

Quarterly report on consolidated results for the financial quarter ended 31-10-2000.

The figures have not been audited.

1. Consolidated Income Statement

	Individual Current Year Quarter 31-10-2000 RM '000	Quarter Preceding Year Corres. Quarter 31-10-1999 RM '000	Cumulative Current Year To Date 31-10-2000 RM '000	Quarter Preceding Year Corres. Period 31-10-1999 RM '000
1. a) Turnover	63,272	61,676	129,714	124,427
b) Investment Income	0	290	0	569
c) Other income including Interest Income	247	59	721	112
2. a) Operating profit / (Loss) before interest on borrowings, depreciation and amortisation, exceptional items, income tax, minority interests and extraordinary items	23,006	8,966	36,373	13,384
b) Interest on borrowings	6	215	13	528
c) Depreciation and amortisation	3,010	2,067	5,714	3,867
d) Exceptional items-Gain / (Loss)	(6,057)	0	(7,696)	0
e) Operating profit / (Loss) after interest on borrowings, depreciation and amortisation, and exceptional items but before income tax, minority interests and extraordinary items	13,940	6,684	22,950	8,989
f) Share in results of associated company	419	281	936	549
g) Profit / (Loss) before taxation, minority interests and extraordinary items	14,359	6,965	23,886	9,538
h) Taxation	28	98	99	100
i) (i) Profit / (Loss) after taxation, before deducting minority interests	14,331	6,867	23,787	9,438
(ii) Less minority interests	(62)	90	(115)	28

	Individual Current Year Quarter 31-10-2000 RM '000	Quarter Preceding Year Corres. Quarter 31-10-1999 RM '000	Cumulative Current Year To Date 31-10-2000 RM '000	Quarter Preceding Year Corres. Period 31-10-1999 RM '000
j) Profit / (Loss) after taxation attributable to members of the company	14,393	6,777	23,902	9,410
k) (i) Extraordinary items	0	0	0	0
(ii) Less minority interest	0	0	0	0
(iii) Extraordinary items attributable to members of the company	0	0	0	0
l) Profit / (Loss) after taxation and extraordinary items attributable to members of the company	14,393	6,777	23,902	9,410
3. a) Earning per share based on 2(j) above after deducting any provision for preference dividends, if any:-				
(i) Basic (based on 104,859,023 ordinary shares) (sen)	13.73	9.40	22.79	13.00
(ii) Fully diluted (based on 140,603,425 ordinary shares) (sen)	10.41	7.70	17.17	11.40

2. Consolidated Balance Sheet

	As at End of Current Quarter 31-10-2000 RM '000	As at Preceding Financial Year End 30-4-2000 RM '000
1. Fixed Assets	261,004	276,435
2. Investment in Associated Companies	5,016	6,183
3. Long Term Investment	23,331	23,325
4. Intangible Assets	0	0
5. Current Assets		
Stocks	20,700	24,516
Trade Debtors	28,806	33,560
Short Term Investments	14,000	100
Cash	8,482	8,064
Others	3,296	4,336
6. Current Liabilities		
Short Term Borrowings	58,118	14,962
Trade Creditors	4,369	25,962
Other Creditors	50	23,943
Provision for Taxation	644	717
Others	8,302	3,735
7. Net Current Assets/ (Current Liabilities)	3,801	1,257
8. Shareholders' Funds		
Share Capital	104,859	104,859
Reserves		
Share Premium	15,076	15,076
Revaluation Reserve	0	0
Capital Reserve	0	0
Statutory Reserve	0	0
Retained Profit	162,891	137,200
Others	8,356	10,030
9. Minority interests	1,970	2,085
10. Long Term Borrowings	0	0
11. Other Long Term Liabilities	0	37,950
12. Net Tangible Assets Per Share (RM)	2.78	2.57

3. Explanatory Notes

1. The accounting policies and method of computation are similar to those used in the recent 30th April 2000 financial statement.
2. The exceptional item for the current financial year to date is the devaluation of quoted investments, amounting to RM 7.696 million.
3. There is no extraordinary item.
4. The tax figure do not contain any deferred tax or adjustments for under or over provision in respect of prior years.
5. There are no pre-acquisition profits or losses for the current financial year to date.
6. There are no sale of investments and / or properties for the current financial year to date.
7. a) There were purchase of quoted securities, amounting to RM 20,000 for the financial year to date. These were rights issue from the existing shares held.

b) The investments in quoted shares as at end of 31-10-2000 are:

	<u>RM</u>
1. At Cost	25,566,090
2. At Carrying Value	15,173,491
3. At Market Value	15,173,491
8. On 19-9-2000, a fully-owned new subsidiary, Centre For Sight Sdn Bhd was formed. Its principal business is to establish and conduct eye and vision centres for the provision of ophthalmoscope, optical surgery and consultancy, to produce, buy, sell, import and export of all types of optical equipment and instrument and to conduct, carry out and perform experiment and research works on advance and hi-tech eye sight and vision correction technologies. There were no disposal of subsidiaries nor any restructuring or discontinuing operations.
9. There are no corporate proposals during this quarter.
10. The company is not subject to any seasonality or cyclicity of operations.
11. There were no issuance and repayment of debt and equity securities, share buy-backs, share cancellations, shares held as treasury shares and resale of treasury shares for the current financial year to date.

12. The status of Group borrowings & debt securities are as follows -:

a) <u>Group Borrowings & Debt Securities</u>	<u>RM</u>	<u>Nature</u>
Bank Borrowings	20,168,408	Unsecured & Short-Term
Unsecured Redeemable Bonds	37,950,000	Unsecured & Short-Term (Due In 7th April 2001)

b) All borrowings are in Ringgit Malaysia.

13. There are no contingent liabilities as at 31-10-2000.

14. There are no financial instruments with off balance sheet risk.

15. There are no material litigation pending as at 31-10-2000.

16. Segment analysis of the group as at 31-10-2000.

	Turnover	Profit / (Loss) Before Taxation	Assets Employed
	RM '000	RM '000	RM '000
By activities :			
Manufacturing & Marketing	115,357	31,834	130,848
Property Development	0	231	139,413
Warehouse & Bulk Conveyor Operation	2,251	132	6,004
Development, Managing & Operating of Private Hospital	11,054	(1,311)	79,806
Others	1,052	(7,000)	8,564
	<u>129,714</u>	<u>23,886</u>	<u>364,635</u>

17. The material increase in the profit before taxation compared to the preceding quarter (corresponding year) is largely contributed by its subsidiary, Pofachem (M) Sdn Bhd.

18. a) The company has generated some dividend income of RM 489,567. However, a provision has been made for the devaluation of quoted shares as at 31-10-2000, amounting to RM 7.696 million, thereby causing the company to have a loss of RM 7.38 million.
- b) The subsidiary, Pofachem (M) Sdn Bhd manufactures oleochemicals. Its profit in this quarter has increased due to a significant drop in raw material prices compared to the selling prices. Pofachem (M) Sdn Bhd has generated a profit before tax of RM 31.58 million.

All other subsidiaries has no material factors affecting their earnings.

19. The current year prospects is quite normal. There are no foreseeable factors that is likely to influence the company's prospect.
20. Not applicable.
21. No decision has been made to recommend any dividend.

The Kuala Lumpur Stock Exchange
Block A, Exchange Square,
Damansara Heights,
50490 Kuala Lumpur.

31-12-2000

Dear Sir / Madam,

Quarterly Reporting of Financial Statements

We are pleased to file with you the financial statements for quarter ended 31-10-2000.

These financial statements are: 1. Income Statement
2. Balance Sheet &
3. Explanatory Notes

Thank You.

Yours faithfully,
Southern Acids (M) Bhd

Dato' Low Mong Hua DPMS
Chairman / Managing Director