

Financial Results

Reference No SHC-090522-66979

Company Name : **SIN HENG CHAN (MALAYA) BERHAD**
 Stock Name : SHCHAN
 Date Announced : 22/05/2009
 Financial Year End : 31/12/2009
 Quarter : 1
 Quarterly report for the financial : 31/03/2009
 period ended
 The figures : have not been audited

Converted attachment :

Please attach the full Quarterly Report here:

[1st Quarter 2009 Report \(notes\).pdf](#)[1st Quarter 2009 \(final\).pdf](#)

Remark:

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

SUMMARY OF KEY FINANCIAL INFORMATION
31/03/2009

	INDIVIDUAL PERIOD		CUMULATIVE PERIOD	
	CURRENT YEAR QUARTER	PRECEDING YEAR CORRESPONDING QUARTER	CURRENT YEAR TO DATE	PRECEDING YEAR CORRESPONDING PERIOD
	31/03/2009 RM'000	31/03/2008 RM'000	31/03/2009 RM'000	31/03/2008 RM'000
1Revenue	16,741	15,816	16,741	15,816
2Profit/(loss) before tax	-1,496	-271	-1,496	-271
3Profit/(loss) for the period	-1,425	-271	-1,425	-271
4Profit/(loss) attributable to ordinary equity holders of the parent	-904	-206	-904	-206
5Basic earnings/(loss) per share (sen)	-0.81	-0.18	-0.81	-0.18
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)		0.4000		0.4100

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 March 2009 should be read in conjunction with the audited financial statements for the financial year ended 31 December 2008.



SIN HENG CHAN (MALAYA) BERHAD 44889-V,
(Incorporated in Malaysia)

INTERIM REPORT FOR THE
FIRST QUARTER ENDED
31 MARCH 2009

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SIN HENG CHAN (MALAYA) BERHAD (4690-V)
INTERIM REPORT FOR THE FIRST QUARTER ENDED 31 MARCH, 2009
The figures have not been audited.

CONDENSED CONSOLIDATED INCOME STATEMENTS

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	CURRENT YEAR QUARTER 31/3/09 RM'000	PRECEDING YR CORRESPONDING QUARTER 31/3/08 RM'000	CURRENT YEAR TO DATE 31/3/09 RM'000	PRECEDING YR CORRESPONDING PERIOD 31/3/08 RM'000
Revenue	16,741	15,816	16,741	15,816
Cost of Sales	(15,495)	(14,076)	(15,495)	(14,076)
Gross profit	1,246	1,740	1,246	1,740
Other income	72	171	72	171
Selling and distribution expenses	(854)	(453)	(854)	(453)
General and administrative expenses	(1,156)	(1,264)	(1,156)	(1,264)
Other expenses	(467)	(97)	(467)	(97)
(Loss)/Profit from operations	(1,159)	97	(1,159)	97
Finance cost	(337)	(368)	(337)	(368)
Loss before tax	(1,496)	(271)	(1,496)	(271)
Tax credit	71	-	71	-
Loss for the period	(1,425)	(271)	(1,425)	(271)
Attributable to :				
Equity holders of the parent	(904)	(206)	(904)	(206)
Minority interest	(521)	(65)	(521)	(65)
	(1,425)	(271)	(1,425)	(271)
Loss per share attributable to equity holders of the parent :				
Basic (sen)	(0.81)	(0.18)	(0.81)	(0.18)
Fully diluted (sen)	N/A	N/A	N/A	N/A

(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 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 FIRST QUARTER ENDED 31 MARCH, 2009
The figures have not been audited.

CONDENSED CONSOLIDATED BALANCE SHEETS

	(UNAUDITED)	(AUDITED)
	AS AT END OF CURRENT QUARTER 31/3/09 RM'000	AS AT PRECEDING FINANCIAL YEAR ENDED 31/12/08 RM'000
ASSETS		
Non-Current Assets		
Property, Plant and Equipment	88,228	88,394
Other Investments	5	5
Investment Properties	6,146	6,178
Prepaid Lease Rental	22,541	22,721
Goodwill on consolidation	16,354	16,354
Current Assets		
Inventories	8,955	7,883
Receivables	6,236	5,941
Other Receivables	3,304	2,619
Fixed deposits, cash and cash balances	9,196	11,125
	<u>27,691</u>	<u>27,568</u>
TOTAL ASSETS	<u>160,965</u>	<u>161,220</u>
EQUITY & LIABILITIES		
Share Capital	111,667	111,667
Reserves	(50,749)	(49,845)
Equity attributable to equity holders of the parent	60,918	61,822
Minority shareholder's interest	9,171	9,692
	<u>70,089</u>	<u>71,514</u>
Non-Current Liabilities		
Long Term Borrowings	40,000	40,000
Hire-purchase payables	238	397
Deferred Tax Liability	11,444	11,515
	<u>51,682</u>	<u>51,912</u>
Current Liabilities		
Short Term Borrowings	4,399	4,090
Trade Payables	8,789	7,819
Other Creditors	25,896	25,686
Hire-purchase payables	110	199
	<u>39,194</u>	<u>37,794</u>
	<u>160,965</u>	<u>161,220</u>
Net Tangible assets per share (RM)	0.40	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 31 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 FIRST QUARTER ENDED 31 MARCH, 2009
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 March 2009</u>							
At 1 January 2009	111,667	-	5,378	(55,223)	61,822	9,692	71,514
Net loss for the financial period	-	-	-	(904)	(904)	(521)	(1,425)
At 31 March 2009	111,667	-	5,378	(56,127)	60,918	9,171	70,089
<u>3 months quarter ended 31 March 2008</u>							
At 1 January 2008	111,667	-	5,378	(51,897)	65,148	19,816	84,964
Net loss for the financial period	-	-	-	(206)	(206)	(65)	(271)
At 31 March 2008	111,667	-	5,378	(52,103)	64,942	19,751	84,693

(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 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 FIRST QUARTER ENDED 31 MARCH, 2009
The figures have not been audited.

CONDENSED CONSOLIDATED CASH FLOW STATEMENTS

	(UNAUDITED)	(AUDITED)
	3 MONTHS	AS AT
	PERIOD	PRECEDING
	ENDED	FINANCIAL
	31/3/09	YEAR ENDED
	RM'000	31/12/08
		RM'000
Net Cash (Used In)/Generated from Operating Activities	(1,964)	(774)
Net Cash Used In Investing Activities	(26)	(5,016)
Net Cash Generated From Financing Activities	61	4,346
NET CHANGE IN CASH AND CASH EQUIVALENTS	<u>(1,929)</u>	<u>(1,444)</u>
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD/YEAR	11,125	12,569
CASH AND CASH EQUIVALENTS AT END OF THE PERIOD/YEAR	<u>9,196</u>	<u>11,125</u>
Cash and Cash Equivalents at end of period consist of:-		
Deposits with licensed banks	7,813	8,573
Cash and bank balances	1,383	2,552
Bank Overdrafts	-	-
	<u>9,196</u>	<u>11,125</u>

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

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

INTERIM REPORT FOR THE FIRST QUARTER ENDED 31 MARCH 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 31 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 31 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 31 December 2008 except for the adoption of the following applicable new/revised Financial Reporting Standards ("FRS") effective for financial period beginning 1 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 31 March 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	11,415	3,277	2,049	-	-	16,741
Segment results						
Profit/(loss) from operations	941	(904)	(614)	(580)	(2)	(1,159)
Finance cost	(49)	(22)	(263)	(3)	-	(337)
Profit/(loss) before tax	892	(926)	(877)	(583)	(2)	(1,496)
Tax	-	-	71	-	-	71
Profit/(loss) for the period	892	(926)	(806)	(583)	(2)	(1,425)

(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 March 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 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 Plantations 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-subsiary of which RM0.4 million has been outstanding as at 31 March 2009.

A14 Capital Commitments

There were no material capital commitments as at 31 March 2009.

A15 Inventories

As at 31 March 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 31 March 2009 increased by 6% to RM 16.74 million compared to RM 15.82 million for the corresponding period in the previous year. The increase in turnover was mainly due to the higher turnover of feed milling and poultry breeding division.

The Group recorded a loss before tax of RM 1.50 million for the three months ended 31 March 2009 against a loss before tax of RM 0.27 million for the corresponding period in the previous year mainly due to decrease in 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 1.50 million as compared to a loss before tax of RM 2.97 million for the preceding quarter.

The Group recorded an improvement for the current quarter mainly due to the higher gross profit by RM 0.41 million to RM 1.25 million as compared with the preceding quarter gross profit of RM 0.84 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 first quarter of Yr 2009 as harvesting has increase and this trend is expected to continue. However, the price of Fresh Fruit Bunches is still low due to low CPO price but is expected to improve given the current price trends.

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 March 2009.

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 March 2009 were as follows:-

Bank Borrowings	Short Term RM'000	Long Term RM'000	Total RM'000
Secured	382	40,000	40,382
Unsecured	4,017	-	4,017
	<u>4,399</u>	<u>40,000</u>	<u>44,399</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 RM0.4 million has been outstanding as at 31 March 2009.

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 Per Share (LPS)

		3 Months Ended	
		31.03.2009	31.03.2008
		RM'000	RM'000
Basic profit per share			
Net loss attributable to equity holders of the parent for the period	(RM)	(904)	(206)
Weighted average number of ordinary shares in issue		111,667	111,667
Basic loss per share	(SEN)	(0.81)	(0.18)

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 22 May 2009.

By Order of the Board
Lim Siew Ting
Company Secretary
Kuala Lumpur
22 May 2009

c.c. Securities Commission