

TH HEAVY ENGINEERING BERHAD (634775-D)
(Incorporated in Malaysia)

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

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	CURRENT QUARTER 30-Sep-14 Unaudited RM'000	PRECEDING YEAR CORRESPONDING QUARTER 30-Sep-13 Unaudited RM'000	CURRENT FINANCIAL QUARTER 30-Sep-14 Unaudited RM'000	PRECEDING CORRESPONDING FINANCIAL QUARTER 30-Sep-13 Unaudited RM'000
Revenue	78,989	83,598	285,802	198,916
Cost of sales	(82,465)	(75,988)	(264,668)	(147,726)
Gross profit	(3,476)	7,610	21,134	51,190
Other income	464	950	1,301	3,269
Administration expenses	(17,752)	(10,977)	(55,957)	(32,508)
Other expenses	(12)	87	(79)	103
Operating (loss) / profit	(20,776)	(2,330)	(33,601)	22,054
Finance cost	(5,526)	6,401	(7,355)	(2,767)
Share of profit of equity-accounted associates, net of tax	2,972	-	8,417	-
Share of loss of equity-accounted joint venture, net of tax	(461)	-	(718)	-
(Loss)/Profit before taxation	(23,791)	4,071	(33,257)	19,287
Taxation	1,509	(170)	1,617	(170)
(Loss)/Profit after taxation	(22,282)	3,901	(31,640)	19,117
Other comprehensive income for the year, net of tax	-	-	-	-
Total comprehensive (loss)/income for the period	(22,282)	3,901	(31,640)	19,117
(Loss)/Profit attributable to:				
Owners of the Company	(15,088)	3,901	(19,549)	19,117
Non-controlling interests	(7,194)	-	(12,091)	-
	(22,282)	3,901	(31,640)	19,117
Total comprehensive (loss)/income attributable to:-				
Owners of the Company	(15,088)	3,901	(19,549)	19,117
Non-controlling interests	(7,194)	-	(12,091)	-
	(22,282)	3,901	(31,640)	19,117
(Loss)/Profit attributable to shareholders of the Company				
	sen	sen	sen	sen
i) Basic (loss)/earnings per share	(2.18)	0.42	(3.09)	1.94
ii) Fully diluted (loss)/earnings per share	(1.92)	0.39	(2.71)	1.81
Gross interest income	187	136	567	907
Gross interest expense	5,526	269	7,355	2,767

(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 SEPTEMBER 2014**

	As at 30-Sep-14 Unaudited RM'000	As at 31-Dec-13 Audited RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	531,858	492,589
Intangible assets	287	55
Investment in associate	91,256	82,839
Investment in joint venture	1,132	-
Deferred tax assets	9,011	9,011
	633,544	584,494
Current Assets		
Inventories	8,362	5,717
Trade and other receivables	329,794	211,420
Prepayments	1,450	2,171
Cash and cash equivalents	112,051	86,837
	451,657	306,145
	451,657	306,145
TOTAL ASSETS	1,085,201	890,639
EQUITY AND LIABILITIES		
Equity attributable to owners of the Company		
Share capital	264,160	255,200
Share premium	66,574	57,256
Revaluation reserves	28,317	28,317
Other reserves	(87)	(87)
Retained profits	39,983	40,351
	398,947	381,037
Non-controlling interests	40,941	51,147
Total Equity	439,888	432,184
Non Current Liabilities		
Deferred tax liabilities	-	108
Borrowings	274,976	272,884
	274,976	272,992
Current Liabilities		
Trade and other payables	319,310	154,892
Current tax liability	-	2,000
Borrowings	51,027	28,571
	370,337	185,463
Total Liabilities	645,313	458,455
TOTAL EQUITY AND LIABILITIES	1,085,201	890,639
Net assets per share (sen)	41.6	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 SEPTEMBER 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>Profits</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	-	-	-	-	(19,549)	(19,549)	(12,091)	(31,640)
Total comprehensive income for the period	255,200	57,256	28,317	(87)	20,802	361,488	39,056	400,544
<i>Contributions by owners of the Company</i>								
Conversion of warrants *	8,960	9,318	-	-	-	18,278	-	18,278
Changes in ownership interests in a subsidiary	-	-	-	-	19,181	19,181	1,885	21,066
Total transaction with owners of the Company	8,960	9,318	-	-	19,181	37,459	1,885	39,344
Balance at 30 September 2014	264,160	66,574	28,317	(87)	39,983	398,947	40,941	439,888

* A total of 35,830,004 warrants were 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)

TH HEAVY ENGINEERING BERHAD (634775-D)

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

	CURRENT QUARTER 30-Sep-14	AS AT PRECEEDING FINANCIAL YEAR 31-Dec-13
	(RM'000)	(RM'000)
Net cash from / (used in) operating activities	33,111	(37,811)
Net cash used in investing activities	(85,339)	(39,683)
Net cash from financing activities	24,548	142,486
Net change in cash and cash equivalents	(27,680)	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	53,929	81,609
Cash and cash equivalent at end of the financial period comprise the followings:-		
Cash and bank balances	51,201	63,937
Deposit placed with licensed banks	60,850	22,900
	112,051	86,837
less: Deposits pledged	(58,122)	(5,228)
	53,929	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)