41	7.11
Diluted earnings per ordinary share (Sen)	7.41	7.11	7.41	7.11

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 had declared on 21 March 2023, a final dividend of 8.62 sen per share on the 1,284,000,000 ordinary shares, amounting to RM110.68 million in respect of the financial year ended 31 December 2022, which will be paid on 15 June 2023.

27. 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 18 May 2023.

By Order of the Board,

Yanti Irwani Binti Abu Hassan (MACS 01349)

Maziah binti Martin (M01864)

Company Secretary

Shah Alam

Dated: 18 May 2023