

Financial Results

Reference No SH-090219-31760

Company Name : **SIN HENG CHAN (MALAYA) BERHAD**
 Stock Name : SHCHAN
 Date Announced : 27/02/2009
 Financial Year End : 31/12/2008
 Quarter : 4
 Quarterly report for the financial period ended : 31/12/2008
 The figures : have not been audited

Converted attachment :

Please attach the full Quarterly Report here:

[SHCMB - 4th Quarter 2008.pdf](#)[SHCMB - 4th Quarter Report \(notes\).pdf](#)

Remark:

The condensed consolidated financial results for the quarter ended 31 December 2008 should be read in conjunction with the audited financial statements for the financial year ended 31 December 2007.

SUMMARY OF KEY FINANCIAL INFORMATION
31/12/2008

	INDIVIDUAL PERIOD		CUMULATIVE PERIOD	
	CURRENT YEAR QUARTER	PRECEDING YEAR CORRESPONDING QUARTER	CURRENT YEAR TO DATE	PRECEDING YEAR CORRESPONDING PERIOD
	31/12/2008 RM'000	31/12/2007 RM'000	31/12/2008 RM'000	31/12/2007 RM'000
1Revenue	13,740	17,352	58,458	51,607
2Profit/(loss) before tax	-2,965	2,351	-3,660	1,074
3Profit/(loss) for the period	-2,965	2,368	-3,660	1,091
4Profit/(loss) attributable to ordinary equity holders of the parent	-2,641	2,704	-3,033	1,697
5Basic earnings/(loss) per share (sen)	-2.36	2.42	-2.72	1.52
6Proposed/Declared dividend per share (sen)	0.00	0.00	0.00	0.00
	AS AT END OF CURRENT QUARTER		AS AT PRECEDING FINANCIAL YEAR END	
7Net assets per share attributable to ordinary equity holders of the parent (RM)		0.4100		0.4800

Note: For full text of the above announcement, please access Bursa Malaysia website at www.bursamalaysia.com

Remarks :

The condensed consolidated financial results for the quarter ended 31 December 2008 should be read in conjunction with the audited financial statements for the financial year ended 31 December 2007.



SIN HENG CHAN (MALAYA) BERHAD (1600-V)
(Incorporated in Malaysia)

INTERIM REPORT FOR THE
FOURTH QUARTER ENDED
31 DECEMBER 2008

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SIN HENG CHAN (MALAYA) BERHAD (4690-V)
 INTERIM REPORT FOR THE FOURTH QUARTER ENDED 31 DECEMBER, 2008
 The figures have not been audited.

CONDENSED CONSOLIDATED INCOME STATEMENTS

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	CURRENT YEAR QUARTER 31/12/08 RM'000	PRECEDING YR CORRESPONDING QUARTER 31/12/07 RM'000	CURRENT YEAR TO DATE 31/12/08 RM'000	PRECEDING YR CORRESPONDING PERIOD 31/12/07 RM'000
Revenue	13,740	17,352	58,458	51,607
Cost of Sales	(12,900)	(14,327)	(51,759)	(44,622)
Gross profit	840	3,025	6,699	6,985
Other income	803	3,622	1,219	3,884
Selling and distribution expenses	(1,030)	(693)	(2,416)	(2,576)
General and administrative expenses	(3,183)	(2,666)	(6,895)	(5,243)
Other expenses	(25)	(230)	(752)	(859)
(Loss)/Profit from operations	(2,595)	3,058	(2,145)	2,191
Finance cost	(370)	(707)	(1,515)	(1,117)
(Loss)/Profit before tax	(2,965)	2,351	(3,660)	1,074
Tax	-	17	-	17
(Loss)/Profit for the period	(2,965)	2,368	(3,660)	1,091
Attributable to :				
Equity holders of the parent	(2,641)	2,704	(3,033)	1,697
Minority interest	(324)	(336)	(627)	(606)
	(2,965)	2,368	(3,660)	1,091
(Loss)/Profit per share attributable to equity holders of the parent :				
Basic (sen)	(2.36)	2.42	(2.72)	1.52
Fully diluted (sen)	N/A	1.60	N/A	1.60

*(The condensed consolidated income statements should be read in conjunction with the audited financial statements of the Group for the financial year ended 31 December 2007).
 (The explanatory notes form an integral part of and should be read in conjunction with this Interim financial report)*

SIN HENG CHAN (MALAYA) BERHAD (4690-V)
INTERIM REPORT FOR THE FOURTH QUARTER ENDED 31 DECEMBER, 2008
The figures have not been audited.

CONDENSED CONSOLIDATED BALANCE SHEETS

	(UNAUDITED)	(AUDITED)
	AS AT END OF CURRENT QUARTER 31/12/08 RM'000	AS AT PRECEDING FINANCIAL YEAR ENDED 31/12/07 RM'000
ASSETS		
Non-Current Assets		
Property, Plant and Equipment	88,393	86,710
Other Investments	5	5
Investment Properties	6,314	6,443
Prepaid Lease Rental	22,721	23,440
Goodwill on consolidation	16,354	11,517
Current Assets		
Inventories	7,883	6,506
Receivables	6,556	9,655
Other Receivables	3,439	3,051
Fixed deposits, cash and cash balances	10,463	13,370
	<u>28,341</u>	<u>32,582</u>
TOTAL ASSETS	<u>162,128</u>	<u>160,697</u>
EQUITY & LIABILITIES		
Share Capital	111,667	111,667
Reserves	(49,552)	(46,519)
Equity attributable to equity holders of the parent	62,115	65,148
Minority shareholder's interest	9,692	19,816
	<u>71,807</u>	<u>84,964</u>
Non-Current Liabilities		
Long Term Borrowings	40,113	33,976
Hire-purchase payables	397	518
Deferred Tax Liability	12,093	12,093
	<u>52,603</u>	<u>46,587</u>
Current Liabilities		
Short Term Borrowings	3,978	7,752
Trade Payables	7,898	8,331
Other Creditors	25,643	12,852
Hire-purchase payables	199	211
	<u>37,718</u>	<u>29,146</u>
	<u>162,128</u>	<u>160,697</u>
Net Tangible assets per share (RM)	0.41	0.48

(The condensed consolidated balance sheets should be read in conjunction with the audited financial statements of the Group for the financial year ended 31 December 2007).

(The explanatory notes form an integral part of and should be read in conjunction with this interim financial report)

SIN HENG CHAN (MALAYA) BERHAD (4690-V)
INTERIM REPORT FOR THE FOURTH QUARTER ENDED 31 DECEMBER, 2008
The figures have not been audited.

CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

	Share Capital RM'000	ICULS RM'000	Non-distributable Revaluation Reserves RM'000	Distributable Accumulated Loss RM'000	Total RM'000	Minority Interest RM'000	Total RM'000
<u>3 months quarter ended 31 December 2008</u>							
At 1 October 2008	111,667	-	5,378	(52,289)	64,756	10,016	74,772
Net loss for the financial period	-	-	-	(2,641)	(2,641)	(324)	(2,965)
At 31 December 2008	111,667	-	5,378	(54,930)	62,115	9,692	71,807
<u>3 months quarter ended 31 December 2007</u>							
At 1 October 2007	111,661	6	-	(54,389)	57,278	20,085	77,363
Issue of ordinary shares: - Conversion of ICULS	6	(6)	-	-	-	-	-
Revaluation of property, plant and equipment	-	-	5,378	-	5,378	-	5,378
Net profit/(loss) for the financial period	-	-	-	2,704	2,704	(336)	2,368
Disposal of Subsidiary/Others	-	-	-	(212)	(212)	67	(145)
At 31 December 2007	111,667	-	5,378	(51,897)	65,148	19,816	84,964

(The condensed consolidated statements of changes in equity should be read in conjunction with the audited financial statements of the Group for the financial year ended 31 December 2007.)
(The explanatory notes form an integral part of and should be read in conjunction with this interim financial report)

SIN HENG CHAN (MALAYA) BERHAD (4690-V)
 INTERIM REPORT FOR THE FOURTH QUARTER ENDED 31 DECEMBER, 2008
 The figures have not been audited.

CONDENSED CONSOLIDATED CASH FLOW STATEMENTS

	(UNAUDITED)	(AUDITED)
	12 MONTHS	AS AT
	PERIOD	PRECEDING
	ENDED	FINANCIAL
	31/12/08	YEAR ENDED
	RM'000	31/12/07
		RM'000
Net Cash Generated from Operating Activities	1,545	937
Net Cash Used In Investing Activities	(9,148)	(28,132)
Net Cash Generated From Financing Activities	5,497	30,630
NET CHANGE IN CASH AND CASH EQUIVALENTS	(2,106)	3,435
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	12,171	8,736
CASH AND CASH EQUIVALENTS AT END OF THE PERIOD/YEAR	10,065	12,171
Cash and Cash Equivalents at end of period consist of:-		
Deposits with licensed banks	8,175	10,600
Cash and bank balances	1,890	2,372
Bank Overdrafts	-	(801)
	10,065	12,171

The condensed consolidated cash flow statements should be read in conjunction with the audited financial statements for the financial year ended 31 December 2007 and the accompanying notes attached to the interim financial statements.

SIN HENG CHAN (MALAYA) BERHAD (4690-V)
(Incorporated in Malaysia)

INTERIM REPORT FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2008

NOTES TO THE QUARTERLY FINANCIAL REPORT

A1 Basis of preparation

The unaudited interim financial statements have been prepared in accordance with the requirements of FRS 134 Interim Financial Reporting and paragraph 9.22 of the Bursa Malaysia Securities Berhad's Listing Requirements.

The financial statements should be read in conjunction with the audited financial statements of the Group for the financial year ended 31 December 2007. These 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 financial year ended 31 December 2007.

A2 Changes in accounting policies

The significant accounting policies adopted in this interim financial statement are consistent with those of the audited financial statements for the financial year ended 31 December 2007 except for the adoption of the following applicable new/revised Financial Reporting Standards ("FRS") effective for financial period beginning 1 January 2008.

FRS 107	Cash Flow Statements
FRS 111	Construction Contracts
FRS 112	Income Taxes
FRS 118	Revenue
FRS120	Accounting for Government Grants and Disclosure of Government Assistance
FRS121	Amendments to FRS 121 The Effects of Changes in Foreign Exchange Rates - Net Investment in a Foreign Operation
FRS 134	Interim Financial Reporting
FRS 137	Provisions, Contingent Liabilities and Contingent Assets
FRS 139	Financial Instruments (The Group has not adopted the recognition and measurement because the effective date has yet to be announced)
IC Interpretation 1	Changes in Existing Decommissioning, Restoration and Similar Liabilities
IC Interpretation 2	Members' Shares in Co-Operative Entities and Similar Instruments
IC Interpretation 5	Rights to Interest arising from Decommissioning, Restoration and Environmental Rehabilitation Funds
IC Interpretation 6	Liabilities arising from Participating in a Specific Market - Waste Electrical and Electronic Equipment
IC Interpretation 7	Applying the Restatement Approach under FRS 29 ²⁰⁰⁴ Financial Reporting in Hyperinflationary Economies
IC Interpretation 8	Scope of FRS 2 Share-based Payment

A3 Audit report

The audit report of the preceding annual financial statements was not qualified.

A4 Seasonal or cyclical factors

The operations of the Group during the financial period under review have not been materially affected by any seasonal or cyclical factors.

A5 Unusual items

There were no items during this quarter affecting assets, liabilities, equity, net income, or cash flows that are unusual because of their nature, size, or incidence.

A6 Changes in estimates

There were no changes in estimates of amounts reported in previous year, which have a material effect in the current quarter.

A7 Debt and Equity Securities

There were no issuances, cancellations, repurchases, resale and repayments of debt and equity securities for the current quarter.

A8 Dividend

There was no dividend paid during the financial quarter ended 31 December 2008.

A9 Segmental analysis

The Group is organised into the following operating divisions:

- (i) Feedmilling
- (ii) Poultry Breeding
- (iii) Oil Palm Plantations
- (iv) Investment Holding
- (v) Others (consist of subsidiary companies which are dormant and pre-operating)

Inter-segment sales are charged at cost plus a percentage profit mark-up.

(a) Primary reporting format – business segment

	Feedmilling	Poultry Breeding	Oil Palm Plantations	Investment Holding	Others	Group
2008	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Revenue	32,265	12,991	13,202	-	-	58,458
Segment results						
Profit/(loss) from operations	357	(826)	(553)	(1,110)	(13)	(2,145)
Finance cost	(305)	(128)	(1,067)	(15)	-	(1,515)
Profit/(loss) before tax	52	(954)	(1,620)	(1,125)	(13)	(3,660)
Tax	-	-	-	-	-	-
Profit/(loss) for the period	52	(954)	(1,620)	(1,125)	(13)	(3,660)

(b) Secondary reporting format – geographical segment

No geographical segment is presented as the Group's operations are principally carried out in Malaysia.

A10 Valuations of property, plant and equipment

Revaluation on property, plant and equipment was carried out by the Group in accordance with FRS.

A11 Subsequent events

There were no material events subsequent to 31 December 2008 and up to the date of the issuance of this quarterly report that have not been reflected in this quarterly report.

A12 Changes in the Composition of the Group

On 31 December 2008, the Company entered into Shares Sale & Shareholders and Development agreement to acquire 80,000 ordinary shares of RM1 each representing 80% of the issued and paid up capital in Assar-Tubau Plantation Sdn Bhd ("Assar-Tubau"). Upon completion of the acquisition, Assar-Tubau will be an 80% owned subsidiary of the Company.

A13 Contingent liabilities

A subsidiary had given guarantees to a bank amounting to RM8.5 million for banking facilities extended to a sub-subsidiary of which RM1.1 million has been outstanding as at 31 December 2008.

A14 Capital Commitments

There were no material capital commitments as at 31 December 2008.

A15 Inventories

As at 31 December 2008, the Group did not make any adjustment to its inventory values as it deems that there were no material changes to its net realisable value.

**ADDITIONAL INFORMATION REQUIRED BY THE BURSA MALAYSIA SECURITIES
BERHAD'S LISTING REQUIREMENTS**

B1 Review of Performance

The Group's turnover for the three months ended 31 December 2008 decreased by 21% to RM 13.74 million compared to RM 17.35 million for the corresponding period in the previous year. The decrease in turnover was mainly due to the lower turnover of feed milling and oil palm plantation division.

The Group recorded a loss before tax of RM 2.96 million for the three months ended 31 December 2008 against a profit before tax of RM 2.37 million for the corresponding period in the previous year mainly due to decrease in price of Day Old Chick in poultry industry and oil palm, Fresh Fruit Bunches price.

B2 Material Changes in Profit Before Taxation for the Quarter Reported On As Compared with the Immediate Preceding Quarter

For the three months under review, the Group recorded a loss before tax of RM 2.96 million as compared to a loss before tax of RM 0.076 million for the preceding quarter.

The Group recorded a loss for the current quarter mainly due to the lower gross profit by RM 1.51 million to RM 0.84 million as compared with the preceding quarter gross profit of RM 2.35 million mainly attributable to decrease in price of Day Old Chick in poultry and oil palm, Fresh Fruit Bunches price.

B3 Current Year Prospects

The high feed cost faced by the poultry industry in 2008 was a challenging year for the feed milling and poultry breeding industry. In view of the competitiveness, the Group is committed in growing the business for year 2009.

The oil palm plantation has performed well in 2008 as harvesting has increased and this trend is expected to continue to 2009. However, price of Fresh Fruit Bunches started to drop in third quarter due to drop in price of CPO, which resulted in a negative impact on the Group's result in the last quarter of 2008. As the CPO price is expected to stabilise in year 2009, the Group's performance should be improving.

B4 Profit Forecast or Profit Guarantee

No profit forecast or profit guarantee was provided.

B5 Taxation

No provision for income tax has been made for the group for the quarter ended 31 December 2008.

B6 Profits/(losses) on sale of unquoted investments and/or properties

There was no sale of unquoted investments and/or properties for the current quarter and the financial year-to-date.

B7 Quoted Securities

There were no transactions for the current quarter and the financial year-to-date.

B8 Status of Corporate Proposals

Date of Announcements	Subjects	Status
23 January 2009	Proposed acquisition of 80,000 ordinary shares of RM1.00 each representing 80% issued and paid up share capital in Assar-Tubau Plantation Sdn Bhd.	Pending fulfilment of conditions precedent.

B9 Group Borrowings

Details of the Group's borrowings as at 31 December 2008 were as follows:-

Bank Borrowings	Short Term RM'000	Long Term RM'000	Total RM'000
Secured	422	40,113	40,535
Unsecured	3,556	-	3,556
	<u>3,978</u>	<u>40,113</u>	<u>44,091</u>

The credit facilities of the group are obtained by a negative charge over all its assets.

A subsidiary had given guarantees to a bank amounting to RM8.5 million for banking facilities extended to a sub-subsiary of which RM1.1 million has been outstanding as at 31 December 2008.

Borrowings are denominated in Ringgit Malaysia.

B10 Off balance sheet financial instruments

There were no financial instruments with off balance sheet risk at the date of the issue of this quarterly report.

B11 Material litigation

Urun Plantations Sdn Bhd ("Urun"), a subsidiary of Sin Heng Chan (Malaya) Berhad was served with a 218 Petition commenced in the High Court in Kuching, Sarawak pursuant to the provisions of the Companies Act, 1965. The petition was initiated by Wintrip Maincon Sdn Bhd ("Wintrip") which seeks to recover the sum of RM 2,694,284.26 which it alleges is due to it. On 28.9.2007 the Kuching High Court stayed the petition and in consequence there, directed the parties to refer the dispute to the process of arbitration for determination.

The claim by Wintrip is highly disputed and the Company has initiated a separate suit against Wintrip and its solicitors for appropriate declaratory and related relief.

B12 Dividend

No dividend has been declared for this financial quarter.

B13 (Loss)/Profit Per Share (L/PPS)

		3 Months Ended	
		31.12.2008	31.12.2007
		RM'000	RM'000
Basic profit per share			
Net (loss)/profit attributable to equity holders of the parent for the period	(RM)	(2,641)	2,704
Weighted average number of ordinary shares in issue		111,667	111,667
Basic (loss)/profit per share	(SEN)	(2.36)	2.42

Authorisation for Issue

The interim financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the directors dated 19th February 2009.

By Order of the Board
Lim Siew Ting
Company Secretary
Kuala Lumpur
19th February 2009

c.c. Securities Commission