



SOUTHERN ACIDS (M) BERHAD

**42nd ANNUAL
GENERAL MEETING**

30 AUGUST 2023

**SHAREHOLDERS
BRIEFING**





SLIDE 1 **SOURCE OF INFORMATION & DISCLAIMER**

Source of Information Used For The Presentation

- ❖ **The Company's 2023 Annual Report; and**
- ❖ **All other information that are available from Bursa Malaysia Securities Berhad's website.**

Disclaimer

Information contained in this presentation is intended solely for your reference. Such information and its accuracy are subject to change without notice and it may not contain all material information concerning the Company. We do not make any representation regarding, and assumes no responsibility or liability for, the accuracy or completeness of, or any errors or omissions in, any information contained herein.



SLIDE 2 **CONTENT**

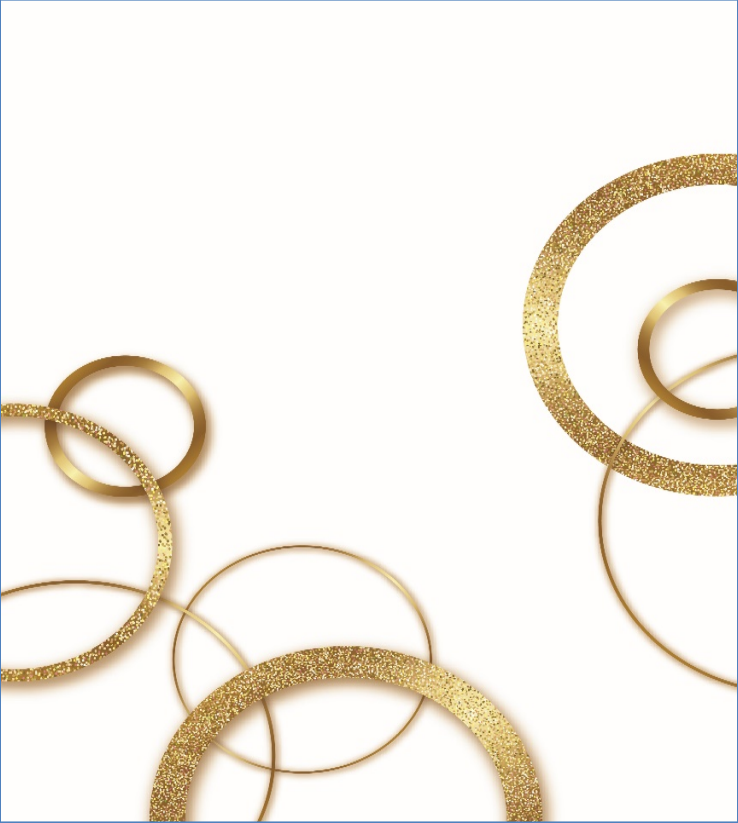
- 1. Southern Acids (M) Berhad (“SAB or the Company”) & Its Subsidiaries**
 - a. SAB & Its Subsidiaries’ Key Financial Highlights For The Financial Year Ended 31 March 2023 (“FY2023”); and**
 - b. SAB & Its Subsidiaries’ Financial Performance For The FY2023**

- 2. The Respective Segments**
 - a. Review Of The Respective Segments’ Financial Performance**
 - b. Respective Segments’ Outlook For The Financial Year Ending 31 March 2024 (“FY2024”)**

- 3. Questions & Answers**



SOUTHERN ACIDS (M) BERHAD



SAB & ITS SUBSIDIARIES KEY FINANCIAL PERFORMANCE & HIGHLIGHTS FOR FY2023



SLIDE 3

SAB & ITS SUBSIDIARIES' FINANCIAL PERFORMANCE

	FY2023 RM'000	FY2022 RM'000	Changes RM'000
Consolidated Revenue	1,099,875	1,176,249	(76,374)
Consolidated Profit Before Tax ("PBT") /(Loss Before Tax)("LBT")	74,909	149,855	(74,946)
Segment's PBT/(LBT)			
Oleochemical Manufacturing	(27,149)	43,763	(70,912)
Milling & Cultivation	74,552	86,652	(12,100)
Healthcare Services	31,420	26,468	4,952

Highlights

- Despite a marginal drop in revenue, PBT was substantially lower for FY2023
- This was due to losses posted by Oleochemical Manufacturing as well as lower PBT from Milling & Cultivation.

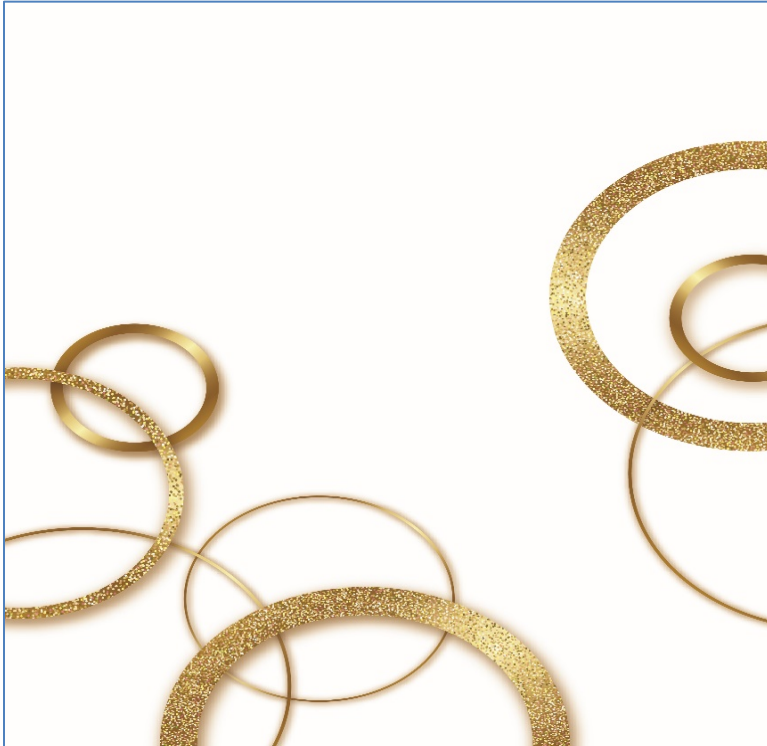


SLIDE 4
SAB & ITS SUBSIDIARIES' KEY FINANCIAL HIGHLIGHTS

	FY2023 (RM'000)	FY2022 (RM'000)	Changes (RM'000)
Consolidated Revenue	1,099,875	1,176,249	(76,374)
Consolidated Profit After Tax And Minority Interest	33,292	94,420	(61,128)
Earnings Per Share	24.3 sen	69.0 sen	(44.7 sen)
Net Asset Per Share	5.51 sen	5.31 sen	0.20 sen
Shareholders' Equity	754,927	727,470	27,457
Dividend Per Share	5.00 sen	5.00 sen	-



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REVIEW OF THE RESPECTIVE SEGMENTS' FINANCIAL PERFORMANCE



SLIDE 5

OLEOCHEMICAL MANUFACTURING FINANCIAL PERFORMANCE

	FY2023 RM'000	FY2022 RM'000	Changes RM'000
Revenue	478,996	494,334	(15,338)
PBT/(LBT)			
Core PBT/(LBT)	(27,777)	33,317	(61,094)
Non-Core PBT	628	10,446	(9,818)
	(27,149)	43,763	(70,912)

Highlights

- A marginal drop in revenue but a substantial LBT, and from a PBT to LBT
- Recorded a gross loss which due to higher production costs, the main factors: -
 - Lower gross profit margin
 - Energy costs
 - Stock written down; and
 - Higher upkeep of plant & machinery costs



SLIDE 6

OLEOCHEMICAL MANUFACTURING OUTLOOK FOR FY2024

Challenging, key factors are as follows:-

1. External factors;

- ❖ Highly competition in global market;
- ❖ USD/MYR exchange rate; and
- ❖ Volatility of commodity prices.

1. Internal factors;

- ❖ Rising production costs; and
- ❖ Increasing trend of regulated items (especially utilities prices and wages).



SLIDE 7

MILLING & CULTIVATION FINANCIAL PERFORMANCE

	FY2023 RM'000	FY2022 RM'000	Changes RM'000
Revenue	484,796	568,484	(83,688)
PBT			
Core PBT	52,417	71,510	(19,093)
Non-Core PBT	22,135	15,142	6,993
	74,552	86,652	(12,100)

Highlights

1. Lower revenue was mainly due to lower average selling price (“ASP”) for both crude palm oil (“CPO”) and palm kernel (“PK”) as well as lower sales volume.



SLIDE 8 **MILLING & CULTIVATION OUTLOOK FOR FY2024**

Challenging, the performance of Milling & Cultivation is largely subjected to the following uncontrollable factors:-

- ❖ Commodity prices;
- ❖ Availability of fresh fruit bunches, externally and internally;
- ❖ Higher production costs such as labour, fertiliser as well as fuel costs; and
- ❖ Climate change.



SLIDE 9

HEALTHCARE SERVICES FINANCIAL PERFORMANCE

	FY2023 RM'000	FY2022 RM'000	Changes RM'000
Revenue	112,727	95,998	16,729
PBT			
Core PBT	28,808	23,251	5,557
Non-Core PBT	2,612	3,217	(605)
	31,420	26,468	4,952

Highlights

1. Higher revenue was mainly contributed to the increase in number of inpatients;
2. In tandem with higher revenue, PBT was also higher



SLIDE 10

HEALTHCARE SERVICES OUTLOOK FOR FY2024

Continue stable growth

- ❖ Continue to improve our service levels as follow:-
 - High quality of healthcare services
 - Upgrade of medical facilities; and
 - Attract pool of medical professionals



SLIDE 11

SAB & ITS SUBSIDIARIES' OUTLOOK FOR FY2024

**In short, we remain cautious,
the concern over a weaker than expected
economic growth,
both locally and globally.**



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THANK YOU

**QUESTIONS
&
ANSWERS**