

The Kuala Lumpur Stock Exchange
9th Floor, Exchange Square,
Bukit Kewangan.
50200 Kuala Lumpur.

24-12-2001

Dear Sir / Madam,

Quarterly Reporting of Financial Statements

We are pleased to file with you the financial statements for quarter ended 31-10-2001.

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

Quarterly report on consolidated results for the financial quarter ended 31-10-2001.

The figures have not been audited.

1. Consolidated Income Statement

	Individual Current Year Quarter 31-10-2001 RM '000	Quarter Preceding Year Corres. Quarter 31-10-2000 RM '000	Cumulative Current Year To Date 31-10-2001 RM '000	Quarter Preceding Year Corres. Period 31-10-2000 RM '000
1. a) Revenue	54,787	63,272	104,092	129,714
b) Investment Income	159	0	661	0
c) Other income	153	247	238	721
2. a) Profit / (Loss) before finance cost depreciation and amortisation, exceptional items, income tax, minority interests and extraordinary items	9,073	23,006	21,894	36,373
b) Finance cost	58	6	118	13
c) Depreciation and amortisation	3,413	3,010	6,742	5,714
d) Exceptional items-Gain / (Loss)	0	(6,057)	0	(7,696)
e) Profit / (Loss) before income tax, minority interests and extraordinary items	5,602	13,940	15,034	22,950
f) Share of profits and losses of associated companies	441	419	882	936
g) Profit / (Loss) before taxation, minority interests and extraordinary items	6,043	14,359	15,916	23,886
h) Income tax	76	28	261	99
i) (i) Profit / (Loss) after taxation, before deducting minority interests	5,967	14,331	15,655	23,787
(ii) Less minority interests	(148)	(62)	(205)	(115)

	Individual Current Year Quarter 31-10-2001 RM '000	Quarter Preceding Year Corres. Quarter 31-10-2000 RM '000	Cumulative Current Year To Date 31-10-2001 RM '000	Quarter Preceding Year Corres. Period 31-10-2000 RM '000
j) Pre-acquisition profit / (loss), if applicable	0	0	0	0
k) Net profit / (loss) from ordinary activities attributable to members of the company	6,115	14,393	15,860	23,902
l) (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
m) Net profit / (loss) attributable to members of the company	6,115	14,393	15,860	23,902
3. a) Earning per share based on 2(j) above after deducting any provision for preference dividends, if any:-				
(i) Basic (based on 104,859,187 ordinary shares) (sen)	5.83	13.73	15.13	22.79
(ii) Fully diluted (based on 137,574,629 ordinary shares) (sen)	4.55	10.41	11.80	17.17

2. <u>Consolidated Balance Sheet</u>	As at End of Current Quarter 31-10-2001 RM '000	As at Preceding Financial Year End 30-4-2001 RM '000
1. Property, plant and equipment	257,948	264,592
2. Investment property	0	0
3. Investment in Associated Companies	4,807	3,924
4. Long Term Investment	15,670	16,199
5. Goodwill on consolidation	0	0
6. Intangible Assets	5,362	4,424
7. Other long term assets	0	0
8. Current Assets		
Inventories	24,506	20,970
Trade receivables	29,466	29,197
Short Term Investments	0	11,000
Cash	19,553	16,483
Other debtors, deposits & prepayments	8,470	8,859
9. Current Liabilities		
Trade payables	14,128	10,243
Other payables	10,944	21,034
Short Term Borrowings	16,441	35,512
Provision for Taxation	(7)	550
Proposed dividend	0	5,243
Amount due to directors	7	1,271
Amount due to shareholders	1,508	0
Dividends Payable	5,364	121
10. Net current assets or current liabilities	33,610	12,535
11. Shareholders' Funds		
Share Capital	104,859	104,859
Reserves		
Share Premium	15,076	15,076
Revaluation Reserve	0	0
Capital Reserve	7,221	7,221
Statutory Reserve	0	0
Retained Profit	186,915	170,762
Others	(62)	230
12. Minority interests	1,884	2,088
13. Long Term Borrowings	0	0
14. Other Long Term Liabilities	1,504	1,438
15. Deferred taxation	0	0
16. Net Tangible Assets Per Share (RM)	2.94	2.92

3. Explanatory Notes

1. The accounting policies and method of computation are adopted in accordance with the applicable and approved MASB Standards and any other technical pronouncements issued by Malaysian Accounting Standards Board. There is no change in the accounting policies and methods adopted as compared with those used in the recent 30th April 2001 audited financial statements.
2. There is no exceptional item for the current quarter and financial year to date.
3. There is no extraordinary item.
4. There is no adjustment for under and over provision of tax in prior years.
5. There were no sale of unquoted investments or properties for the financial year to date.
6. a) There were no sale of any quoted investments for the financial year to date.
b) The investments in quoted shares as at end of 31-10-2001 are:

	<u>RM</u>
1. At Cost	25,586,090
2. At Carrying Value (30/4/2001)	13,119,873
3. At Market Value (31/10/2001)	15,396,326
7. The Group acquired a new subsidiary company, Supagri Venture Sdn Bhd on 29th August, 2001. The paid up capital of this 90% owned new subsidiary is RM 612. It is presently dormant.
8. There were no corporate proposals announced during the current quarter.
9. There were no issuance and repayment of debt and equity securities, share buy-backs, share cancellation, shares held as treasury shares and resale of treasury shares for the current financial year to date.
10. The status of Group borrowings & debt securities are as follows -:

<u>Group Borrowings & Debt Securities</u>	<u>RM</u>	<u>Nature</u>
Bank Borrowings	16,440,952	Unsecured & Short-Term
- b) All borrowings are in Ringgit Malaysia.
11. There are no contingent liabilities as at 31-10-2001.
12. There are no financial instruments with off balance sheet risk as at 31-10-2001.
13. There are no pending material litigation as at 31-10-2001.

14. Segment analysis of the group as at 31-10-2001.

	Turnover	Profit / (Loss) Before Taxation	Assets Employed
	RM '000	RM '000	RM '000
By activities :			
Manufacturing & Marketing	85,705	15,604	114,998
Property Development	0	172	140,908
Warehouse & Bulk Conveyor Operation	1,785	(224)	9,043
Development, Managing & Operating of Private Hospital	16,181	(189)	82,178
Others	421	553	18,655
	<u>104,092</u>	<u>15,916</u>	<u>365,782</u>

15. The profit before tax of the Group for this quarter is RM 6.043 million compared to RM 9.873 million in the preceding quarter. The decrease in the profit of RM 3.83 million is largely due to the dropped in profit in its major subsidiary, Pofachem (M) Sdn Bhd.
16. The performance of its principal subsidiary, Pofachem (M) Sdn Bhd was affected by high cost of raw materials in that quarter.
17. The Group had undertaken a new joint venture project with P.T. Bakrie Sumatera Plantations together with two other parties, P.T. Kuala Mas Abadi and Koperasi Karyawan BSP through its 90% owned new subsidiary company, Supagri Ventures Sdn Bhd which is acquired on 29th August 2001 (refers to Note 7). The project involves the building, financing and operating of palm oil mill at Kisaran, North Sumatera, Indonesia. This was announced on 20th September 2001.
18. The principal subsidiary, Pofachem (M) Sdn Bhd is subject to cyclical prices in their raw material supplies. The principal raw materials are crude palm oil, crude palm stearine and palm kernel oil.
19. Barring any unforeseen circumstances, profits for the remaining quarters to the end of the financial year would be the same.
20. Not applicable.
21. No decision has been made to recommend any dividend.