

Company No. 64577 - K



SOUTHERN ACIDS (M) BERHAD
(Company No. 64577- K)
(Incorporated in Malaysia)
AND ITS SUBSIDIARY COMPANIES

INTERIM FINANCIAL REPORT
FOR THE FINANCIAL YEAR ENDING 31 MARCH 2015

FIRST FINANCIAL QUARTER ENDED 30 JUNE 2014
(Figures are not audited unless otherwise specified)
(In Ringgit Malaysia)



SOUTHERN ACIDS (M) BERHAD
(Incorporated in Malaysia)
AND ITS SUBSIDIARY COMPANIES

FINANCIAL YEAR ENDING 31 MARCH 2015
INTERIM FINANCIAL REPORT
FIRST FINANCIAL QUARTER ENDED 30 JUNE 2014

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SOUTHERN ACIDS (M) BERHAD
(Incorporated in Malaysia)
AND ITS SUBSIDIARY COMPANIES

FINANCIAL YEAR ENDING 31 MARCH 2015
CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS
FOR THE FIRST FINANCIAL QUARTER ENDED 30 JUNE 2014

	Note	Cumulative 3-month Ended	
		30.06.2014	30.06.2013
		RM'000	RM'000
Revenue	A8	151,169	130,117
- Cost of sales		(125,667)	(105,982)
Gross profit		25,502	24,135
- Other income		368	1,474
- Selling and distribution costs		(2,832)	(2,536)
- Administrative expenses		(10,733)	(9,615)
Profit before tax	A8	12,305	13,458
- Income tax expense	B5	(2,753)	(3,477)
Profit for the year	B13	9,552	9,981
Attributable to:			
- Equity holders of the Company		7,748	8,328
- Non-controlling interests		1,804	1,653
		9,552	9,981
Earnings per share (sen) attributable to equity holders of the Company			
- Basic and diluted	B11	5.66	6.08



SOUTHERN ACIDS (M) BERHAD
(Incorporated in Malaysia)
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FINANCIAL YEAR ENDING 31 MARCH 2015
CONDENSED CONSOLIDATED STATEMENT OF OTHER COMPREHENSIVE
INCOME FOR THE FIRST FINANCIAL QUARTER ENDED 30 JUNE 2014

	Note	Cumulative 3-month Ended	
		30.06.2014	30.06.2013
		RM'000	RM'000
Profit for the year	B13	9,552	9,981
Other comprehensive income			
Items that may be reclassified			
subsequently to profit or loss:			
- Available-for-sale financial			
assets		(1,307)	860
- Exchange differences on			
translation of foreign			
subsidiaries		(5,618)	632
Items that will not reclassified			
subsequently to profit or loss:			
- Remeasurement of defined			
benefit obligation		-	-
Total comprehensive income		<u>2,627</u>	<u>11,473</u>
for the year		<u><u>2,627</u></u>	<u><u>11,473</u></u>
Attributable to:			
- Equity holders of the		2,902	9,585
Company			
- Non-controlling interests		<u>(275)</u>	<u>1,888</u>
		<u><u>2,627</u></u>	<u><u>11,473</u></u>

The consolidated income statements and consolidated statement of comprehensive income should be read in conjunction with the audited financial statements for the financial year ended 31 March 2014, and the accompanying notes attached to these interim financial statements.



SOUTHERN ACIDS (M) BERHAD
(Incorporated in Malaysia)
AND ITS SUBSIDIARY COMPANIES

FINANCIAL YEAR ENDING 31 MARCH 2015
CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS OF 30 JUNE 2014

	Note	Unaudited As of 30.06.2014 RM'000	Audited As of 31.03.2014 RM'000
ASSETS			
Non-Current Assets			
Land held for property development		141,944	141,944
Property, plant and equipment	A9	122,776	115,325
Investment property		3,318	3,318
Biological assets		10,280	10,424
Available-for-sale investments		34,170	35,478
Advances for KKPA program		2,029	1,478
Deferred tax assets		744	782
		315,261	308,749
Current Assets			
Inventories		61,158	61,412
Derivative financial assets		-	1,188
Trade receivables		43,398	45,747
Other receivables, deposits and prepaid expenses		7,303	7,469
Tax recoverable		7,461	2,328
Fixed deposits, short-term placements, and cash and bank balances		154,597	156,742
		273,917	274,886
TOTAL ASSETS		589,178	583,635



SOUTHERN ACIDS (M) BERHAD
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FINANCIAL YEAR ENDING 31 MARCH 2015
CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS OF 30 JUNE 2014 (cont'd)

	Unaudited As of 30.06.2014 RM'000	Audited As of 31.03.2014 RM'000
EQUITY AND LIABILITIES		
Capital and Reserves		
Share capital	136,934	136,934
Reserves	340,539	337,637
	<hr/>	<hr/>
Equity attributable to equity holders of the Company	477,473	474,571
Non-controlling interests	40,317	40,592
	<hr/>	<hr/>
Total Equity	517,790	515,163
	<hr/>	<hr/>
Non-Current Liabilities		
Provision for retirement benefits	7,302	7,350
Deferred tax liabilities	3,556	3,558
	<hr/>	<hr/>
	10,858	10,908
	<hr/>	<hr/>
Current Liabilities		
Trade payables	21,051	17,393
Other payables and accrued expenses	33,660	37,106
Tax liabilities	5,698	2,944
Dividend payable	121	121
	<hr/>	<hr/>
	60,530	57,564
	<hr/>	<hr/>
TOTAL LIABILITIES	71,388	68,472
	<hr/>	<hr/>
TOTAL EQUITY AND LIABILITIES	589,178	583,635
	<hr/> <hr/>	<hr/> <hr/>

The consolidated statement of financial position should be read in conjunction with the audited financial statements for the financial year ended 31 March 2014, and the accompanying notes attached to these interim financial statements.



SOUTHERN ACIDS (M) BERHAD
(Incorporated in Malaysia)
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FINANCIAL YEAR ENDING 31 MARCH 2015
CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE FIRST FINANCIAL QUARTER ENDED 30 JUNE 2014

The Group	Non-distributable Reserves				Fair value reserve RM'000	Distributable reserve - Retained earnings RM'000	Equity attributable to equity holders of the Company RM'000	Non-controlling interests RM'000	Total Equity RM'000
	Share capital RM'000	Share premium RM'000	Foreign exchange reserve RM'000	Other reserve RM'000					
As of 1 April 2013	136,934	34,321	(5,065)	(322)	13,768	267,147	446,783	35,972	482,755
Profit for the year	-	-	-	-	-	8,328	8,328	1,653	9,981
Other comprehensive loss	-	-	397	-	860	-	1,257	235	1,492
Total comprehensive income/(loss)	-	-	397	-	860	8,328	9,585	1,888	11,473
Dividend paid	-	-	-	-	-	-	-	-	-
Dividend paid to non-controlling shareholders of a subsidiary company	-	-	-	-	-	-	-	-	-
As of 30 June 2013	136,934	34,321	(4,668)	(322)	14,628	275,475	456,368	37,860	494,228
As of 1 April 2014	136,934	34,321	(10,790)	(322)	15,324	299,104	474,571	40,592	515,163
Profit for the year	-	-	-	-	-	7,748	7,748	1,804	9,552
Other comprehensive income/(loss)	-	-	(3,539)	-	(1,307)	-	(4,846)	(2,079)	(6,925)
Total comprehensive income/(loss)	-	-	(3,539)	-	-	7,748	2,902	(275)	2,627
Dividend paid	-	-	-	-	-	-	-	-	-
Dividend paid to non-controlling shareholders of a subsidiary company	-	-	-	-	-	-	-	-	-
As of 30 June 2014	136,934	34,321	(14,329)	(322)	14,017	306,852	477,473	40,317	517,790

The consolidated statement of changes in equity should be read in conjunction with the audited financial statements for the financial year ended 31 March 2014, and the accompanying notes attached to these interim financial statements.



SOUTHERN ACIDS (M) BERHAD
(Incorporated in Malaysia)
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FINANCIAL YEAR ENDING 31 MARCH 2015
CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE FIRST FINANCIAL QUARTER ENDED 30 JUNE 2014

	Cumulative 3-month Ended	
	30.06.2014	30.06.2013
	RM'000	RM'000
Cash Flows From/(Used In) Operating Activities		
Profit before tax	12,305	13,458
Adjustments for:		
- Dividend income	(939)	(912)
- Interest income	(1,278)	(1,104)
- Unrealised loss/(gain) on foreign exchange	1,447	(882)
- Depreciation of property, plant and equipment	2,266	2,207
- Inventories written down	(96)	185
- Gain arising from derivative financial assets	-	900
- Provision for retirement benefits	284	103
- Amortisation of biological assets	179	182
- Gain on disposal of property, plant and equipment	(43)	-
	<hr/>	<hr/>
Operating Profit Before Working Capital Changes	14,125	14,137
(Increase)/decrease in :		
- Inventories	349	1,528
- Trade receivables	2,825	543
- Other receivables, deposit and prepaid expenses	167	(199)
Increase/(decrease) in:		
- Trade payables	3,658	(7,303)
- Other payables and accrued expenses	(3,446)	1,138
	<hr/>	<hr/>
Cash Generated From Operating Activities	17,678	9,844
- Income tax paid	(4,970)	(1,897)
- Retirement benefits paid	(189)	(112)
	<hr/>	<hr/>
Net Cash From Operating Activities	12,519	7,835
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SOUTHERN ACIDS (M) BERHAD
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FINANCIAL YEAR ENDING 31 MARCH 2015
CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE FIRST FINANCIAL QUARTER ENDED 30 JUNE 2014 (cont'd)

	Cumulative 3-month Ended	
	30.06.2014	30.06.2013
	RM'000	RM'000
Cash Flows From/(Used In) Investing Activities		
- Interest received	1,278	1,104
- Dividend received	939	912
- Investment in quoted share	-	-
- Net conversion for KKPA and Plasma projects	(551)	(655)
- Proceeds from disposal of property, plant and equipment	44	-
- Addition to:		
- property, plant and equipment	(11,524)	(1,892)
- biological assets	(561)	(135)
Net Cash Used In Investing Activities	(10,375)	(666)
Cash Flows Used In Financing Activity		
- Dividend paid	-	-
Net Cash Used In Financing Activity	-	-
Net Increase in Cash and Cash Equivalents	2,144	7,169
Cash and Cash Equivalents at Beginning of Year	156,742	148,497
Effect of Translation Differences	(4,289)	888
Cash and Cash Equivalents at End of Year	154,597	156,554
Composition of Cash and Cash Equivalents:		
- Fixed deposits with licensed banks	33,326	42,516
- Short-term placements	55,559	66,428
- Cash and bank balances	65,712	47,610
	154,597	156,554

The consolidated statement of cash flow should be read in conjunction with the audited financial statements for the financial year ended 31 March 2014, and the accompanying notes attached to these interim financial statements.



SOUTHERN ACIDS (M) BERHAD
(Incorporated in Malaysia)
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FINANCIAL YEAR ENDING 31 MARCH 2015
FIRST FINANCIAL QUARTER ENDED 30 JUNE 2014
EXPLANATORY NOTES TO THE INTERIM FINANCIAL REPORT

This Interim Financial Report has been prepared in accordance with the requirements of paragraph 9.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad and complies with the requirements of the Financial Reporting Standard (FRS) No. 134 – Interim Financial Reporting and other FRS issued by the Malaysian Accounting Standards Board (“MASB”).

This Interim Financial Report is unaudited and should be read in conjunction with the Group’s annual audited financial statements for the financial year ended 31 March 2014. The explanatory notes to the Interim Financial Report provide 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 March 2014.

A. Explanatory Notes Pursuant To FRS 134

A1. Basis of Preparation

A1.1. The accounting policies and presentation adopted for this Interim Financial Report is consistent with those adopted for the annual financial statements for the financial year ended 31 March 2014, except for the adoption of the new/revised Standards and IC Interpretations which were in issue but not yet effective and not early adopted by the Group are as listed below:

FRS 9 Financial Instruments (IFRS 9 issued by IASB in November 2009)¹

FRS 9 Financial Instruments (IFRS 9 issued by IASB in October 2010)¹

Amendments to FRS 9 and FRS 7 Financial Instruments: Disclosures (Amendments relating to Mandatory Effective Date of FRS 9 (IFRS 9 issued by IASB in November 2009 and October 2010 respectively) and Transition Disclosures)¹

Amendments to FRS 119 Defined Benefit Plans - Employee Contributions²

Annual Improvements to FRSs 2010 - 2012 cycle (issued in February 2014)²

Annual Improvements to FRSs 2011 - 2013 cycle (issued in February 2014)²

1. Effective for annual periods beginning on or after 1 January 2015 instead of 1 January 2013 immediately upon the issuance of Amendments to FRS 9 (IFRS 9 issued by IASB in November 2009 and October 2010 respectively) and FRS 7 relating to “Mandatory Effective Date of FRS 9 and Transition Disclosures” on 1 March 2012
2. Effective for annual periods beginning on or after 1 July 2014

The adoption of these new/revised Standards and IC Interpretations when they become effective, are not expected to have material financial impacts on the financial statements in the period of initial adoptions, if applicable.



A1.2. Malaysian Financial Reporting Standards

On 19 November 2011, the Malaysian Accounting Standards Board (“MASB”) issued a new MASB approved accounting framework, the Malaysian Financial Reporting Standards Framework (“MFRS Framework”), a fully-IFRS compliant framework. Entities other than private entities shall apply the MFRS Framework for annual periods beginning on or after 1 January 2012, with the exception of Transitioning Entities (“TEs”).

TEs, being entities within the scope of MFRS 141 Agriculture and/or IC Interpretation 15: Agreements for the Construction of Real Estate, including its parents, significant investors and venturers were given a transitional period of two years, which allowed these entities an option to continue with the FRS Framework. Following the announcement by the MASB on 7 August 2013, the transitional period for Transitioning Entities has been extended for an additional year.

Accordingly, the Group, being TE, has availed itself of this transitional arrangement and will continue to apply FRSs in their next set of financial statements. Accordingly, the Group will be required to prepare its first set of MFRS financial statements when the MFRS Framework is mandated by MASB.

A2. Qualification Of Audit Report Of The Preceding Annual Financial Statements

There was no qualification of audit report for the preceding annual financial statements.

A3. Seasonal or Cyclical Factors

The performance and results of the Group’s Oleochemicals Division which uses palm oils as its main ingredient, and the Plantation & Milling division, are subject to the cyclical fluctuation in prices of palm oils, which are affected by seasonal weather conditions.

A4. Unusual Items

There were no items of an unusual nature, size or incidence which materially affect the assets, liabilities, equity, net income or cash flow during the current quarter under review and financial year-to-date.

**A5. Material Changes in Estimates**

There were no changes in the estimates of amounts reported in the prior interim periods of the current financial year-to-date or changes in estimates of amounts reported in prior financial years.

A6. Debt and Equity Securities

There were no issuance, cancellation, repurchases, resale and/or repayment of debt and equity securities during the current quarter under review and financial year-to-date.

A7. Dividend Paid

No dividend was paid by the Company during the interim financial period under review.

A8. Segmental Information

	Cumulative 3-month Ended 30.06.2014		Cumulative 3-month Ended 30.06.2013	
	Revenue RM'000	Profit/(loss) before tax RM'000	Revenue RM'000	Profit/(loss) before tax RM'000
Manufacture and sales of oleochemical products	98,694	3,379	84,730	7,445
Sales of oil palm fruit and crude palm oil	26,913	5,536	24,106	5,779
Private hospital operations	22,160	2,498	18,290	566
Warehouse and bulk conveyor operations	1,954	982	1,588	553
Others	1,448	(90)	1,403	(885)
	<u>151,169</u>	<u>12,305</u>	<u>130,117</u>	<u>13,458</u>

The warehouse and bulk conveyor operations are now operating based on a short-term land lease at Northport of Pelabuhan Klang.



A9. Carrying Amount of Revalued Assets

There were no changes to the valuation of property, plant and equipment valuation brought forward from the previous audited financial statements for the financial year ended 31 March 2014 to the current quarter under review and financial year-to-date.

A10. Material Event Subsequent to the End of the Interim Financial Period

There were no material events subsequent to be disclosed as at the date of this report.

A11. Changes in Composition of the Group

There were no change in the composition of the Group, including business combination, acquisition and/or disposal of subsidiary companies and long term investments, restructuring, and discontinued operations during the interim financial period under review.

A12. Changes in Contingencies

There were no change in the contingent liabilities or contingent assets since the last audited financial statements for the financial year ended 31 March 2014 save for the following:

Particularly referring to Note 33 (a) and (b) of the Contingencies of the last financial year ended 31 March 2014, the Board had on its meeting held on 28 May 2014 mandated the Chairman of Governance & Audit Committee and the Chief Financial Officer/Executive Director to take necessary steps to resolve both contingencies which have been long outstanding .

- On Note 33 (a) of the Contingency, the Company had on 28 May 2014 wrote to Southern Realty (Malaya) Sdn. Berhad. seeking cooperation to access all relevant information on the questionable transactions allegedly committed by the four former senior officials of the Company. This is because the alleged questionable transactions occurred between the periods from 1989 to 2002 and are inter-related involving at least thirteen other private companies which are not within Southern Acids (M) Berhad's ("SAB") control. In addition, all SAB's key personnel involved during the said periods are no longer with the SAB & its subsidiaries. As at the date of this report, the Company has not received any reply yet.

The directors are unable to ascertain, at this juncture, whether there will be any material financial impact on the Group arising from the abovesaid claim.



- On Note 33 (b) of the Contingency, the Company had on 10 July 2014 appointed Messrs David Lai & Tan to contact the counterparty's solicitors as soon as possible to get the latest status and to seek solution to the alleged claim. To the best knowledge of the Board, none of the seven other defendants have filed their defence as at to date.

Subsequently on 19 August 2014, our solicitors had received a letter dated 15 August 2014 from the Plaintiff's lawyer proposing a withdrawal of the suit with no order as to costs. In response, the Company had on 21 August 2014 instructed our solicitors to accept the proposed withdrawal. Our official acceptance letter dated 22 August 2014 was acknowledged by the Plaintiff's lawyer on even date. With that, the suit is now deemed settled.

A13. Capital Commitments

Capital commitments not recognized in the interim financial statements as at 30 June 2014 is as follows :

Capital expenditure :

	RM'000
Contracted but not provided for	<u>24,288</u>

A14. Related Party Transactions

During the financial period under review, the material business transactions entered by the Group with related parties were as follows:

	Cumulative 3-month Ended 30.06.2014 RM'000	Cumulative 3-month Ended 30.06.2013 RM'000
Sales of goods	162	393
Purchase of goods	1,130	331
Provision of administrative services	<u>509</u>	<u>432</u>



B. Explanatory Notes Pursuant to Paragraph 9.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad

B1. Detailed Analysis of the Performance of the Group's Operating Segments

Current Quarter vs Preceding Corresponding Quarter

In the current quarter under review, the Group's revenue increased by 16.2% to RM151.2 million compared to the preceding corresponding quarter's revenue of RM130.1 million. Despite an increase in revenue, the Group's profit before taxation ("PBT") decreased 8.6% by RM1.2 million to RM12.3 million compared to PBT of RM13.5 million. The decrease of PBT was mainly due to lower contribution by Oleochemical Division.

1. Oleochemicals Division

Oleochemicals Division registered an increase of 16.5% revenue to RM98.7 million, however PBT decreased by 54.6% to RM3.4 million compared to the preceding corresponding quarter. The decrease in PBT of RM4.1 million was due to the following:-

- Decrease in PBT from operation of RM2.4 million; and
- Decrease in other income of RM1.7 million.

The decrease in PBT from operation was due to higher raw material cost, utilities cost and labour cost. The decrease in other income was mainly due to the net loss in forex exchange as follow:-

- Realised gain of RM1.0 million; and
- Unrealised loss of RM2.7 million.

2. Plantations & Milling Division

Plantations & Milling Division registered an increase of 11.6% in revenue to RM26.9 million, however PBT decreased by 4.2% to RM5.5 million compared to the preceding corresponding quarter. The increase in revenue was mainly due to 26.4% increase in average selling price despite a 11.1% depreciation in IDR/MYR exchange rate. The marginal decrease in PBT of RM0.2 million was mainly due to lower interest income.

3. Healthcare Division

Healthcare Division registered revenue of RM22.2 million and PBT of RM2.5 million which is an increase of 21.2% and 341.3% respectively compared to the preceding corresponding quarter. The increase in revenue and PBT was mainly contributed by 36.3% higher in bed occupancy while both number of patients and the Average Revenue Per Patient ("ARPP") registered a marginal increase.



4. Warehousing & Conveying Division

Warehousing & Conveying Division registered 23.0% increase in revenue to RM2.0 million and 77.6% increase in PBT to RM1.0 million compared to the preceding corresponding quarter.

Both higher revenue and PBT were contributed by the improvement in operation efficiency, higher handling volume and better rate compared to the preceding corresponding quarter for both warehousing and handling.

B2. Material Changes in Financial Results compared to that of the Immediate Preceding Quarter

In the current quarter under review, the Group registered a 12.6% lower PBT to RM12.3 million compared to the immediate preceding quarter's PBT. The lower PBT of RM1.8 million was mainly due to lower contribution of RM3.7 million by Plantation & Milling Division. This was cushioned by better contribution of RM1.7 million by Healthcare Division as well as higher dividend income.

B3. Prospect of the Group

The Company is cautiously optimistic of its current financial year ending 31 March 2015 ("FY2015") performance whilst striving to improve the operation efficiency and productivity as the performance of FY2015 will be greatly influenced by the following: -

- Uncertainty and volatility in currency exchange rate of USDMYR and MYRIDR;
- Uncertainty and volatility in CPO prices;
- Respective relevant government regulatory and authority such as biodiesel mandate, export tariff; and
- Land lease renewal for the Warehousing & Conveying Division.

In summary, the Board is of the opinion that the Group's performance for FY2015 will remain challenging and as such will take necessary steps to maintain the good financial performance.

B4. Profit Forecast

There were no profit forecast and profit guarantee issued during the current quarter under review and financial year-to-date.

**B5. Income Tax Expense**

	Cumulative 3-month Ended	
	30.06.2014	30.06.2013
	RM'000	RM'000
Estimated tax payable		
- Malaysian tax expense	1,182	2,000
- Overseas tax expense	1,571	1,477
	2,753	3,477
- Provision of deferred tax assets	-	-
Total	2,753	3,477

B6. Corporate Proposals

There were no outstanding corporate proposals announced but not completed as at the date of this report.

B7. Group Borrowings and Debt Securities

There were no outstanding borrowing and debt securities as at 30 June 2014.

B8. Financial Instruments

The Group did not enter into any new type of derivatives during the interim financial period under review that had not been disclosed in the preceding year's annual audited financial statements.

(a) Foreign currency forward contract

Sales denominated in foreign currencies constitute a substantial portion of the Group annual revenue. The Group enters into foreign currency exchange contracts to manage its exposure to fluctuations in foreign currency exchange rates.

There was no outstanding foreign currency exchange contracts as at 30 June 2014.



(b) Commodity future contracts

Commodity future contracts were entered into to manage exposure to adverse movements in crude palm oil prices. These contracts were entered into and continue to be held for the purpose of the receipt or delivery of the physical commodity in accordance with the Group's usage requirements.

Gains or losses arising from these contracts are deferred and included in the measurement of the purchase or sale transactions only upon the recognition of the anticipated transactions.

As at 30 June 2014, total outstanding commodity future contracts of the group amounted to RM4.9 million, with effective dates of execution up to Sept 2014.

B9. Material Litigation

As at the date of this report, there were no material litigation since the last audited financial statements for the financial year ended 31 March 2014.

B10. Dividends

The Company had on 23 July 2014 announced the proposed dividends of 5 sen per ordinary share of RM1.00 each, single tier, amounting to RM6,846,707.

The proposed dividends are subject to approval by shareholders at the forthcoming Annual General Meeting of the Company and has not been included as liability in the interim financial statements. Upon approval by shareholders, the cash dividend payment will be accounted for in equity as an appropriation of retained earnings during the FY 31 March 2015.

B11. Earnings per Share

	Cumulative 3-month Ended	
	30.06.2014	30.06.2013
Profit attributable to equity holders of the Company (in RM'000)	7,748	8,328
Weighted average number of ordinary shares in issue (in '000)	136,934	136,934
Basic earnings per share (in Sen)	5.66	6.08

**B12. Realised and Unrealised Retained Earnings**

	Unaudited As of 30.06.2014 RM'000	Audited As of 31.03.2014 RM'000
Total retained earnings of the Group		
- Realised	313,110	306,182
- Unrealised	3,268	2,044
	<u>316,378</u>	<u>308,226</u>
Less: Consolidation adjustments	(9,526)	(9,122)
Total Group retained earnings	<u>306,852</u>	<u>299,104</u>

B13. Profit for the Year

	Cumulative 3-month Ended 30.06.2014 RM'000	30.06.2013 RM'000
Profit for the year is arrived at after crediting /(debiting) the following income /(expenses):		
- Interest income	1,278	1,104
- Other income including investment income	588	311
- Depreciation and amortization	(2,445)	(2,389)
- Inventories written down	98	185
- (Loss)/Gain on foreign exchange:		
Realised	(51)	77
Unrealised	(1,447)	882
- Unrealised loss on derivatives financial assets	-	(900)

Other items of disclosure pursuant to Appendix 9B, Part A, paragraphs 16 and 17 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad are not applicable for disclosure.

B14. Auditors' Report on Preceding Annual Financial Statements

The audit report for the financial year ended 31 March 2014 was not subject to any qualifications.

This Interim Financial Report of Southern Acids (M) Berhad for the first quarter of FY 2015, was authorised for issuance by the Board of Directors of the Company during its meeting held on 26 August 2014.