

Financial ResultsReference No **SH-110523-60428**

Company Name : **SIN HENG CHAN (MALAYA) BERHAD**
 Stock Name : **SHCHAN**
 Date Announced : **24/05/2011**
 Financial Year End : **31/12/2011**
 Quarter : **1**
 Quarterly report for the : **31/03/2011**
 financial period ended
 The figures : **have not been audited**

Converted attachment :

Please attach the full Quarterly Report here:

[SHCM-1st Quarter 2011.pdf](#)[SHCM-1st Quarter 2011\(Note\) Report .pdf](#)

Remark:

- DEFAULT CURRENCY
- OTHER CURRENCY

Currency : Malaysian Ringgit (MYR)

SUMMARY OF KEY FINANCIAL INFORMATION
31/03/2011

	INDIVIDUAL PERIOD		CUMULATIVE PERIOD	
	CURRENT PRECEDING YEAR	CURRENT YEAR	PRECEDING YEAR	
	YEAR	CORRESPONDING	TO DATE	CORRESPONDING
	QUARTER	QUARTER		PERIOD
	31/03/2011	31/03/2010	31/03/2011	31/03/2010
	\$\$'000	\$\$'000	\$\$'000	\$\$'000
1Revenue	15,709	13,983	15,709	13,983
2Profit/(loss) before tax	1,304	-381	1,304	-381
3Profit/(loss) for the period	1,297	-308	1,297	308
4Profit/(loss) attributable to ordinary equity holders of the parent	1,060	-271	1,060	-271
5Basic earnings/(loss) per share	0.95	-0.24	0.95	-0.24

(Subunit)				
6Proposed/Declared dividend per share (Subunit)	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 (\$\$)	0.4600	0.4500

Remarks :

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 (4690-V)
(Incorporated In Malaysia)

INTERIM REPORT FOR THE
FIRST QUARTER ENDED
31ST MARCH 2011

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

INTERIM REPORT FOR THE FIRST QUARTER ENDED 31st MARCH 2011

The figures have not been audited.

CONDENSED CONSOLIDATED INCOME STATEMENTS

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	CURRENT YEAR QUARTER 31/03/2011 RM'000	PRECEDING YR CORRESPONDING QUARTER 31/03/2010 RM'000	CURRENT YEAR TO DATE 31/03/2011 RM'000	PRECEDING YR CORRESPONDING PERIOD 31/03/2010 RM'000
Revenue	15,709	13,983	15,709	13,983
Cost of Sales	(11,131)	(11,634)	(11,131)	(11,634)
Gross profit	4,578	2,349	4,578	2,349
Other income	194	80	194	80
Selling and distribution expenses	(530)	(511)	(530)	(511)
General and administrative expenses	(1,891)	(1,405)	(1,891)	(1,405)
Other expenses	(606)	(550)	(606)	(550)
Profit/(loss) from operations	1,745	(37)	1,745	(37)
Finance cost	(441)	(344)	(441)	(344)
Profit/(loss) before tax	1,304	(381)	1,304	(381)
Tax expense/credit	(7)	73	(7)	73
Profit/(loss) for the period	1,297	(308)	1,297	(308)
Attributable to :				
Equity holders of the parent	1,060	(271)	1,060	(271)
Minority interest	237	(37)	237	(37)
	1,297	(308)	1,297	(308)
Profit/loss per share attributable to equity holders of the parent :				
Basic (sen)	0.95	(0.24)	0.95	(0.24)
Fully diluted (sen)	0.94	N/A	0.94	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 31st December 2010.

(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 31st MARCH 2011
The figures have not been audited.

CONDENSED CONSOLIDATED BALANCE SHEETS

	(UNAUDITED)	(AUDITED)
	AS AT END OF CURRENT QUARTER 31/3/2011 RM'000	AS AT PRECEDING FINANCIAL YEAR ENDED 31/12/2010 RM'000
ASSETS		
Non-Current Assets		
Property, Plant and Equipment	14,092	14,365
Plantation Development Expenditure	80,802	80,858
Other Investments	5	5
Investment Properties	6,178	6,178
Prepaid Lease Rental	23,806	23,998
Goodwill on consolidation	16,825	16,825
Current Assets		
Inventories	7,742	7,687
Trade Receivables	4,528	4,123
Other Receivables, deposits and prepaid expenses	4,693	1,549
Tax Recoverable	3	3
Amount owing by related party	6	6
Fixed deposits, cash and cash balances	7,985	11,086
	<u>24,957</u>	<u>24,454</u>
TOTAL ASSETS	<u>166,665</u>	<u>166,683</u>
EQUITY & LIABILITIES		
Share Capital	111,667	111,667
Reserves	(43,790)	(44,850)
Equity attributable to equity holders of the parent	67,877	66,817
Minority shareholder's interest	12,447	12,210
	<u>80,324</u>	<u>79,027</u>
Non-Current Liabilities		
Long Term Borrowings	33,400	33,400
Hire-purchase payables	1,667	1,624
Deferred Tax Liability	11,258	11,331
	<u>46,325</u>	<u>46,355</u>
Current Liabilities		
Short Term Borrowings	7,547	7,751
Trade Payables	6,680	7,304
Other payables and accrued expenses	25,153	25,448
Tax liabilities	211	235
Hire-purchase payables	425	563
	<u>40,016</u>	<u>41,301</u>
	<u>166,665</u>	<u>166,683</u>
Net Tangible assets per share (RM)	0.46	0.45

(The condensed consolidated balance sheets should be read in conjunction with the audited financial statements of the Group for the financial year ended 31st December 2010).

(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 31st MARCH 2011
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
3 months quarter ended 31 March 2011						
At 1 January 2011	111,667	5,378	(50,228)	66,817	12,210	79,027
Net profit for the financial period	-	-	1,060	1,060	237	1,297
At 31 March 2011	111,667	5,378	(49,168)	67,877	12,447	80,324
3 months quarter ended 31 March 2010						
At 1 January 2010	111,667	5,378	(53,518)	63,527	9,419	72,946
Net loss for the financial period	-	-	(271)	(271)	(37)	(308)
At 31 March 2010	111,667	5,378	(53,789)	63,256	9,382	72,638

(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 2010.)
(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 31st MARCH 2011
The figures have not been audited.

CONDENSED CONSOLIDATED CASH FLOW STATEMENTS

	(UNAUDITED) 3 MONTHS PERIOD ENDED 31/3/2011 RM'000	(AUDITED) AS AT PRECEDING FINANCIAL YEAR ENDED 31/12/2010 RM'000
Net Cash (Used in)/Generated From Operating Activities	(2,386)	5,042
Net Cash Used In Investing Activities	(416)	(6,382)
Net Cash (Used In)/Generated From Financing Activities	(299)	2,336
NET CHANGE IN CASH AND CASH EQUIVALENTS	(3,101)	996
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD/YEAR	11,086	10,090
CASH AND CASH EQUIVALENTS AT END OF THE PERIOD/YEAR	7,985	11,086
Cash and Cash Equivalents at end of period consist of:-		
Deposits with licensed banks	4,073	7,073
Cash and bank balances	3,912	4,013
	7,985	11,086

The condensed consolidated cash flow statements should be read in conjunction with the audited financial statements for the financial year ended 31st December 2010 and the accompanying notes attached to the interim financial statements.

INTERIM REPORT FOR THE FIRST QUARTER ENDED 31st MARCH 2011

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 2010. 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 2010.

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 2010 except for the adoption of the following applicable new/revised Financial Reporting Standards ("FRS").

FRS 1	First-time Adoption of Financial Reporting Standards (Revised)
FRS 3	Business Combinations (Revised)
FRS 127	Consolidated and Separate Financial Statements (Revised)
Amendments to FRS 1	Limited Exemption from Comparative FRS 7 Disclosure for First-time Adopters
Amendments to FRS 1	Additional Exemptions for First-time Adopters
Amendments to FRS 2	Share-based Payment
Amendments to FRS 2	Group Cash-settled Share-based Payment Transactions
Amendments to FRS 5	Non-current Assets Held for Sale and Discontinued Operations
Amendments to FRS 7	Improving Disclosures about Financial Instruments
Amendments to FRS 132	Financial Instruments: Presentation
Amendments to FRS 138	Intangible Assets

Improvements to FRSs (2010)

IC Interpretation 4	Determining whether an Arrangement contains a Lease
IC Interpretation 9	Reassessment of Embedded Derivatives
IC Interpretation 12	Services Concession Arrangements
IC Interpretation 16	Hedges of a Net Investment in a Foreign Operation
IC Interpretation 17	Distributions of Non-cash Assets to Owners
IC Interpretation 18	Transfer of Assets from Customers

The application of the above FRSs, Amendments to FRSs and Interpretations did not result in any significant changes in the accounting policies and presentation of the financial results of the Group.

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 March 2011.

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
2011	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Revenue	5,083	4,555	6,071	-	-	15,709
Segment results						
Profit/(loss) from operations	640	(118)	2,075	(846)	(5)	1,746
Finance cost	(26)	(3)	(410)	(3)	-	(442)
Profit/(loss) before tax	614	(121)	1,665	(849)	(5)	1,304
Tax	(80)	-	73	-	-	(7)
Profit/(loss) for the period	534	(121)	1,738	(849)	(5)	1,297

A9 (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 March 2011 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

There were no changes in the composition of the Group during the quarter and the financial year-to-date.

A13 Contingent liabilities

The Company has given guarantees to a bank amounting to RM 5.7 million for banking facilities extended to a subsidiary of which RM 1.50 million has been outstanding as at 31st March 2011.

A14 Capital Commitments

There were no capital commitments during the quarter and the financial year-to-date.

A15 Inventories

As at 31st March 2011, 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.

A16 Derivatives

There were no derivatives during the financial period under review.

**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 March 2011 increased by 12% to RM15.71 million compared to RM13.98 million for the corresponding period in the previous year. The increase in turnover was mainly due to the higher turnover of plantation division.

The Group recorded a profit before tax of RM1.30 million for the three months ended 31st March 2011 against a loss before tax of RM0.38 million for the corresponding period in the previous year. This is mainly due to higher profit margin for the 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 RM1.30 million as compared to a profit before tax of RM0.81 million for the preceding quarter.

The Group recorded an increase in profit before tax mainly due to higher fresh fruit bunch price and lower selling and distribution expenses.

B3 Current Year Prospects

The increasing feed cost currently faced by the poultry industry will pose a challenge to the feedmilling and poultry industry. Taking into consideration of the competitiveness, the Group is dedicated in growing the business.

The oil palm plantation has performed well in the first quarter of 2011 as harvesting has been improving and Fresh Fruit Bunches price is expected to remain at satisfactory level based on the current price trend.

B4 Profit Forecast or Profit Guarantee

No profit forecast or profit guarantee was provided.

B5 Taxation

	Year to date <u>31.3.2011</u> RM'000
On current year's results	
- Malaysian income tax	(80)
Transfer (to)/from deferred taxation	73
	<u>(7)</u>

The effective tax rate of the Group for the financial year under review is lower than the statutory tax rate mainly due to certain subsidiary company has brought forward business loss.

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

There were no changes of the status of corporate proposals by the Group for the current quarter and financial year-to-date.

B9 Group Borrowings

Details of the Group's borrowings as at 31st March 2011 were as follows:-

Bank Borrowings	Short Term RM'000	Long Term RM'000	Total RM'000
Secured	7,547	33,400	40,947

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 Gains/(losses) arising from fair value changes of financial liabilities

There were no gains/(losses) during this quarter arising from fair value changes of financial liabilities.

B12 Realised and unrealised profits/losses

	<u>Current year to date 31.3.2011</u>	<u>As at preceding financial year ended 31.12.2010</u>
	RM'000	RM'000
Total accumulated losses of Sin Heng Chan (Malaya) Berhad and its subsidiaries:		
- Realised	(77,809)	(79,005)
- Unrealised	-	-
	(77,809)	(79,005)
Less: Consolidation adjustments	28,641	28,777
Total group accumulated losses as per consolidated accounts	(49,168)	(50,228)

B13 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.

B14 Dividend

No dividend has been declared for this financial quarter.

B15 Profit/(loss) Per Share

		3 Months Ended	
		31.3.2011	31.3.2010
		RM'000	RM'000
Basic Profit/(loss) per share			
Net Profit/(loss) attributable to equity holders of the parent for the period	(RM)	1060	(271)
Weighted average number of ordinary shares in issue		111,667	111,667
Basic Profit/(loss) per share	(SEN)	0.95	(0.24)
Diluted Earning per share			
Adjusted weighted average number of ordinary shares in issue assuming exercise of ESOS		112,686	N/A
Diluted Earning per share	(SEN)	0.94	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 23 May 2011.

By Order of the Board
Lim Siew Ting
Company Secretary
Kuala Lumpur
23 May 2011

c.c. Securities Commission