

TH HEAVY ENGINEERING BERHAD (634775-D)

(Incorporated in Malaysia)

**CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE PERIOD ENDED 30 JUNE 2014**

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	CURRENT QUARTER 30-Jun-14 Unaudited RM'000	PRECEDING YEAR CORRESPONDING QUARTER 30-Jun-13 Unaudited RM'000	CURRENT FINANCIAL QUARTER 30-Jun-14 Unaudited RM'000	PRECEDING CORRESPONDING FINANCIAL QUARTER 30-Jun-13 Unaudited RM'000
Revenue	64,699	59,239	206,813	115,317
Cost of sales	(52,964)	(35,842)	(182,203)	(71,737)
Gross profit	11,735	23,397	24,610	43,580
Other income	(223)	1,056	837	2,319
Administration expenses	(18,045)	(11,252)	(38,205)	(21,531)
Other expenses	30	235	(68)	16
Operating (loss) / profit	(6,503)	13,436	(12,826)	24,384
Finance cost	(475)	(4,240)	(1,829)	(9,168)
Share of (loss)/profit of equity-accounted associates, net of tax	(2,756)		5,445	
Share of loss of equity-accounted joint venture, net of tax	(257)	-	(257)	-
(Loss)/Profit before taxation	(9,991)	9,196	(9,467)	15,216
Taxation	108	-	108	-
(Loss)/Profit after taxation	(9,883)	9,196	(9,359)	15,216
Other comprehensive income for the year, net of tax	-	-	-	-
Total comprehensive (loss)/income for the period	(9,883)	9,196	(9,359)	15,216
(Loss)/Profit attributable to:				
Owners of the Company	(6,187)	9,196	(4,462)	15,216
Non-controlling interests	(3,696)	-	(4,897)	-
	(9,883)	9,196	(9,359)	15,216
Total comprehensive (loss)/income attributable to:-				
Owners of the Company	(6,187)	9,196	(4,462)	15,216
Non-controlling interests	(3,696)	-	(4,897)	-
	(9,883)	9,196	(9,359)	15,216
(Loss)/Profit attributable to shareholders of the Company				
	sen	sen	sen	sen
i) Basic (loss)/earnings per share	(0.97)	0.99	(0.92)	1.54
ii) Fully diluted (loss)/earnings per share	(0.82)	0.92	(0.77)	1.51
Gross interest income	175	188	380	771
Gross interest expense	542	4,240	1,504	9,168

(The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2013)

TH HEAVY ENGINEERING BERHAD (634775-D)

(Incorporated in Malaysia)

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
FOR THE PERIOD ENDED 30 JUNE 2014**

	As at 30-Jun-14 Unaudited RM'000	As at 31-Dec-13 Audited RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	528,680	492,589
Intangible assets	321	55
Investment in associate	88,285	82,839
Investment in joint venture	1,593	-
Deferred tax assets	9,011	9,011
	627,890	584,494
Current Assets		
Inventories	7,080	5,717
Trade and other receivables	315,057	211,420
Prepayments	1,425	2,171
Cash and cash equivalents	101,825	86,837
	425,387	306,145
Non current assets classified as held for sale	-	-
	425,387	306,145
TOTAL ASSETS	1,053,277	890,639
EQUITY AND LIABILITIES		
Equity attributable to owners of the Company		
Share capital	255,200	255,200
Share premium	57,256	57,256
Revaluation reserves	28,317	28,317
Other Reserves	(87)	(87)
Retained profits	55,070	40,351
	395,756	381,037
Non-controlling interests	48,135	51,147
Total Equity	443,891	432,184
Non Current Liabilities		
Deferred tax liabilities	-	108
Borrowings	274,500	272,884
	274,500	272,992
Current Liabilities		
Trade and other payables	293,765	154,892
Current tax liability	2,000	2,000
Borrowings	39,121	28,571
	334,886	185,463
Total Liabilities	609,386	458,455
TOTAL EQUITY AND LIABILITIES	1,053,277	890,639
Net assets per share (sen)	43.5	42.3

(The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2013)

TH HEAVY ENGINEERING BERHAD (634775-D)

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**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED 30 JUNE 2014**

	Share <u>Capital</u> (RM'000)	Share <u>Premium</u> (RM'000)	Revaluation <u>Reserves</u> (RM'000)	Other <u>Reserves</u> (RM'000)	Retained <u>41,820</u> (RM'000)	<u>Total</u> (RM'000)	Non-controlling <u>Interest</u> (RM'000)	<u>Total</u> (RM'000)
Balance at 1 January 2014	255,200	57,256	28,317	(87)	40,351	381,037	51,147	432,184
Loss for the period	-	-	-	-	(4,462)	(4,462)	(4,897)	(9,359)
Total comprehensive income for the period	255,200	57,256	28,317	(87)	35,889	376,575	46,250	422,825
<i>Contributions by owners of the Company</i>								
Conversion of warrants	*	*	-	-	-	-	-	-
Changes in ownership interests in a subsidiary	-	-	-	-	19,181	19,181	1,885	21,066
Total transaction with owners of the Company	-	-	-	-	19,181	19,181	1,885	21,066
Balance at 30 June 2014	255,200	57,256	28,317	(87)	55,070	395,756	48,135	443,891

* Total of 472 warrants have been converted to shares in the current financial period.

(The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2013)

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**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE PERIOD ENDED 30 JUNE 2014**

	CURRENT QUARTER 30-Jun-14	AS AT PRECEEDING FINANCIAL YEAR 31-Dec-13
	(RM'000)	(RM'000)
Net cash from / (used in) operating activities	47,323	(37,811)
Net cash used in investing activities	(78,164)	(39,683)
Net cash from financing activities	12,166	142,486
Net change in cash and cash equivalents	(18,675)	64,992
Cash and cash equivalents at beginning of period/year	81,609	16,617
Cash and cash equivalents at end of financial period/year	62,934	81,609
Cash and cash equivalent at end of the financial period comprise the followings:-		
Cash and bank balances	62,934	63,937
Deposit placed with licensed banks	38,891	22,900
	101,825	86,837
less: Deposits pledged	(38,891)	(5,228)
	62,934	81,609

(The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2013)