



PETRONAS

PETRONAS GAS BERHAD

Interim Financial Report

For Third Quarter Ended 30 September 2018

INTERIM FINANCIAL REPORT

FOR THIRD QUARTER ENDED 30 SEPTEMBER 2018



Key Financial Highlights (in RM'000)	9 months ended		Variance
	2018	2017	
Revenue	4,110,865	3,505,868	+17.3
Profit before taxation (PBT)	1,904,572	1,646,819	+15.7
Profit for the period	1,565,785	1,306,491	+19.8
Earnings before interest, taxes, depreciation and amortisation (EBITDA)	2,797,526	2,382,755	+17.4
Earnings per share (EPS) (sen)	75.42	66.00	+14.3
Declared dividends per share (sen)	51.00	50.00	+2.0

- **PETRONAS Gas Berhad Group's revenue for the nine months period ended 30 September 2018 stood at RM4,110.9 million, an increase of 17.3%** compared to the corresponding period mainly contributed by the Group's new LNG regasification terminal in Pengerang, Johor which commenced commercial operations in November 2017. This was further supported by higher revenue from all segments.
- **PBT was RM1,904.6 million, an increase of 15.7% or RM257.8 million** following higher revenue, offset by higher operating costs and finance cost due to full completion of LNG regasification in Pengerang, Johor.
- **Profit for the period was RM1,565.8 million, rose by 19.8% or RM259.3 million** in tandem with higher PBT and lower effective tax rate due to tax incentives granted to the Group.
- **EBITDA similarly grew by 17.4% at RM2,797.5 million** in line with higher PBT.
- **EPS was higher by 9.42 sen** following higher net profit attributable to shareholders of the Company.
- **The Board of Directors has approved a third interim dividend** of 18 sen per ordinary share amounting to RM356.2 million in respect of the financial year ending 31 December 2018.

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The Board of Directors of PETRONAS Gas Berhad (PGB or the Company) is pleased to announce the following unaudited condensed consolidated financial statements of PGB Group for the third quarter ended 30 September 2018 which should be read in conjunction with the Explanatory Notes on pages 5 to 22.

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

<i>In RM'000</i>	Note	As at 30 September 2018	As at 31 December 2017
ASSETS			
Property, plant and equipment		12,553,089	12,898,583
Prepaid lease payment		4,175	4,139
Investment in joint ventures		696,460	622,633
Investment in associate		139,514	131,742
Deferred tax assets		325,314	364,789
Long term receivables		307,193	197,799
TOTAL NON-CURRENT ASSETS		14,025,745	14,219,685
Trade and other inventories		64,352	66,663
Trade and other receivables	25	880,429	833,992
Cash and cash equivalents	20	3,357,872	2,500,357
Tax recoverable		-	6,839
TOTAL CURRENT ASSETS		4,302,653	3,407,851
TOTAL ASSETS		18,328,398	17,627,536
EQUITY			
Share capital		3,165,204	3,165,204
Reserves		9,858,281	9,349,817
Total equity attributable to the shareholders of the Company		13,023,485	12,515,021
Non-controlling interests		344,920	247,444
TOTAL EQUITY		13,368,405	12,762,465
LIABILITIES			
Borrowings	27	3,190,086	2,978,939
Deferred tax liabilities		1,161,280	1,165,576
Deferred income		4,253	4,962
TOTAL NON-CURRENT LIABILITIES		4,355,619	4,149,477
Trade and other payables		458,404	610,250
Borrowings	27	136,348	105,344
Tax payable		9,622	-
TOTAL CURRENT LIABILITIES		604,374	715,594
TOTAL LIABILITIES		4,959,993	4,865,071
TOTAL EQUITY AND LIABILITIES		18,328,398	17,627,536
Net assets per share attributable to the shareholders of the Company (RM)		6.5817	6.3248

The unaudited interim consolidated statement of financial position should be read in conjunction with the accompanying explanatory notes attached to these interim consolidated financial statements.

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**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS
AND OTHER COMPREHENSIVE INCOME**

	Note	3 months ended 30 September		9 months ended 30 September	
		2018	2017	2018	2017
<i>In RM'000</i>					
Revenue		1,401,839	1,163,208	4,110,865	3,505,868
Cost of revenue		(754,452)	(657,087)	(2,167,981)	(1,921,473)
Gross profit		647,387	506,121	1,942,884	1,584,395
Administration expenses		(19,445)	(20,996)	(64,607)	(66,208)
Other expenses		(5,690)	(1,029)	(7,212)	(3,463)
Other income		32,801	53,134	101,127	153,844
Operating profit	32	655,053	537,230	1,972,192	1,668,568
Financing costs		(43,432)	(24,950)	(124,312)	(77,127)
Share of profit after tax of equity-accounted associate and joint ventures		23,129	20,362	56,692	55,378
Profit before taxation		634,750	532,642	1,904,572	1,646,819
Tax expense	21	(111,392)	(115,242)	(338,787)	(340,328)
PROFIT FOR THE PERIOD		523,358	417,400	1,565,785	1,306,491
Other comprehensive income/(expenses)					
<i>Items that may be reclassified subsequently to profit or loss</i>					
Net movement from exchange differences		27,503	(11,616)	29,005	(40,784)
Cash flow hedge		(20,139)	23,434	3,904	72,359
Share of cash flow hedge of an equity- accounted joint venture		3,146	(2,640)	2,822	(9,480)
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD		533,868	426,578	1,601,516	1,328,586
Profit attributable to:					
Shareholders of the Company		499,808	417,427	1,492,357	1,305,987
Non-controlling interests		23,550	(27)	73,428	504
PROFIT FOR THE PERIOD		523,358	417,400	1,565,785	1,306,491
Total comprehensive income/(expenses) attributable to:					
Shareholders of the Company		500,692	430,670	1,517,936	1,342,356
Non-controlling interests		33,176	(4,092)	83,580	(13,770)
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD		533,868	426,578	1,601,516	1,328,586
Basic and diluted earnings per ordinary share (sen)		25.26	21.10	75.42	66.00

The unaudited interim consolidated statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying explanatory notes attached to these interim consolidated financial statements.

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**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY***Attributable to shareholders of the Company*

	<i>Attributable to shareholders of the Company</i>						Non-controlling interests	Total	
	<i>Non-distributable</i>			<i>Distributable</i>					
<i>In RM'000</i>	Share capital (Note a)	Share premium	Hedging reserve	Foreign currency translation reserve	Capital reserves	Retained profits	Total	Total	
Quarter ended 30 September 2017									
Balance at 1 January 2017	1,978,732	1,186,472	(2,331)	56,354	-	8,747,553	11,966,780	194,469	12,161,249
Net movement from exchange differences	-	-	-	(26,510)	-	-	(26,510)	(14,274)	(40,784)
Cash flow hedge	-	-	72,359	-	-	-	72,359	-	72,359
Share of cash flow hedge of an equity-accounted joint venture	-	-	(9,480)	-	-	-	(9,480)	-	(9,480)
Profit for the period	-	-	-	-	-	1,305,987	1,305,987	504	1,306,491
Total comprehensive income/(expenses) for the period	-	-	62,879	(26,510)	-	1,305,987	1,342,356	(13,770)	1,328,586
Transfer of share premium	1,186,472	(1,186,472)	-	-	-	-	-	-	-
Issuance of shares to non-controlling interest	-	-	-	-	-	-	-	35,860	35,860
Interim dividend declared and paid in respect of previous year	-	-	-	-	-	(375,959)	(375,959)	-	(375,959)
Interim dividend declared and paid in respect of current year	-	-	-	-	-	(613,407)	(613,407)	-	(613,407)
Total transactions with shareholders of the Company	1,186,472	(1,186,472)	-	-	-	(989,366)	(989,366)	35,860	(953,505)
Balance at 30 September 2017	3,165,204	-	60,548	29,844	-	9,064,174	12,319,770	216,559	12,536,329
Quarter ended 30 September 2018									
Balance at 1 January 2018	3,165,204	-	108,500	7,045	21,400	9,212,872	12,515,021	247,444	12,762,465
- As previously reported	-	-	-	-	-	(319)	(319)	-	(319)
- Effect of adoption of MFRS 9 (net of tax)	-	-	-	-	-	-	-	-	-
At 1 January 2018, restated	3,165,204	-	108,500	7,045	21,400	9,212,553	12,514,702	247,444	12,762,146
Net movement from exchange differences	-	-	-	18,853	-	-	18,853	10,152	29,005
Cash flow hedge	-	-	3,904	-	-	-	3,904	-	3,904
Share of cash flow hedge of an equity-accounted joint venture	-	-	2,822	-	-	-	2,822	-	2,822
Profit for the period	-	-	-	-	-	1,492,357	1,492,357	73,428	1,565,785
Total comprehensive income for the period	-	-	6,726	18,853	-	1,492,357	1,517,936	83,580	1,601,516
Issuance of shares to non-controlling interest	-	-	-	-	-	-	-	13,896	13,896
Redemption of redeemable preference share in subsidiary	-	-	-	-	20,070	(20,070)	-	-	-
Interim dividend declared and paid in respect of previous year	-	-	-	-	-	(375,959)	(375,959)	-	(375,959)
Interim dividend declared and paid in respect of current year	-	-	-	-	-	(633,194)	(633,194)	-	(633,194)
Total transactions with shareholders of the Company	-	-	-	-	20,070	(1,029,223)	(1,009,153)	13,896	(995,257)
Balance at 30 September 2018	3,165,204	-	115,226	25,898	41,470	9,675,687	13,023,485	344,920	13,368,405

Note a: Pursuant to section 74 of the Companies Act, 2016 ('the Act'), the Company's shares no longer have a par or nominal value with effect from 31 January 2017. In accordance with the transitional provision set out in section 618 of the Act, any amount standing to the credit of the share premium account becomes part of the Company's share capital. Companies have 24 months upon the commencement of the Act to utilise the credit.

There is no impact on the number of shares in issue or the relative entitlement of any of the members as a result of this transition. During the financial period, the Company has not utilised any of the credit in the share premium account which are now part of share capital.

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**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS**

		9 months ended	
		30 September	
	Note	2018	2017
<i>In RM'000</i>			
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit Before Taxation		1,904,572	1,646,819
<i>Adjustments for:</i>			
Depreciation and amortisation		849,044	711,682
Interest expense		124,312	77,127
Interest income	32	(80,402)	(52,820)
Share of profit after tax equity-accounted joint ventures and associate		(56,692)	(55,378)
Unrealised loss/ (gain) on foreign exchange	32	5,018	(15,222)
Other non-cash items		6,290	4,574
Operating profit before changes in working capital		2,752,142	2,316,782
Change in trade and other receivables		(49,539)	(45,813)
Change in trade inventories		(3,704)	826
Change in trade and other payables		(2,709)	(343,460)
Cash generated from operations		2,696,190	1,928,335
Interest income from fund and other investment		80,402	52,820
Taxation paid		(287,103)	(137,690)
Net cash generated from operating activities		2,489,489	1,843,465
CASH FLOW FROM INVESTING ACTIVITIES			
Dividend received from associate and joint ventures		17,101	34,000
Investment in a joint venture		(39,185)	-
Loans and advances to a joint venture		(76,231)	(45,943)
Purchase of property, plant and equipment		(579,800)	(1,036,780)
Proceeds from disposal of property, plant and equipment		391	61
Net cash used in investing activities		(677,724)	(1,048,662)
CASH FLOW FROM FINANCING ACTIVITIES			
Dividends paid	9	(1,009,153)	(989,366)
Drawdown of term loan	27	162,367	681,793
Drawdown of loan from corporate shareholder of a subsidiary	27	32,713	243,762
Financing costs paid		(129,801)	(77,223)
Repayment of finance lease liabilities	27	(25,454)	(25,598)
Proceeds from shares issued to a non-controlling interest		13,896	35,860
Net cash used in financing activities		(955,432)	(130,772)
Net increase in cash and cash equivalents		856,333	664,031
Net foreign exchange difference		1,182	(372)
Cash and cash equivalents at beginning of the period		2,500,357	1,763,117
Cash and cash equivalents at end of the period		3,357,872	2,426,776

The unaudited interim consolidated statement of cash flows should be read in conjunction with the accompanying explanatory notes attached to these interim consolidated financial statements.

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PART A – EXPLANATORY NOTES PURSUANT TO MFRS 134

1. BASIS OF PREPARATION

The interim financial statements have been prepared using historical cost basis except for certain financial assets and financial liabilities that are stated at fair value.

The interim financial statements are unaudited and have been prepared in accordance with the requirements of IAS 34, *Interim Financial Reporting*, MFRS 134, *Interim Financial Reporting* and paragraph 9.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad.

They should be read in conjunction with the Group's audited consolidated financial statements and the accompanying notes for the year ended 31 December 2017. The explanatory notes attached to the interim financial statements provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group since the year ended 31 December 2017.

Within the context of these financial statements, the Group comprises the Company and its subsidiaries and the Group's interest in an associate and its joint ventures as at and for the period ended 30 September 2018.

2. SIGNIFICANT ACCOUNTING POLICIES

The financial information presented herein has been prepared in accordance with the accounting policies to be used in preparing the annual consolidated financial statements for the year ending 31 December 2018 under the Malaysian Financial Reporting Standards (MFRS) framework. These policies do not differ significantly from those used in the audited consolidated financial statements for the year ended 31 December 2017 except as described below.

As of 1 January 2018, the Group has adopted the following new and revised MFRSs, amendments to MFRS and IC interpretation (collectively referred to as "pronouncements") which are effective for annual periods beginning on or after 1 January 2018.

MFRS 9 *Financial Instruments (2014)*

MFRS 15 *Revenue from Contracts with Customers*

Amendments to MFRS 15 *Revenue from Contracts with Customers: Clarifications to MFRS 15*

Amendments to MFRS 128 *Investments in Associates and Joint Ventures (Annual Improvements 2014-2016 Cycle)*

IC Interpretation 22 *Foreign Currency Transactions and Advance Consideration*

The effects of initial application of MFRS 9 and 15 to the financial statements of the Group are as follows:

i. MFRS 9 *Financial Instruments*

The Group adopted MFRS 9 *Financial Instruments* on 1 January 2018. MFRS 9 replaces the guidance in MFRS 139 *Financial Instruments: Recognition and Measurement* on the classification and measurement of financial assets and financial liabilities, impairment of financial assets and on hedge accounting.

MFRS 9 contains a new classification and measurement approach for financial assets that reflects the business model in which assets are managed and their cash flow characteristics. The new three principal classifications categories for financial assets: measured at amortised cost, fair value through other comprehensive income (FVOCI) and fair value through profit or loss (FVTPL). The standard eliminates the existing MFRS 139 categories of held to maturity, loans and receivables and available for sale.

There was no material impact on the accounting for the Group's financial assets upon initial application of the new classification requirements.

MFRS 9 also replaces the incurred loss model in MFRS 139 with a forward-looking expected credit loss (ECL) model. Under MFRS 9, loss allowances will be measured on either 12 months ECLs or lifetime ECLs.

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**PART A – EXPLANATORY NOTES PURSUANT TO MFRS 134****2. SIGNIFICANT ACCOUNTING POLICIES (continued)****i. MFRS 9 *Financial Instruments* (continued)**

As allowed by the transitional provision of MFRS 9, the Group elected not to restate the comparatives. Adjustment arising from the initial application of the new impairment model has been recognised in the opening balance of the retained earnings and the carrying amount of the financial assets as at 1 January 2018 as disclosed below:

In RM'000

	Impact of adoption of MFRS 9 to opening balance at 1 January 2018
Decrease in retained earnings	319
Increase in deferred tax asset	101
Decrease in long term receivables	(328)
Decrease in trade and other receivables	(92)

ii. MFRS 15 *Revenue from Contracts with Customers*

The Group adopted MFRS 15 *Revenue from Contracts with Customers* on 1 January 2018. MFRS 15 replaces the guidance in MFRS 111 *Construction Contracts*, MFRS 118 *Revenue*, IC Interpretation 13 *Customer Loyalty Programmes*, IC Interpretation 15 *Agreements for Construction of Real Estate*, IC Interpretation 18 *Transfers of Assets from Customers* and IC Interpretation 131 *Revenue-Barter Transactions Involving Advertising Services*. MFRS 15 provides a single model for accounting for revenue arising from contracts with customers, focusing on the identification and satisfaction of performance obligations.

The initial application of MFRS 15 did not have significant impact on the Group's consolidated financial statements. The Group has reclassified certain revenue streams namely operations and maintenance services and internal gas consumption incentive previously under other income to revenue effective 1 January 2018.

3. AUDIT REPORT OF PRECEDING ANNUAL FINANCIAL STATEMENTS

The audited financial statements of the Group for the year ended 31 December 2017 were not subject to any audit qualification.

4. SEASONAL OR CYCLICAL FACTORS

The Group's operations are not significantly affected by seasonal or cyclical fluctuations of the business/ industry.

5. EXCEPTIONAL ITEMS

There were no exceptional items during the quarter under review.

6. MATERIAL CHANGES IN ESTIMATES

There were no material changes in estimates of the amounts reported in the most recent annual financial statements of the Group for the year ended 31 December 2017 that may have a material effect on the results of the period under review.

7. PROPERTY, PLANT AND EQUIPMENT

Freehold land and projects-in-progress are stated at cost less accumulated impairment losses and are not depreciated. Other property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment losses, if any.

8. DEBT AND EQUITY SECURITIES

There were no issuance, cancellations, repurchases, resale and repayments of debt and equity securities during the period ended 30 September 2018, other than as disclosed in the Notes.

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**PART A – EXPLANATORY NOTES PURSUANT TO MFRS 134****9. DIVIDENDS**

The following dividends were declared and paid by the Company:

<i>In RM'000</i>	9 months ended 30 September	
	2018	2017
Ordinary		
Interim paid:		
2016 - Fourth interim dividend of 19 sen per ordinary share	-	375,959
2017 - First interim dividend of 15 sen per ordinary share	-	296,810
2017 - Second interim dividend of 16 sen per ordinary share	-	316,597
2017 - Fourth interim dividend of 19 sen per ordinary share	375,959	-
2018 - First interim dividend of 16 sen per ordinary share	316,597	-
2018 - Second interim dividend of 16 sen per ordinary share	316,597	-
	1,009,153	989,366

On 30 November 2018, the Directors of the Company approved a third interim dividend of 18 sen per ordinary share, amounting to RM356.2 million in respect of the financial year ending 31 December 2018.

The dividends are payable on 27 December 2018 to depositors registered in the Records of Depositors at the close of business on 17 December 2018.

A Depositor shall qualify for entitlement to the dividends only in respect of:

- a) Shares transferred into the Depositor's Securities Account before 4.00 pm on 17 December 2018 in respect of ordinary transfers.
- b) Shares brought on the Bursa Malaysia Securities Berhad on a cum entitlement basis accordingly to the rules of the Bursa Malaysia Securities Berhad.

The interim financial statements for the current quarter do not reflect this approved interim dividend. The dividend, will be accounted for in equity as an appropriation of retained profits in the financial statements for the financial year ending 31 December 2018.

10. CHANGES IN THE COMPOSITION OF THE GROUP

There were no changes in the composition of the Group during the quarter under review.

11. FAIR VALUE INFORMATION

The carrying amounts of cash and cash equivalents, short term receivables and payables reasonably approximate their fair values due to the relatively short nature of these financial instruments.

The following table analyses financial instruments carried at fair value and those not carried at fair value for which fair value is disclosed, together with their fair values and carrying amounts shown in the statement of financial position. The fair value hierarchy in the valuation technique are as follows:

- Level 1 - Quoted priced (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 (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3 - Inputs for the asset or liability that are not based on observable market data (unobservable input).

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**PART A – EXPLANATORY NOTES PURSUANT TO MFRS 134****11. FAIR VALUE INFORMATION (continued)**

The Group recognises transfers between levels of fair value hierarchy as at the date of the event or change in circumstances that caused the transfer. There were no transfers between Level 2 and 3 of the fair value valuation hierarchy during the financial period.

<i>In RM'000</i>	Fair value of financial instruments carried at fair value Level 2	Fair value of financial instruments not carried at fair value Level 3	Total fair value	Carrying amounts
30 September 2018				
Financial assets				
Long term receivables	-	264,396	264,396	264,396
Derivative asset	46,425	-	46,425	46,425
	<u>46,425</u>	<u>264,396</u>	<u>310,821</u>	<u>310,821</u>
Financial liabilities				
Finance lease liabilities	-	(1,018,505)	(1,018,505)	(1,018,505)
Term loan	-	(1,731,163)	(1,731,163)	(1,731,163)
Loan from corporate shareholder of a subsidiary	-	(576,766)	(576,766)	(576,766)
	<u>-</u>	<u>(3,326,434)</u>	<u>(3,326,434)</u>	<u>(3,326,434)</u>
31 December 2017				
Financial assets				
Long term receivables	-	182,292	182,292	182,292
Derivative assets	18,469	-	18,469	18,469
	<u>18,469</u>	<u>182,292</u>	<u>200,761</u>	<u>200,761</u>
Financial liabilities				
Finance lease liabilities	-	(1,023,535)	(1,023,535)	(1,023,535)
Term loan	-	(1,529,104)	(1,529,104)	(1,529,104)
Loan from corporate shareholder of a subsidiary	-	(531,644)	(531,644)	(531,644)
Derivative liabilities	(64)	-	(64)	(64)
	<u>(64)</u>	<u>(3,084,283)</u>	<u>(3,084,347)</u>	<u>(3,084,347)</u>

The calculation of fair value for financial instruments depends on the type of instruments as follows:

- Fair value of finance lease liabilities are estimated using discounted cash flow method.
- Fair value of forward exchange contracts are estimated by discounting the difference between the contractual forward price and the current forward price for the residual maturity of the contract using a risk-free interest rate (based on government bonds).
- Fair value of interest rate swap agreements are estimated by discounting expected future cash flows using current market interest rate and yield curve over the remaining term of the instruments.

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**PART A – EXPLANATORY NOTES PURSUANT TO MFRS 134****12. SEGMENTAL INFORMATION**

The Group has four reporting segments, as described below, which are the Group's strategic business units. The strategic business units offer different products and services, and are managed separately because it requires different technology and marketing strategies. The following summary describes the operations in each of the Group's reporting segments:

- Gas Processing – activities include processing of natural gas from gas fields offshore the East Coast of Peninsular Malaysia into salesgas and other by-products such as ethane, propane and butane.
- Gas Transportation – activities include transportation of processed gas to PETRONAS' end customers throughout Malaysia and export to Singapore and provision of operations and maintenance services.
- Regasification – activities include regasification of liquefied natural gas (LNG) into the Peninsular Gas Utilisation pipeline network.
- Utilities – activities include manufacturing, marketing and supplying of industrial utilities to the petrochemical complexes in the Kertih and Gebeng Industrial Area and provision of operations and maintenance services.

Performance is measured based on segment gross profit, as included in the performance reports to the Board of Directors as the Company believes that such information is the most relevant in evaluating the results of the segments.

The segmental information in respect of the associate and joint ventures is not presented as the contribution of the associate and joint ventures and the carrying amount of investment in the associate and joint ventures have been reflected in the statement of profit or loss and other comprehensive income and statement of financial position of the Group respectively.

<i>In RM'000</i>	9 months ended 30 September 2018				
	Gas Processing	Gas Transportation	Regasification	Utilities	Total
Revenue	1,180,882	1,023,363	926,120	980,500	4,110,865
Segment results	481,920	784,975	527,944	148,045	1,942,884
Unallocated income					29,308
Operating profit					1,972,192
Financing costs					(124,312)
Share of profit after tax of equity- accounted associate and joint ventures					56,692
Profit before taxation					1,904,572

<i>In RM'000</i>	9 months ended 30 September 2017				
	Gas Processing	Gas Transportation	Regasification	Utilities	Total
Revenue	1,165,699	981,155	496,495	862,519	3,505,868
Segment results	486,514	759,929	224,700	113,252	1,584,395
Unallocated income					84,173
Operating profit					1,668,568
Financing costs					(77,127)
Share of profit after tax of equity- accounted associate and joint ventures					55,378
Profit before taxation					1,646,819

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**PART A – EXPLANATORY NOTES PURSUANT TO MFRS 134****12. SEGMENTAL INFORMATION (Continued)**

Segment results include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Unallocated income/(expenses) mainly comprises foreign exchange gain or loss as well as other corporate income and expenses.

The Group's revenue from contracts with customers which also represents reportable segment revenue are further disaggregated as follows:

<i>In RM'000</i>	9 months ended 30 September	
	2018	2017
Geographical Locations		
Peninsular Malaysia	4,048,201	3,485,411
Sabah and Sarawak	62,664	20,457
Total	4,110,865	3,505,868
Products and Services		
Gas processing services	1,180,882	1,165,699
Gas transportation services	979,508	981,155
Regasification services	926,120	496,495
Utilities		
- Electricity	444,336	392,524
- Steam	302,128	271,751
- Industrial gases	181,828	151,900
- Others*	51,353	46,344
Operations and maintenance services	44,710	-
Total	4,110,865	3,505,868

*Others relates to water treatment services and sale of other utilities products.

13. SUBSEQUENT EVENTS

There were no material events subsequent to the end of the quarter.

14. CONTINGENCIES

<i>In RM'000</i>	As at 30 September 2018	As at 31 December 2017
	Unsecured	
Counter claim by a third party against a joint venture	137,296	137,296

No provision has been made on the above contingencies (i.e. RM137,296,000 being the 60% of the counter claim) in the financial statements up to the reporting date.

Details of the above counter claim are further disclosed in Note 29.

INTERIM FINANCIAL REPORT

FOR THIRD QUARTER ENDED 30 SEPTEMBER 2018

**PART A – EXPLANATORY NOTES PURSUANT TO MFRS 134****15. CAPITAL COMMITMENTS**

Outstanding commitments in respect of capital expenditure at the end of each reporting period not provided for in the interim financial statements are as follows:

<i>In RM'000</i>	As at 30 September 2018	As at 31 December 2017
Property, plant and equipment		
Approved and contracted for	375,488	484,924
Approved but not contracted for	3,048,890	4,341,058
	<u>3,424,378</u>	<u>4,825,982</u>
Share of capital expenditure of joint ventures		
Approved and contracted for	21,739	88,534
Approved but not contracted for	51,945	52,505
	<u>73,684</u>	<u>141,039</u>
	<u>3,498,062</u>	<u>4,967,021</u>

16. RELATED PARTY TRANSACTIONS

There were no significant transactions with related parties in addition to the related party transactions disclosed in the audited financial statements for the year ended 31 December 2017.

INTERIM FINANCIAL REPORT

FOR THIRD QUARTER ENDED 30 SEPTEMBER 2018



PART B – EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF MAIN MARKET LISTING REQUIREMENT OF BURSA MALAYSIA SECURITIES BERHAD

17. REVIEW OF GROUP PERFORMANCE

(a) Performance of current quarter against the corresponding quarter

In RM'000	3 months ended		Variance %
	2018	30 September 2017	
Revenue	1,401,839	1,163,208	+20.5
Operating profit	655,053	537,230	+21.9
Profit before taxation	634,750	532,642	+19.2
Profit for the quarter	523,358	417,400	+25.4
EBITDA	945,241	792,370	+19.3

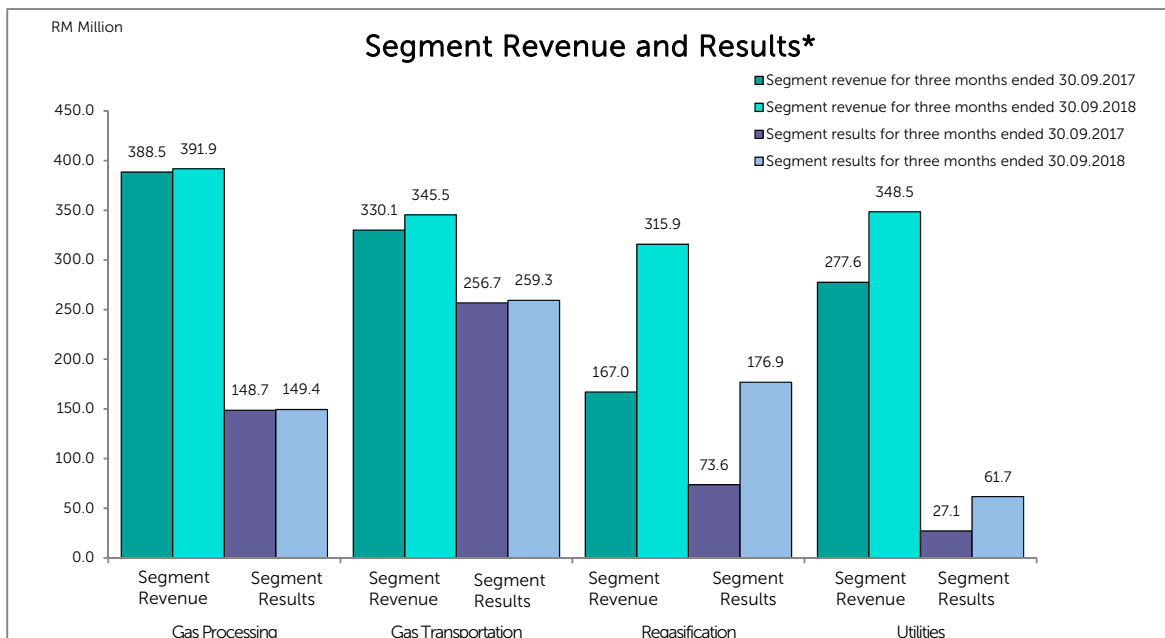
The Group's Gas Processing, Transportation and Regasification plants continued to perform well above 99% reliability. Gas Processing's liquid plant extraction performance continued to exceed targets, contributing towards slightly higher performance based structure (PBS) income compared to corresponding quarter. The Utilities segment achieved favourable sales volume and selling price.

Group revenue grew by 20.5% or RM238.6 million to RM1,401.8 million, mainly contributed by the Group's new LNG regasification terminal in Pengerang, Johor which commenced commercial operations in November 2017. This was further supported by higher revenue from all segments.

Profit for the quarter increased by 25.4% or RM106.0 million to RM523.4 million on the back of higher contribution from Regasification and Utilities segments negated by higher finance cost. Higher finance cost was attributable to recognition of previously capitalised interest expenses, following completion of the above regasification terminal.

EBITDA was similarly higher by 19.3% at RM945.2 million.

The following section provides further analysis of the Group performance by operating segments.



*Note: Segment Results refers to Gross Profit

INTERIM FINANCIAL REPORT

FOR THIRD QUARTER ENDED 30 SEPTEMBER 2018



PART B – EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF MAIN MARKET LISTING REQUIREMENT OF BURSA MALAYSIA SECURITIES BERHAD

17. REVIEW OF GROUP PERFORMANCE (continued)

(a) Performance of current quarter against the corresponding quarter (continued)

Gas Processing

The Group's gas processing plants achieved 100% reliability, maintaining world class standards. Liquid plant extraction performance consistently exceeded targets throughout the quarter, resulting in slightly higher tranches of PBS income earned compared to corresponding quarter.

Segment revenue registered a marginal increase of RM3.4 million or 0.9%. Segment gross profit consequently improved slightly by RM0.7 million or 0.5% as the higher revenue coupled with lower plant maintenance costs was negated by higher depreciation expenses in line with completion of statutory plant turnarounds.

Gas Transportation

Gas Transportation segment pipeline network reliability was close to 100%, comparable to corresponding quarter. Segment revenue increased by RM15.4 million or 4.7% in relation to operations and maintenance revenue from Sabah Sarawak Gas Pipeline.

The segment contributed gross profit of RM259.3 million, higher by RM2.6 million or 1.0% on the back of higher revenue.

Regasification

The Group's regasification facilities in Sungai Udang, Melaka and Pengerang, Johor continued to record 100% plant reliability during the quarter.

The Regasification segment revenue surged by RM148.9 million or 89.2% to RM315.9 million compared to the corresponding quarter primarily contributed by the Group's new LNG regasification terminal in Pengerang, Johor which came on-stream in November 2017. Correspondingly, segment results grew from RM73.6 million to RM176.9 million.

Utilities

Utilities revenue for the quarter rose by RM70.9 million or 25.5% to RM348.5 million mainly due to favourable sales volumes on higher customer demand for all products, coupled with higher product prices in line with the upward revision of fuel gas price in 1 January 2018 and 1 July 2018 respectively, and additional surcharge on national electricity tariff.

Spurred by the higher revenue, segment gross profit more than doubled from RM27.1 million to RM61.7 million.

INTERIM FINANCIAL REPORT

FOR THIRD QUARTER ENDED 30 SEPTEMBER 2018



PART B – EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF MAIN MARKET LISTING REQUIREMENT OF BURSA MALAYSIA SECURITIES BERHAD

17. REVIEW OF GROUP PERFORMANCE (continued)

(b) Performance of current year to date period against the corresponding year to date period

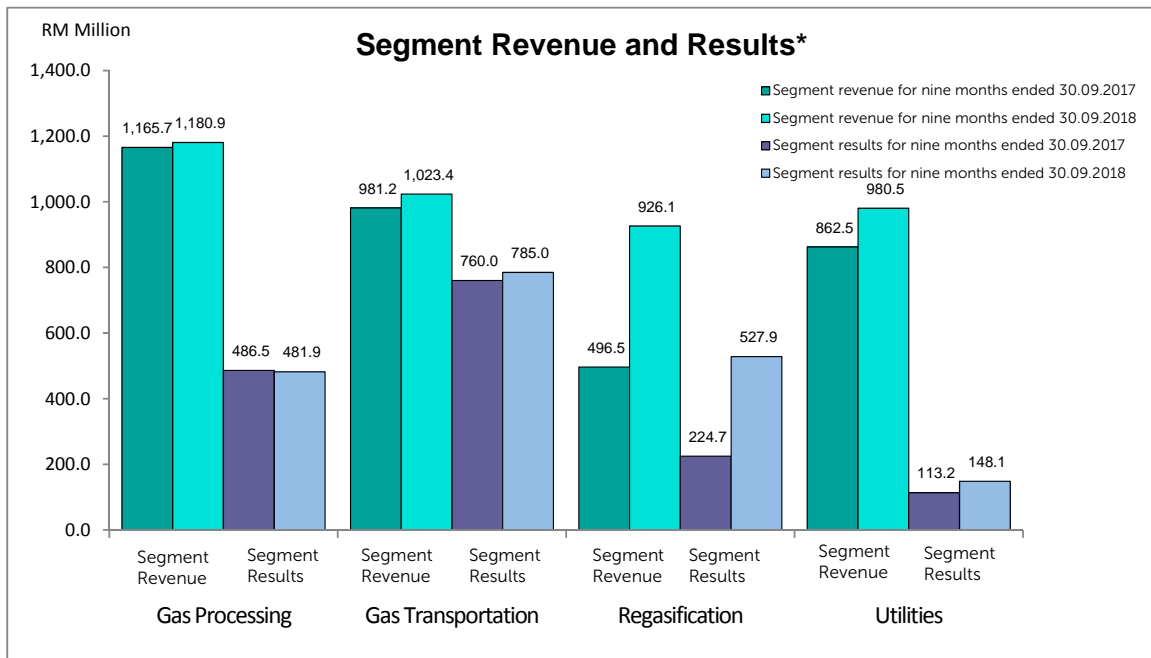
In RM'000	9 months ended 30 September		Variance %
	2018	2017	
Revenue	4,110,865	3,505,868	+17.3
Operating profit	1,972,192	1,668,568	+18.2
Profit before taxation	1,904,572	1,646,819	+15.7
Profit for the period	1,565,785	1,306,491	+19.8
EBITDA	2,797,526	2,382,755	+17.4

For the nine months period ended 30 September 2018, the Group sustained high plant and facilities operational performance compared to the corresponding period as the Group's 3ZERO100 transformation programme to improve asset integrity continues to bear fruit. Utilities segment had recorded favourable selling price and sales volume.

Group revenue for the period was RM4,110.9 million, an increase of 17.3% or RM605.0 million compared to the corresponding period primarily driven by the Group's new LNG regasification terminal in Pengerang, Johor which commenced commercial operations in November 2017 as well as higher Utilities revenue.

Profit for the period improved by 19.8% or RM259.3 million mainly attributable to higher gross profit from Regasification segment on the back of new revenue stream, offset by higher finance costs attributable to recognition of previously capitalised interest expenses following completion of the above regasification terminal.

The following section will provide further analysis of the Group performance by operating segments.



*Note: Segment Results refers to Gross Profit

INTERIM FINANCIAL REPORT

FOR THIRD QUARTER ENDED 30 SEPTEMBER 2018



PART B – EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF MAIN MARKET LISTING REQUIREMENT OF BURSA MALAYSIA SECURITIES BERHAD

17. REVIEW OF GROUP PERFORMANCE (continued)

(b) Performance of current year to date against the corresponding year to date (continued)

Gas Processing

Gas Processing segment continued to record excellent plant reliability performance at 99% for the period, maintaining the same achievement last year. High liquid plant extraction performance for the period contributed to better PBS income.

Segment gross profit of RM481.9 million, marginally lower by RM4.6 million or 0.9% as higher PBS income and lower plant maintenance costs was offset by higher depreciation expense in line with completion of statutory plant turnarounds.

Gas Transportation

Gas Transportation segment sustained high gas transmission reliability at 99.98%, at par with the corresponding period. Segment revenue increased by RM42.2 million or 4.3% relating to operations and maintenance revenue from Sabah Sarawak Gas Pipeline (SSGP).

Segment gross profit rose by RM25.0 million or 3.3% in line with higher revenue negated by higher depreciation expense following completion of capital projects and higher maintenance costs.

Regasification

The Group's regasification facilities in Sungai Udang, Melaka and Pengerang, Johor continued to record high plant reliability at close to 100% during the period.

Segment revenue grew by RM429.6 million or 86.5% to RM926.1 million compared to the corresponding period primarily contributed by the Group's new regasification terminal in Pengerang, Johor which came on-stream in November 2017. Correspondingly, segment gross profit surged from RM224.7 million to RM527.9 million.

Utilities

Utilities revenue for the period rose by RM118.0 million or 13.7% to RM980.5 million attributable to upward revision of fuel gas price in 1 January 2018 and 1 July 2018 respectively coupled with higher customer demand.

Segment gross profit was higher by RM34.9 million or 30.8% on the back of higher revenue negated by higher utilities cost of sales.

INTERIM FINANCIAL REPORT

FOR THIRD QUARTER ENDED 30 SEPTEMBER 2018

**PART B – EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF MAIN MARKET LISTING REQUIREMENT OF BURSA MALAYSIA SECURITIES BERHAD****18. COMPARISON AGAINST IMMEDIATE PRECEDING QUARTER RESULTS**

<i>In RM'000</i>	3 months ended		Variance
	30 September	30 June	
	2018	2018	%
Revenue	1,401,839	1,358,260	+3.2
Operating profit	655,053	658,151	-0.5
Profit before taxation (PBT)	634,750	632,837	+0.3
Profit for the quarter	523,358	537,075	-2.6
EBITDA	945,241	928,954	+1.8

The Group sustained its strong performance for plant and facilities reliability across all segments compared to the preceding quarter.

Group revenue increased by RM43.6 million to RM1,401.8 million, mainly contributed by Utilities segment in line with upward fuel gas price revision and additional surcharge on national electricity tariff as well as higher customers' demand for all products.

Operating profit and profit before tax were comparable as the higher revenue were offset by higher utilities costs of sales and higher depreciation. Utilities cost of sales rose in line with increase in fuel gas price whilst depreciation was higher in line with completion of statutory plant turnarounds within Gas Processing business segment.

Profit for the quarter declined slightly by RM13.7 million or 2.6% to RM523.4 million due to higher tax expenses as a result of revision on deferred tax estimation to reflect the tax incentives granted to the Group's LNG regasification terminal in Pengerang, Johor in the preceding quarter.

EBITDA was higher by RM16.2 million at RM945.2 million in line with higher revenue.

19. REVIEW OF GROUP FINANCIAL POSITION

<i>In RM'000</i>	As at	As at	Variance
	30 September	31 December	
	2018	2017	%
Total assets	18,328,398	17,627,536	+4.0
Total equity attributable to the shareholders of the Company	13,023,485	12,515,021	+4.1
Total liabilities	4,959,993	4,865,071	+2.0
Return on equity (%) ¹	15.2	14.3	+6.1

The Group's increase in total asset by RM700.8 million or 4.0% was mainly contributed by higher cash and cash equivalent generated from the Group's new revenue stream from LNG regasification terminal in Pengerang, Johor.

Total equity of RM13.0 billion was slightly higher by RM508.5 million or 4.1% attributable to profit recorded during the period partially offset by dividend payments to shareholders.

Total liabilities increased by 2.0% at RM94.9 million mainly due to additional term loan drawdown of RM162.4 million during the period to fund growth project offset by settlement of payables in line with completion of capital projects.

¹ Based on rolling PAT attributable to shareholders from 1 October 2017 to 30 September 2018

INTERIM FINANCIAL REPORT

FOR THIRD QUARTER ENDED 30 SEPTEMBER 2018

**PART B – EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF MAIN MARKET LISTING REQUIREMENT OF BURSA MALAYSIA SECURITIES BERHAD****20. REVIEW OF GROUP CASH FLOWS**

<i>In RM'000</i>	9 months ended		Variance %
	2018	30 September 2017	
Net cash generated from operating activities	2,489,489	1,843,465	+35.0
Net cash used in investing activities	(677,724)	(1,048,662)	-35.4
Net cash used in financing activities	(955,432)	(130,772)	+630.6
Net increase in cash and cash equivalents	856,333	664,031	+29.0

Net cash generated from operating activities was higher by RM646.0 million or 35% in line with the Group's new revenue stream from LNG regasification terminal in Pengerang, Johor.

Net cash used in investing activities was lower by RM370.9 million or 35% mainly due to lower spending on capital expenditure following the completion of LNG regasification terminal in Pengerang, Johor.

Net cash used in financing activities was higher by RM824.7 million or 631% mainly due to lower drawdown to finance the Group's LNG regasification terminal and air separation unit plant in Pengerang, Johor.

21. TAX EXPENSE

Tax expense comprises the following:

<i>In RM'000</i>	3 months ended		9 months ended	
	2018	30 September 2017	2018	30 September 2017
Current tax expenses				
Malaysia				
- current period	89,792	110,334	294,952	271,891
- underprovision in prior year	8,623	3,617	8,623	3,617
	98,415	113,951	303,575	275,508
Deferred tax expenses				
- origination and reversal of temporary differences	12,977	1,291	35,212	64,820
Total tax expenses	111,392	115,242	338,787	340,328

The effective tax rate (ETR) for the quarter and nine months period ended 30 September 2018 was lower than the statutory tax rate of 24% mainly due to tax incentives granted for the Utilities business and the LNG regasification terminal in Pengerang, Johor.

22. COMMENTARY ON PROSPECTS

As announced by the Group on 15 January 2018, the Gas Supply (Amendment) Act 2016 is effective from 16 January 2018 onwards and the Energy Commission has confirmed that the current tariffs for the Group's Gas Transportation and Regasification services will be maintained until end of 2018.

The Group's performance is therefore expected to remain stable on the back of its strong and sustainable income streams from existing Gas Processing Agreement, Gas Transportation Agreements and Regasification Service Agreement signed with PETRONAS.

The Group's results will benefit from full year contribution of the new LNG Regasification Terminal in Pengerang, Johor.

The Group is awaiting approval from the Energy Commission for the 2019 tariffs for Gas Transportation and Regasification services which is expected to be announced by year end.

INTERIM FINANCIAL REPORT

FOR THIRD QUARTER ENDED 30 SEPTEMBER 2018

**PART B – EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF MAIN MARKET LISTING REQUIREMENT OF BURSA MALAYSIA SECURITIES BERHAD****23. PROFIT FORECAST**

There was no profit forecast published by the Group as at the date of this report.

24. STATUS OF CORPORATE PROPOSAL ANNOUNCED BUT NOT COMPLETED

There was no corporate proposal announced but not completed as at the date of this report.

25. TRADE AND OTHER RECEIVABLES

<i>In RM'000</i>	As at 30 September 2018	As at 31 December 2017
Trade receivables		
- Third party	24,076	23,500
- Related companies	541,065	525,516
- Joint ventures	1,023	1,097
- Related parties	38,416	32,625
	604,580	582,738
Other receivables	276,294	251,607
Less: Impairment losses	(445)	(353)
Trade and other receivables	880,429	833,992

Average credit term for trade receivables granted to related parties and third parties is 30 days.

The ageing of trade receivables as at reporting date are as follows:

<i>In RM'000</i>	As at 30 September 2018	As at 31 December 2017
Current	598,207	530,795
Past due 1 to 30 days	2,931	51,981
Past due 31 to 60 days	-	-
Past due 61 to 90 days	-	-
Past due more than 90 days	3,442	(38)
Trade receivables	604,580	582,738

With respect to the Group's trade receivables, there are no indications as at reporting date that the debtors will not meet their payment obligations.

Significant related party trade receivables

Related parties	Nature of transactions
a. Holding company Petroliam Nasional Berhad	Provision of gas processing services, gas transportation services and LNG regasification services
b. Related companies PETRONAS Chemical Derivatives Sdn Bhd PETRONAS Chemical MTBE Sdn Bhd PETRONAS Chemical Ammonia Sdn Bhd	Sales of industrial utilities

INTERIM FINANCIAL REPORT

FOR THIRD QUARTER ENDED 30 SEPTEMBER 2018

**PART B – EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF MAIN MARKET LISTING REQUIREMENT OF BURSA MALAYSIA SECURITIES BERHAD****26. FOREIGN EXCHANGE EXPOSURE / HEDGING POLICY**

The Group operate predominantly in Malaysia and transact mainly in Ringgit Malaysia. Nevertheless, the Group is exposed to varying levels of foreign exchange risk when it enters into transactions that are not denominated in the respective companies' functional currencies and when foreign currency monetary assets and liabilities are translated at the reporting date.

The Group's foreign currency management policy is to minimise economic and significant transactional exposure arising from currency movements. Residual net positions are actively managed and monitored against prescribed policies and control procedures. When deemed necessary and appropriate, the Group will enter into derivative financial instruments to hedge and minimise their exposure to the foreign currency movements.

27. BORROWINGS

Particulars of Group's borrowings are as follows:

<i>In RM'000</i>	As at 30 September 2018	As at 31 December 2017
Non-Current		
<i>Secured</i>		
Finance lease liabilities	983,474	991,492
<i>Unsecured</i>		
Term loan	1,731,163	1,529,104
Loan from corporate shareholder of a subsidiary	475,449	458,343
	<u>3,190,086</u>	<u>2,978,939</u>
Current		
<i>Secured</i>		
Finance lease liabilities	35,031	32,043
<i>Unsecured</i>		
Loan from corporate shareholder of a subsidiary	101,317	73,301
	<u>136,348</u>	<u>105,344</u>
	<u>3,326,434</u>	<u>3,084,283</u>
<i>In RM'000</i>		
By Currency		
USD	3,326,434	3,084,283
Closing exchange rate (RM/USD)	4.1445	4.0595

INTERIM FINANCIAL REPORT

FOR THIRD QUARTER ENDED 30 SEPTEMBER 2018

**PART B – EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF MAIN MARKET LISTING REQUIREMENT OF BURSA MALAYSIA SECURITIES BERHAD****27. BORROWINGS (Continued)**

In RM'000	Total	Less than 1 year	1-2 years	2-5 years	More than 5 years
Secured					
Finance lease liabilities	1,018,505	35,031	42,304	151,302	789,868
Unsecured					
Term loan	1,731,163	-	-	1,731,163	-
Loan from corporate shareholder of a subsidiary	576,766	101,317	54,127	174,442	246,880
	3,326,434	136,348	96,431	2,056,907	1,036,748

¹ Finance lease liabilities bears interest at rate of 9.1% (2017: 9.1%) per annum.

² The unsecured term loan bears interest at floating rates ranging from 2.5% to 3.2% (2017: 1.7% to 2.3%) per annum and are due for full payment in February 2021. The Company had entered into a series of Interest Rate Swaps in August 2017 to hedge against variable interest rate exposure arising from the unsecured term loan. As a result of this hedging arrangement, the unsecured term loan has a net fixed interest rate of 1.685% per annum.

³ Loan from corporate shareholder of a subsidiary bears fixed interest at a rate of 6.5% per annum and are repayable in tranches at their various due dates from 2018 to 2028.

Reconciliation of liabilities arising from financing activities:

In RM'000	Cash flows			Non-cash changes	At 30 September 2018
	At 1 January 2018	Drawdown	Repayment	Foreign exchange movement	
Finance lease liabilities	1,023,535	-	(25,454)	20,424	1,018,505
Term loan	1,529,104	162,367	-	39,692	1,731,163
Loan from corporate shareholder of a subsidiary	531,644	32,713	-	12,409	576,766
	3,084,283	195,080	(25,454)	72,525	3,326,434

Drawdown of term loan and loan from a corporate shareholder of a subsidiary was to finance the Group's LNG regasification terminal and air separation unit plant in Pengerang, Johor.

INTERIM FINANCIAL REPORT

FOR THIRD QUARTER ENDED 30 SEPTEMBER 2018

**PART B – EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF MAIN MARKET LISTING REQUIREMENT OF BURSA MALAYSIA SECURITIES BERHAD****28. DERIVATIVES**

Outstanding derivatives as at the date of the statement of financial position are as follows:

	Notional/Contract Value		As at 30 September 2018 RM'000	Fair Value As at 31 December 2017 RM'000
	As at 30 September 2018 USD'000	As at 31 December 2017 USD'000		
Finance lease liability (designated as hedging instrument)				
- More than 3 years	245,748	252,133	1,018,505	1,023,535
Interest rate swap				
- 1 year to 3 years	322,003	322,003	42,797	18,469
Forward exchange contract				
- Less than 1 year	14,198	18,437	(2,351)	(64)

There were no changes to the requirements and nature of the outstanding derivatives as disclosed since the last audited financial statements for the year ended 31 December 2017.

29. MATERIAL LITIGATION

Kimanis Power Sdn Bhd (KPSB), a 60% joint venture company of the Group, has issued a Notice of Arbitration on 24 March 2017 to Sabah Electricity Sdn Bhd (SESB) in connection to disputes on Power Purchase Agreement entered into between the parties.

Subsequent to the issuance of the Notice of Arbitration, KPSB had on 12 September 2017 filed its Statement of Claim for an estimated sum of RM83,381,000 plus interests. SESB has since filed its Statement of Defence and Counterclaim on 2 November 2017 amounting to a sum of RM228,826,000 plus interests. In pursuing with arbitration matter, both parties are currently at the inspection and discovery of documents stage and tribunal hearing is scheduled to be held in March 2019.

There has been no other material litigation since the last audited consolidated financial statements for the year ended 31 December 2017.

30. EARNINGS PER SHARE

Basic earnings per share (EPS) is derived based on the net profit attributable to shareholders of the Company and the number of ordinary shares outstanding during the period.

	3 months ended 30 September		9 months ended 30 September	
	2018	2017	2018	2017
Net profit for the period attributable to ordinary shareholders of the Company (RM'000)	499,808	417,427	1,492,357	1,305,987
Number of ordinary shares in issue ('000)	1,978,732	1,978,732	1,978,732	1,978,732
EPS (sen)	25.26	21.10	75.42	66.00

As at the date of the statement of financial position, the Company has not issued any dilutive potential ordinary shares and hence, the diluted EPS is the same as the basic EPS.

INTERIM FINANCIAL REPORT

FOR THIRD QUARTER ENDED 30 SEPTEMBER 2018

**PART B – EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF MAIN MARKET LISTING REQUIREMENT OF BURSA MALAYSIA SECURITIES BERHAD****31. AUDITOR REPORT OF PRECEDING ANNUAL FINANCIAL STATEMENTS**

As disclosed in Note 3.

32. PROFIT FOR THE PERIOD

<i>In RM'000</i>	3 months ended 30 September		9 months ended 30 September	
	2018	2017	2018	2017
Profit for the period is arrived at after charging:				
Amortisation of prepaid lease payment	17	17	49	53
Depreciation of property, plant and equipment	297,027	254,850	848,995	711,629
Impairment loss (expected credit loss)	33	-	430	-
Loss on disposal of property, plant and equipment	-	-	-	314
Loss on realised foreign exchange	951	693	2,172	824
Loss on unrealised foreign exchange	4,738	-	5,018	-
and crediting:				
Gain on unrealised foreign exchange	-	5,213	-	15,222
Gain on disposal of property, plant and equipment	-	61	391	-
Interest income from fund investments	35,022	20,106	80,402	52,820

Other disclosure items pursuant to Appendix 9B Note 16 of the Listing Requirements of Bursa Malaysia Securities Berhad are not applicable.

33. DIVIDENDS

As disclosed in Note 9.

34. EXCHANGE RATE

USD/MYR	30.09.2018	Individual quarter ended		30.09.2018	Cumulative quarter ended	
		30.06.2018	30.09.2017		31.12.2017	30.09.2017
Average rate	4.0930	3.9487	4.2616	3.9888	4.3002	4.3472
Closing rate	4.1445	4.0455	4.2265	4.1445	4.0595	4.2265

35. AUTHORISED FOR ISSUE

The interim financial report was authorised for issue by the Board of Directors in accordance with a resolution of the Directors on 30 November 2018.

BY ORDER OF THE BOARD

Syuhaida Ab Rashid (MACS 01582)
Yeap Kok Leong (MAICSA 0862549)
Company Secretaries
Kuala Lumpur
30 November 2018