



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

**INTERIM REPORT FOR THE
SECOND QUARTER ENDED
30 JUNE 2014**

CONTENTS

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME	1
CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION	2
CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY	3
CONDENSED CONSOLIDATED CASH FLOW STATEMENTS	4
NOTES TO THE QUARTERLY FINANCIAL REPORT	5 - 10

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

**CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE SECOND QUARTER ENDED 30 JUNE 2014**

(The figures have not been audited)

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	3 MONTHS ENDED 30 JUNE		6 MONTHS ENDED 30 JUNE	
	UNAUDITED	UNAUDITED	UNAUDITED	AUDITED
	2014	2013	2014	2013
	RM'000	RM'000	RM'000	RM'000
Revenue	4,544	3,352	9,951	6,930
Cost of Sales	(3,427)	(2,697)	(8,461)	(5,448)
Gross profit	1,117	655	1,490	1,482
Other income	15	399	29	411
General and administrative expenses	(873)	(1,580)	(1,861)	(3,264)
Other operating expenses	(398)	(304)	(620)	(1,070)
	(139)	(830)	(962)	(2,441)
Finance cost	(543)	(600)	(1,049)	(968)
Share of loss of associated companies	-	-	-	-
Profit before tax	(682)	(1,430)	(2,011)	(3,409)
Tax credit/(expense)	55	71	109	142
Profit from operations	(627)	(1,359)	(1,902)	(3,267)
Equity holders of the parent	(627)	(1,359)	(1,902)	(3,267)
Minority interest	-	-	-	-
	(627)	(1,359)	(1,902)	(3,267)
Earnings per ordinary share				
<i>Basic (sen)</i>	(0.56)	(1.22)	(1.70)	(2.93)
<i>Diluted (sen)</i>	(0.53)	(1.15)	(1.61)	(2.76)

(The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the audited financial statements of the Group for the financial year ended 31 December 2013 and the accompanying explanatory notes attached to this report)

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

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2014**

(The figures have not been audited)

	(UNAUDITED) AS AT 30 JUNE 2014 RM'000	(AUDITED) AS AT 31 DECEMBER 2013 RM'000
ASSETS		
Non-Current Assets		
Property, Plant and Equipment ("PPE")	12,080	11,840
Plantation Development Expenditure ("PDE")	83,676	83,573
Investment Properties	942	942
Prepaid Lease Rental	30,466	30,711
Goodwill on consolidation	16,356	16,356
Investments in Associates	3,246	3,246
Current Assets		
Inventories	1,286	1,513
Trade Receivables	1,132	1,086
Other Receivables	1,079	1,006
Tax recoverable	3	3
Amount owing by related parties	2,054	1,605
Fixed deposits, cash and cash balances	1,341	1,311
	6,895	6,524
TOTAL ASSETS	153,661	153,192
EQUITY & LIABILITIES		
Share Capital	111,667	111,667
ESOS Reserves	225	225
Reserves	(31,199)	(29,297)
Equity attributable to equity holders of the parent	80,693	82,595
Non-Current Liabilities		
Long Term Borrowings	31,575	30,000
Bank Borrowings	741	741
Hire-purchase payables	1,487	1,142
Deferred Tax Liability	9,755	9,864
	43,558	41,747
Current Liabilities		
Bank Overdrafts	20,496	17,092
Trade Payables	1,864	3,809
Other Creditors	6,502	7,107
Amount owing to related parties	71	71
Bank Borrowings	20	39
Hire-purchase payables	423	698
Tax liabilities	34	34
	29,410	28,850
	153,661	153,192
Net tangible assets per share (RM)	0.58	0.59

(The Condensed Consolidated Statement of Financial Position should be read in conjunction with the audited financial statements of the Group for the financial year ended 31 December 2013 and the accompanying explanatory notes attached to this report)

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

**CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
FOR THE SECOND QUARTER ENDED 30 JUNE 2014**

(The figures have not been audited)

	Share Capital RM'000	Non-distributable Revaluation Reserves RM'000	Distributable Accumulated Loss RM'000	Equity Compensation Reserves RM'000	Total RM'000
<u>6 months quarter ended 30 June 2014</u>					
At 1 January 2014	111,667	-	(29,297)	225	82,595
Net profit for the financial period	-	-	(1,902)	-	(1,902)
Remeasurement of ESOS	-	-	-	-	-
At 30 June 2014	111,667	-	(31,199)	225	80,693
<u>6 months quarter ended 30 June 2013</u>					
At 1 January 2013	111,667	4,768	(33,181)	232	83,486
Net profit for the financial period	-	-	(3,267)	-	(3,267)
At 30 June 2013	111,667	4,768	(36,448)	232	80,219

(The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the audited financial statements of the Group for the financial year ended 31 December 2013 and the accompanying explanatory notes attached to this report)

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

**CONDENSED CONSOLIDATED CASH FLOW STATEMENTS
FOR THE SECOND QUARTER ENDED 30 JUNE 2014**

(The figures have not been audited)

	(UNAUDITED)	(AUDITED)
	6 MONTHS PERIOD ENDED 30 JUNE 2014 RM'000	AS AT PRECEDING FINANCIAL YEAR ENDED 31 DECEMBER 2013 RM'000
Profit before tax	(2,011)	245
Adjustment for :		
Amortisation of Plantation Development Expenditure and Prepaid Lease	1,414	2,720
Depreciation of Property, Plant & Equipment ("PPE")	854	1,359
Equity compensation benefits	-	(7)
Finance costs	1,049	1,903
Gain on disposal of Investment Properties / PPE	-	(5,361)
Other non-cash items	(4)	(1,391)
Operating Profit/(loss) before working capital changes	<u>1,302</u>	<u>(532)</u>
(Increase)/decrease in inventories	227	(963)
(Increase)/decrease in receivables and other assets	(119)	61
Increase/(decrease) in payables and other liabilities	(2,550)	(8,239)
Increase/(decrease) in amount owing by related parties	(448)	(770)
Cash from/(used in) operations	<u>(1,588)</u>	<u>(10,443)</u>
Interest paid	(1,049)	(1)
Net cash used in operating activities	<u>(2,637)</u>	<u>(10,444)</u>
Cash flows from/(used in) investing activities		
Acquisition of a subsidiary company	-	3
Addition of plantation development expenditure	(1,272)	(1,852)
Purchase of property, plant and equipment	(546)	(5,275)
Proceeds from disposal of investment properties / PPE	-	754
Interest received	17	39
Net cash (used in)/from investing activities	<u>(1,801)</u>	<u>(6,331)</u>
Cash flows from/(used in) financing activities		
Proceeds from drawdown of borrowings - net	1,575	1,973
Repayment of hire-purchase - net	(419)	(637)
Interest paid	(91)	(2,531)
Net cash (used in)/from financing activities	<u>1,065</u>	<u>(1,195)</u>
NET CHANGE IN CASH AND CASH EQUIVALENTS	<u>(3,373)</u>	<u>(17,970)</u>
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	<u>(15,782)</u>	<u>2,188</u>
CASH AND CASH EQUIVALENTS AT END OF THE PERIOD/YEAR	<u>(19,155)</u>	<u>(15,782)</u>
Cash and Cash Equivalents at end of period consist of:-		
Deposits with licensed banks	1,050	1,050
Cash and bank balances	291	260
Bank Overdrafts	(20,496)	(17,092)
	<u>(19,155)</u>	<u>(15,782)</u>

(The Condensed Consolidated Cash Flow Statement should be read in conjunction with the audited financial statements of the Group for the financial year ended 31 December 2013 and the accompanying explanatory notes attached to this report)