

Financial ResultsReference No **SH-100211-63983**

Company Name : **SIN HENG CHAN (MALAYA) BERHAD**
 Stock Name : SHCHAN
 Date Announced : 11/02/2010
 Financial Year End : 31/12/2009
 Quarter : 4
 Quarterly report for the financial period ended : 31/12/2009
 The figures : have not been audited

Converted attachment :

Please attach the full Quarterly Report here:

[4th Quarter 2009 - results.pdf](#)[4th Quarter 2009 Report \(notes\).pdf](#)

Remark:

The condensed consolidated financial results for the quarter ended 31 December 2009 should be read in conjunction with the audited financial statements for the financial year ended 31 December 2008.

- [DEFAULT CURRENCY](#)
- [OTHER CURRENCY](#)

Currency : Malaysian Ringgit (MYR)

SUMMARY OF KEY FINANCIAL INFORMATION
31/12/2009

	INDIVIDUAL PERIOD		CUMULATIVE PERIOD	
	CURRENT YEAR	PRECEDING YEAR	CURRENT YEAR TO DATE	PRECEDING YEAR
	QUARTER	CORRESPONDING QUARTER		CORRESPONDING PERIOD
	31/12/2009	31/12/2008	31/12/2009	31/12/2008
	\$'000	\$'000	\$'000	\$'000
1 Revenue	16,177	13,739	62,720	58,457
2 Profit/(loss) before tax	1,824	-3,340	1,172	-4,035
3 Profit/(loss) for the period	1,865	-3,257	1,432	-3,952
4 Profit/(loss) attributable to ordinary equity holders of the parent	1,740	-2,933	1,705	-3,325
5 Basic earnings/(loss) per share (Subunit)	1.56	-2.63	1.53	-2.98
6 Proposed/Declared dividend per share (Subunit)	0.00	0.00	0.00	0.00
7 Net assets per share attributable to ordinary equity holders of the parent (\$\$)	AS AT END OF CURRENT QUARTER		AS AT PRECEDING FINANCIAL YEAR END	
		0.4200		0.4100

Remarks :

The condensed consolidated financial results for the quarter ended 31 December 2009 should be read in conjunction with the audited financial statements for the financial year ended 31 December 2008.

Definition of Subunit:

In a currency system, there is usually a main unit (base) and subunit that is a fraction amount of the main unit. Example for the subunit as follows:

Country	Base Unit	Subunit
Malaysia	Ringgit	Sen
United States	Dollar	Cent
United Kingdom	Pound	Pence



SIN HENG CHAN (MALAYA) BERHAD (4590-V)
(Incorporated in Malaysia)

INTERIM REPORT FOR THE
FOURTH QUARTER ENDED
31ST DECEMBER 2009

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SIN HENG CHAN (MALAYA) BERHAD (4690-V)

INTERIM REPORT FOR THE FOURTH QUARTER ENDED 31st DECEMBER, 2009

The figures have not been audited.

CONDENSED CONSOLIDATED INCOME STATEMENTS

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	CURRENT YEAR QUARTER 31/12/2009 RM'000	PRECEDING YR CORRESPONDING QUARTER 31/12/2008 RM'000	CURRENT YEAR TO DATE 31/12/2009 RM'000	PRECEDING YR CORRESPONDING PERIOD 31/12/2008 RM'000
Revenue	16,177	13,739	62,720	58,457
Cost of Sales	(12,568)	(12,900)	(52,859)	(51,759)
Gross profit	3,609	839	9,861	6,698
Other income	544	803	1,109	1,219
Selling and distribution expenses	(446)	(800)	(2,705)	(2,186)
General and administrative expenses	(1,875)	(715)	(4,991)	(4,427)
Other expenses	293	(3,117)	(867)	(3,844)
Profit from operations	2,125	(2,990)	2,407	(2,540)
Finance cost	(301)	(350)	(1,235)	(1,495)
Profit/(Loss) before tax	1,824	(3,340)	1,172	(4,035)
Tax credit	41	83	260	83
Profit/(Loss) for the period	1,865	(3,257)	1,432	(3,952)
Attributable to :				
Equity holders of the parent	1,740	(2,933)	1,705	(3,325)
Minority interest	125	(324)	(273)	(627)
	<u>1,865</u>	<u>(3,257)</u>	<u>1,432</u>	<u>(3,952)</u>
Profit/(Loss) per share attributable to equity holders of the parent :				
Basic (sen)	<u>1.56</u>	<u>(2.63)</u>	<u>1.53</u>	<u>(2.98)</u>
Fully diluted (sen)	<u>1.54</u>	<u>N/A</u>	<u>1.51</u>	<u>N/A</u>

(The condensed consolidated income statements should be read in conjunction with the audited financial statements of the Group for the financial year ended 31st December 2008).

(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 31st DECEMBER, 2009
The figures have not been audited.

CONDENSED CONSOLIDATED BALANCE SHEETS

	(UNAUDITED)	(AUDITED)
	AS AT END OF CURRENT QUARTER 31/12/2009 RM'000	AS AT PRECEDING FINANCIAL YEAR ENDED 31/12/2008 RM'000
ASSETS		
Non-Current Assets		
Property, Plant and Equipment	90,119	88,394
Other Investments	5	5
Investment Properties	6,178	6,178
Prepaid Lease Rental	22,001	22,721
Goodwill on consolidation	16,354	16,354
Current Assets		
Inventories	7,234	7,883
Trade Receivables	5,224	5,941
Other Receivables	3,446	2,619
Fixed deposits, cash and cash balances	9,548	11,125
	25,452	27,568
TOTAL ASSETS	160,109	161,220
EQUITY & LIABILITIES		
Share Capital	111,667	111,667
Reserves	(48,140)	(49,845)
Equity attributable to equity holders of the parent	63,527	61,822
Minority shareholder's interest	9,419	9,692
	72,946	71,514
Non-Current Liabilities		
Long Term Borrowings	40,000	40,000
Hire-purchase payables	527	397
Deferred Tax Liability	10,943	11,515
	51,470	51,912
Current Liabilities		
Short Term Borrowings	1,229	4,090
Trade Payables	8,200	7,819
Other Creditors	26,017	25,686
Hire-purchase payables	247	199
	35,693	37,794
	160,109	161,220
Net Tangible assets per share (RM)	0.42	0.41

(The condensed consolidated balance sheets should be read in conjunction with the audited financial statements of the Group for the financial year ended 31th December 2008).

(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 31st DECEMBER, 2009
The figures have not been audited.

CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

	Share Capital 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 31st December 2009</u>						
At 1st October 2009	111,667	5,378	(55,258)	61,787	9,294	71,081
Net Profit for the financial period	-	-	1,740	1,740	125	1,865
At 31st December 2009	<u>111,667</u>	<u>5,378</u>	<u>(53,518)</u>	<u>63,527</u>	<u>9,419</u>	<u>72,946</u>
<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	-	(293)	(2,641)	(2,934)	(324)	(3,258)
At 31 December 2008	<u>111,667</u>	<u>5,085</u>	<u>(54,930)</u>	<u>61,822</u>	<u>9,692</u>	<u>71,514</u>

(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 31st December 2008.)

(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 31st DECEMBER, 2009
The figures have not been audited.

CONDENSED CONSOLIDATED CASH FLOW STATEMENTS

	(UNAUDITED)	(AUDITED)
	12 MONTHS PERIOD ENDED 31/12/2009 RM'000	AS AT PRECEDING FINANCIAL YEAR ENDED 31/12/2008 RM'000
Net Cash (Used In)/Generated From Operating Activities	6,388	(774)
Net Cash Used In Investing Activities	(4,835)	(5,016)
Net Cash (Used In)/Generated From Financing Activities	(3,130)	4,346
NET CHANGE IN CASH AND CASH EQUIVALENTS	(1,577)	(1,444)
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD/YEAR	11,125	12,569
CASH AND CASH EQUIVALENTS AT END OF THE PERIOD/YEAR	9,548	11,125
<i>Cash and Cash Equivalents at end of period consist of:-</i>		
<i>Deposits with licensed banks</i>	2,933	8,573
<i>Cash and bank balances</i>	6,615	2,552
	9,548	11,125

The condensed consolidated cash flow statements should be read in conjunction with the audited financial statements for the financial year ended 31st December 2008 and the accompanying notes attached to the interim financial statements.

INTERIM REPORT FOR THE FOURTH QUARTER ENDED 31st DECEMBER 2009

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 31st December 2008. 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 31st December 2008.

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 31st December 2008 except for the adoption of the following applicable new/revised Financial Reporting Standards ("FRS") effective for financial period beginning 1st January 2008.

FRS 4	Insurance Contracts
FRS 7	Financial Instruments: Disclosures
FRS 8	Operating Segments
FRS 139	Financial Instruments: Recognition and Measurement
IC Interpretation 9	Reassessment of Embedded Derivatives
IC Interpretation 10	Interim Financial Reporting and Impairment

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 31st December 2009.

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
2009	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Revenue	33,262	16,947	12,511	-	-	62,720
<u>Segment results</u>						
Profit/(loss) from operations	3,739	(292)	634	(2,010)	336	2,407
Finance cost	(105)	(15)	(1,102)	(13)	-	(1,235)
Profit/(loss) before tax	3,634	(307)	(468)	(2,023)	336	1,172
Tax	(311)	-	292	279	-	260
Profit/(loss) for the period	3,323	(307)	(176)	(1,744)	336	1,432

(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 31st December 2009 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 31st 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 Plantations Sdn Bhd ("Assar-Tubau"). Upon completion of the acquisition, Assar-Tubau will be an 80% owned subsidiary of the Company.

A13 Contingent liabilities

The Company has given guarantees to a bank amounting to RM 7.5 million for banking facilities extended to a subsidiary of which RM 1.2 million has been outstanding as at 31st December 2009.

A14 Capital Commitments

	Year to date <u>31.12.2009</u> RM'000
Balance purchase consideration on acquisition of shares	1,056

A15 Inventories

As at 31st December 2009, 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 31st December 2009 increased by 18% to RM 16.18 million compared to RM 13.74 million for the corresponding period in the previous year. The increase in turnover was mainly due to the higher turnover of plantation and poultry division.

The Group recorded a profit before tax of RM 1.82 million for the three months ended 31st December 2009 against a loss before tax of RM 3.34 million for the corresponding period in the previous year mainly due to decrease cost of sales in plantation division.

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 profit before tax of RM 1.82 million as compared to a profit before tax of RM 0.75 million for the preceding quarter.

The Group recorded an improvement for the current quarter mainly due to the higher gross profit by RM 0.79 million to RM 3.61 million as compared with the preceding quarter gross profit of RM 2.82 million.

B3 Current Year Prospects

The volatile feed cost currently faced by the poultry industry together with low average selling price of DOC indicates a challenging year for the feed milling and poultry breeding industry. Despite of the challenges, the Group is committed in growing the business.

The oil palm plantation continue to perform well in the fourth quarter of Yr 2009 as harvesting has been stable and this trend is expected to continue. Moreover, the price of Fresh Fruit Bunches started to increase due to improve in CPO price in the fourth quarter and expected to stabilise, this should be improving the Group's performance in year 2010.

B4 Profit Forecast or Profit Guarantee

No profit forecast or profit guarantee was provided.

B5 Taxation

	Year to date <u>31.12.2009</u> RM'000
On current year's results	
- Malaysian income tax	311
Transfer (to)/from deferred taxation	(571)
	<hr/> <u>(260)</u>

The effective tax rate of the Group for the financial year under review is higher than the statutory tax rate. This is mainly due to certain expenses which were not deductible for taxation purposes and the non-availability of group relief where tax losses of certain subsidiary companies cannot be set off against the taxable income of other subsidiary companies.

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
23rd 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 31st December 2009 were as follows:-

Bank Borrowings	Short Term RM'000	Long Term RM'000	Total RM'000
Secured	-	40,000	40,000
Unsecured	1,229	-	1,229
	<u>1,229</u>	<u>40,000</u>	<u>41,229</u>

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

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 Profit Per Share

		3 Months Ended	
		31.12.2009	31.12.2008
		RM'000	RM'000
Basic Profit per share			
Net Profit attributable to equity holders of the parent for the period	(RM)	1,740	(2,641)
Weighted average number of ordinary shares in issue		111,667	111,667
Basic Profit per share	(SEN)	1.56	(2.36)
Diluted Earning per share			
Adjusted weighted average number of ordinary shares in issue assuming exercise of ESOS		112,736	N/A
Diluted Earning per share	(SEN)	1.54	N/A

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 4 February 2010.

By Order of the Board
Lim Siew Ting
Company Secretary
Kuala Lumpur
4 February 2010

c.c. Securities Commission