NOTES TO THE INTERIM FINANCIAL REPORT FOR THE 2ND QUARTER ENDED 30 JUNE 2013 PURSUANT TO FINANCIAL REPORTING STANDARD (FRS) 134

1. Basis of Preparation

The interim financial report is unaudited and has been prepared in accordance with requirement of Malaysian Financial Reporting Standard 134 (MFRS 134): Interim Financial Reporting issued by the Malaysian Accounting Standards Board ("MASB"), International Accounting Standard ("IAS") 34: Interim Financial Reporting issued by the International Accounting Standards Board ("IASB") and paragraph 9.22 (Appendix 9B part A) of the Main Market Listing Requirements ("Listing Requirements") of the Bursa Malaysia Securities Berhad ("Bursa Securities").

The significant accounting policies and methods of computation adopted in the preparation of this interim financial report are consistent with those adopted in the audited financial statements of the Company for the financial year ended 31 December 2012 except for the adoption of the following new Malaysian Financial Reporting Standards ("MFRS") and IC Interpretations ("IC Int."):

MFRSs/IC Interpretations

MFRS 1	First-time Adoption of Malaysian Financial Reporting Standards
MFRS 2	Share-based Payment
MFRS 3	Business Combinations
MFRS 4	Insurance Contract
MFRS 5	Non-current Assets Held for Sale and Discontinued Operations
MFRS 6	Exploration for and Evaluation of Mineral Resources
MFRS 7	Financial Instruments: Disclosures
MFRS 8	Operating Segments
MFRS 101	Presentation of Financial Statements
MFRS 102	Inventories
MFRS 107	Statement of Cash Flows
MFRS 108	Accounting Policies, Changes in Accounting Estimates and Errors
MFRS 110	Events after the Reporting Period
MFRS 111	Construction Contracts
MFRS 112	Income Taxes
MFRS 116	Property, Plant & Equipment
MFRS 117	Leases
MFRS 118	Revenue
MFRS 119	Employee Benefits
MFRS 120	Accounting for Government Grants and Disclosure of Government Assistance
MFRS 121	The Effects of Changes in Foreign Exchange Rates
MFRS 123	Borrowing Costs
MFRS 124	Related Party Disclosures
MFRS 126	Accounting and Reporting by Retirement Benefit Plans
MFRS 127	Consolidated and Separate Financial Statements
MFRS 128	Investment in Associates
MFRS 129	Financial Reporting in Hyperinflationary Economies
MFRS 131	Interest in Joint Ventures
MFRS 132	Financial Instruments: Presentation

MFRS 133	Earnings Per Share
MFRS 134	Interim Financial Reporting
MFRS 136	Impairment of Assets
MFRS 137	Provisions, Contingent Liabilities and Contingent Assets
MFRS 138	Intangible Assets
MFRS 139	Financial Instrument: Recognition and Measurement
MFRS 140	Investment Property
MFRS 141	Agriculture
IC Int. 1	Changes in Existing Decommissioning, Restoration and Similar Liabilities
IC Int. 2	Members' Shares in Co-operative Entities and Similar Instruments
IC Int. 4	Determining Whether an Arrangement contains a Lease
IC Int. 5	Rights to Interests Arising from Decommissioning, Restoration and Environmental Rehabilitations Funds
IC Int. 6	Liabilities arising from Participating in a Specific Market-Waste Electrical and Electronic Equipment
IC Int. 7	Applying the Restatement Approach under MFRS 129 Financial Reporting in Hyperinflationary Economies
IC Int. 9	Reassessment of Embedded Derivatives
IC Int. 10	Interim Financial Reporting and Impairment
IC Int. 12	Service Concession Arrangements
IC Int. 13	Customer Loyalty Programmes
IC Int. 14	MFRS 119 –The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction
IC Int. 15	Agreements for the Construction of Real Estate
IC Int. 16	Hedges of a Net Investment in a Foreign Operation
IC Int. 17	Distributions of Non-cash Assets to Owners
IC Int. 18	Transfers of Assets from Customers
IC Int. 19	Extinguishing Financial Liabilities with Equity Instruments
IC Int. 107	Introduction of the Euro
IC Int. 110	Government Assistance – No Specific Relation to Operating Activities
IC Int. 112	Consolidation – Special Purpose Entities
IC Int. 113	Jointly Controlled Entities – Non-Monetary Contributions by Venturers
IC Int. 115	Operating Leases- Incentives
IC Int. 125	Income Taxes – Change in the Tax Status of an Entity or its Shareholders
IC Int. 127	Evaluating the Substance of Transactions Involving the Legal Form of a Lease
IC Int. 129	Service Concession Arrangements: Disclosures
IC Int. 131	Revenue – Barter Transactions Involving Advertising Services
IC Int. 132	Intangible Assets – Web Site Costs

The audited financial statements of the Group for the financial year ended 31 December 2012 ere prepared in accordance with FRS. As the requirements under FRS and MFRS are similar, the adoption of the above MFRSs and IC Interpretations does not have any significant impact on the financial performance and financial position of the Group. In compliance with MFRS 1, First-time Adoption of MFRS, the Group has presented the statement of financial position as at 1 January 2013 which is the beginning of the earliest comparative period, in the interim financial report without any restatement on the financial information.

The Group has not applied in advance the following MFRSs, Amendments to MFRSs and IC Interpretations that have been issued by MASB but not yet effective for the current financial year:

		Effective Date
MFRS 9	Financial Instruments	1 January 2015
MFRS 10	Consolidated Financial Statements	1 January 2013
MFRS 11	Joint Arrangements	1 January 2013
MFRS 12	Disclosure of Interest in Other Entities	1 January 2013
MFRS 13	Fair Value Measurement	1 January 2013
MFRS 119	Employee Benefits	1 January 2013
MFRS 127	Separate Financial Statements	1 January 2013
MFRS 128	Investments in Associates and Joint Ventures	1 January 2013
Amendments to MFRS 1	Government Loans	1 January 2013
Amendments to MFRS 7	Disclosure – Offsetting Financial Assets and Financial Liabilities	1 January 2013
Amendments to MFRS 101	Presentation of Items of Other Comprehensive Income	1 July 2012
Amendments to MFRS132	Offsetting Financial Assets and Financial Liabilities	1 January 2014
IC Int. 20	Stripping Costs in the Production Phase of a Surface Mine	1 January 2013

The interim financial report should be read in conjunction with the audited financial statements of the Company for the financial year ended 31 December 2012 and the accompanying explanatory notes attached to this interim financial report.

2. Auditors' Report

There was no qualification on the audited financial statements of the Group for the financial year ended 31 December 2012.

3. Seasonal and Cyclical Factors

The principal business operations of the Group were not affected by any seasonal and cyclical factors.

4. Exceptional and Extraordinary Items

There were no exceptional or extraordinary items in the current quarter under review.

5. Changes in Accounting Estimates

There were no changes in accounting estimates for the current quarter under review.

6. Issuances, Cancellations, Repurchase, Resale and Repayments of Debt and Equity Securities

Employee Share Option Scheme

During the current quarter ended 30 June 2013, there were no new ordinary shares exercised and issued pursuant to the Company's Employee Share Option Scheme.

Share Buyback

There were no share buyback transactions during the quarter under review. The number of shares retained as treasury shares as at 30 June 2013 stood at 1,002,000.

7. Dividend Paid

Dividends paid to-date are tabulated below:

Financial Year	Description	Payment Date	Dividend (%)	Value (RM'000)
2001	First & final tax exempt dividend	28.08.2002	3.6%	1,440
2002	First & final tax exempt dividend	27.08.2003	4.5%	1,800
2003	First & final tax exempt dividend	27.08.2004	4.5%	3,638
2004	First & final tax exempt dividend	18.07.2005	5.0%	4,486
2005	Interim tax exempt dividend Final tax exempt dividend	09.01.2006 18.07.2006	3.0% 3.5%	2,695 3,960
2006	First & final tax exempt dividend	18.06.2007	6.5%	7,357
2007	Interim tax exempt dividend Final tax exempt dividend	28.01.2008 28.06.2008	3.0% 3.5%	3,979 4,626
2008	Interim tax exempt dividend Final tax exempt dividend	08.01.2009 08.07.2009	3.0% 3.5%	3,922 4,545
2009	Interim tax exempt dividend Special tax exempt dividend Final tax exempt dividend	18.11.2009 20.04.2010 28.06.2010	5.0% 9.0% 8.0%	6,567 12,213 10,856
2010	1st interim tax exempt dividend 2nd interim tax exempt dividend Final tax exempt dividend	01.10.2010 18.03.2011 28.07.2011	5.0% 5.0% 5.0%	8,486 8,502 8,502
2011	Interim tax exempt dividend Final tax exempt dividend	08.12.2011 28.06.2012	6.0% 3.5%^	10,202 11,903
2012	Interim tax exempt dividend Final tax exempt dividend	18.01.2013 18.06.2013	4.0%^ 6.0%^	13,583 20,404
	Total			**153,666**

^ note that the dividend rate is based on 680.2 million shares following a 1-for-1 bonus issue completed on 31 January 2012

e = estimated

8. Segmental Reporting

For management purposes, the Group is organized into the following operating divisions:

- Investment holding
- Manufacturing of gloves
- Trading of gloves
- Others

THE GROUP CUMULATIVE 6 MONTHS	Investment Holding RM'000	Manu-facturing RM'000	Trading RM'000	Others RM'000	Elimination RM'000	Consolidated RM'000
Revenue						
External sales	-	157,549	492,995	-	-	650,544
Inter-segment sales	-	473,216	67,872	2,018	(543,106)	-
	-	630,765	560,867	2,018	(543,106)	650,544
Segmental results	(693)	68,691	5,254	-		73,252
Finance costs						(4,370)
Other income						-
Share of profit in associated companies						7,688
PBT						76,570
Tax expenses						(9,604)
PAT						66,966

9. Valuation of property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation. The carrying amounts of property, plant and equipment are reviewed at each balance sheet date to determine whether there is any indication of impairment.

10. Capital Commitments

As at 23 August 2013, the Group had capital commitments amounting to RM 56.8 million for the purchase of plant and equipment. Plant & equipment includes the production lines as well as ancillary machineries to be fabricated and installed at its factories.

11. Material Events Subsequent to the End of Period Reported

There are no material events subsequent to the end of the interim period that have not been reflected in the financial statements for the interim period.

12. Changes in the Composition of the Group

There were no significant changes in the composition of the Group in the current quarter.

13. Contingent liabilities and contingent assets

The Group has no outstanding contingent liabilities and contingent assets as at 23 August 2013 which might materially and adversely affect the position or business of the Group.

Additional information required by Bursa Malaysia Securities Bhd Listing Requirements

1. Review of the Performance of the Company and Its Principal Subsidiaries

The Supermax Group's performance for the quarter under review versus the corresponding quarter of the previous financial year is tabled below:

Description	2nd Qtr 2013 RM '000	2nd Qtr 2012 RM '000	Increase/(Decrease) RM'000	Increase/(Decrease) %
Revenue	330,004	232,101	97,903	42.2
Profit before tax (PBT)	39,802	33,295	6,507	19.5
Profit after tax (PAT)	34,873	30,005	4,868	16.2

The Group's revenue was higher by 42.2% or RM 97.9 million compared to a year ago. This was largely because of new capacity added from new and refurbished lines. The higher revenue enabled the Group to record a 19.5% increase in PBT and 16.2% increase in PAT.

2. Comparison with Preceding Quarter's Result

The Group's current quarter performance versus the preceding quarter is tabled below:

Description	2nd Qtr 2013 RM '000	1st Qtr 2013 RM '000	Increase/(Decrease) RM'000	Increase/(Decrease) %
Revenue	330,004	320,540	9,464	2.9
Profit before tax (PBT)	39,802	36,767	3,035	8.2
Profit after tax (PAT)	34,873	32,093	2,780	8.7

The Group's revenue was largely unchanged compared to the preceding quarter, rising by 2.9% to RM 330.0 million. However, the Group benefitted from lower raw material prices and improved efficiency to record 8.2% higher PBT and 8.7% higher PAT compared to the preceding quarter.

3. Prospects

Rubber Prices

Rubber latex prices have continued to slide in the second quarter of 2013, averaging RM5.72 per kg wet compared to RM6.14 per kg wet the quarter before. Overall rubber demand remains soft, currently trading in the region of RM5.30 per kg wet, owing to the fragile economic state of the Eurozone and US and also slowing growth in China. We expect rubber prices to trade between RM4.50 and RM5.50 for the rest of 2013.

In terms of synthetic nitrile latex material, the prices of this raw material have generally been stable over the past few quarters at around the USD1,250 per mtw level. However, oversupply on the part of the nitrile latex suppliers have seen prices fall to the USD1,050 per mtw level.

Foreign exchange rates

The USD had been relatively stable in the first half of 2013, hovering at below the USD1:RM3.10 level. Post-elections saw the RM strengthen against the USD to slightly below USD1:RM3 but it was short-lived. The USD has since grown steadily before gathering steam in recent weeks and breached the USD1:RM3.30 level convincingly, with Malaysia's lower than expected GDP growth numbers contributing to the RM weakness. The USD is expected to continue strengthening further against major currencies including RM. The strengthening of US Dollars and the weakening of RM will have significant positive impact for Malaysian Exporters including Supermax Group as it brings higher export sales proceeds and potentially higher incomes for Supermax Group.

Robust global demand

Despite the slowdown in the Eurozone and US, demand for gloves, both natural rubber and nitrile, remains robust. Demand growth is strong in regions such as the Middle East and also Africa, not to mention Asia in particular China and India.

Manufacturing and Process Automation

Most of the manufacturing plants in the industry, including Supermax's plants, are already highly automated. However, there are some remaining processes, particularly the stacking and packing processes, which still requires a lot of manual labour. The automation programme to automate these remaining processes is being fast-tracked in response to the need to reduce dependency on foreign labour. This process would invariably lead to some output loss but it is a necessary step for future gain. Ultimately, this would enable the Supermax Group to further increase productivity and manufacturing efficiency and remain at the forefront in terms of global competitiveness. In addition, all the new manufacturing facilities would be fully automated & equipped with manufacturing automation process fully built-in as part of the capital expenditures.

Expansion Plans

Expansion of Surgical Glove Capacity

The surgical glove capacity expansion at the Sg Buloh plant is progressing with 5 of the 7 lines planned having been commissioned since May'12. The remaining lines will continue to be commissioned in stages when the additional capacity of sterilisation facility are allocated to Supermax Group & with additional automatic packaging machineries are in place and once fully completed we would be well placed to secure greater market share in this segment.

Expansion of Nitrile Latex Examination Gloves Capacity

Besides surgical gloves, the Group is also moving ahead with fast tracking its plans to build & complete plants #10 and #11 in Meru, Klang within the next 2 quarters. These new plants will have lines that are built to be inter-switchable between natural rubber and Nitrile glove production but have currently been earmarked for Nitrile in tandem with market demand. Works are also ongoing to refurbish the older plants by replacing old lines with the latest advanced & more efficient lines including one particular plant's production lines are being replaced with new high speed lines for production of Nitrile gloves.

When the 2 new plants as well as the converted plant have been fully commissioned by the 1st quarter of 2014, it would increase by 6.9 billion gloves which is more than double the Supermax Group's current Nitrile capacity from 5.4 billion pieces per annum to **12.3 billion pieces per annum**. This increase in production capacity will result in Nitrile Gloves forming **53%** of the Supermax Group's total installed capacity while NR Latex Gloves will form the balance **47%.**

Though we anticipate competition would be more intense on Nitrile Glove, we have factored into our budget and revenue derives from additional sales of Nitrile Glove to be within 9% to 11% from the additional capacity that Supermax Group would be adding to the market in year 2014.

Thus, the additional capacity will not only enable the Group to reduce the lead times to meet demand for Nitrile Gloves but also improve profitability through higher efficiency and better productivity. In addition, the increase in production capacity of Nitrile Glove would contribute NOT just to the Manufacturing Division in terms of additional new sales & additional profits, but also provide additional new sales and additional profits to Supermax Group's overseas distribution activities, providing additional income and increase in market shares of Nitrile Gloves where the Group's overseas distribution companies operate.

Update on Price trend of NR latex and Nitrile material and foreign exchange fluctuation and its impact on glove price movements

Below are the tables showing historical average quarterly price trend of NR and nitrile latex, foreign exchange fluctuations and glove price movements:

NR & Nitrile Latex Prices and MYR/USD Exchange Rates

Natural Rubber Latex	Q2 2012	Q3 2012	Q4 2012	Q1 2013	Q2 2013	YOY %
USD	2,274	1,921	1,911	1,994	1,862	(18%)
RM	7,117	5,993	5,847	6,142	5,717	(20%)
(MYR/USD)	3.13	3.12	3.06	3.08	3.07	(2%)

Synthetic Latex (Nitrile)	Q2 2012	Q3 2012	Q4 2012	Q1 2013	Q2 2013	YOY %
USD	1,547	1,290	1,273	1,290	1,217	(21%)
RM	4,842	4,025	3,895	3,973	3,736	(23%)
(MYR/USD)	3.13	3.12	3.06	3.08	3.07	(2%)

Average Selling Prices

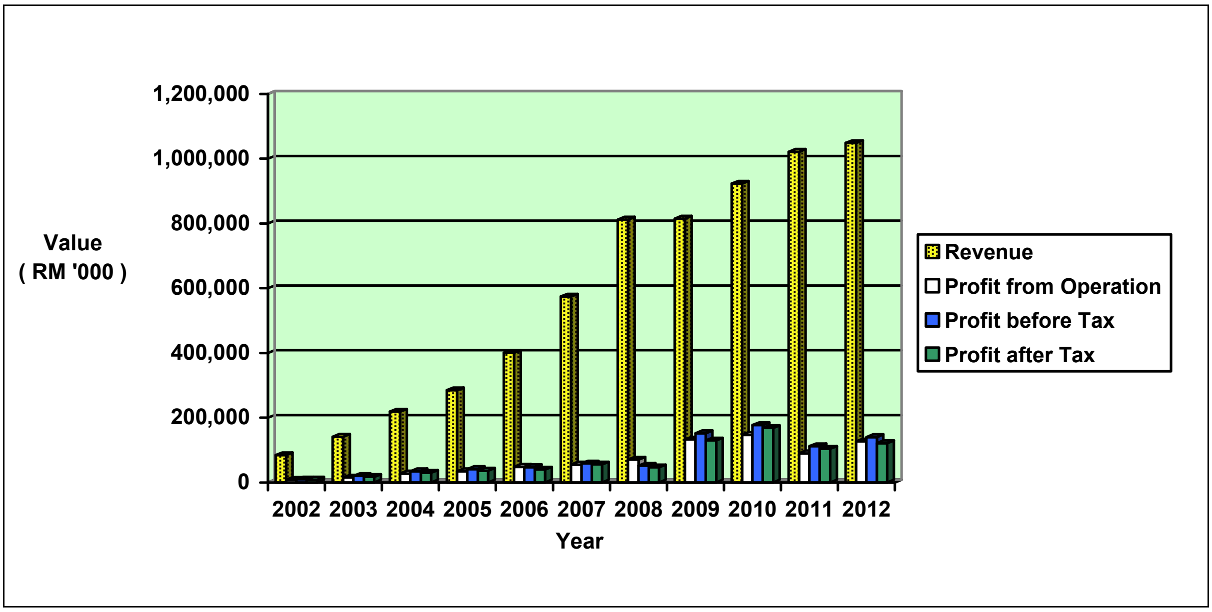
(USD/ 1,000 pcs)	Q2 2012 USD	Q3 2012 USD	Q4 2012 USD	Q1 2013 USD	Q2 2013 USD
Powdered Latex Gloves	24.50 – 30.95	23.95 – 32.95	23.95 – 29.95	23.65 – 29.95	20.95 – 29.95
Powder-Free Latex Gloves	30.95 – 37.95	30.75 – 34.95	30.75 – 33.95	30.75 – 33.95	26.95 – 33.95
Nitrile - 2.5mil	23.50 – 27.95	23.50 – 27.95	25.30 – 27.95	25.30 – 27.95	23.25 – 27.95
Nitrile - 3.2mil	24.00 – 27.95	24.00 – 27.95	27.95 – 30.95	24.65 – 27.95	23.50 – 27.95
Nitrile - 4.0mil	24.45 – 30.95	26.45 – 30.95	27.95 – 30.95	26.95 – 29.95	25.50 – 29.95
Nitrile - 5.0mil	29.50 – 33.95	29.50 – 33.95	31.25 – 33.95	30.95 – 33.95	29.50 – 33.95
(MYR/USD)	3.13	3.12	3.06	3.08	3.07

While we are increasing production output of Nitrile gloves, we have been maintaining our manufacturing margins of Nitrile Glove at between 11% - 13% to be in line with global market prices, especially Nitrile gloves from China & Thailand. This is in line with our objective to be globally competitive.

The Group's yearly and current year quarterly performances are tabled below:

Description	Year 2008 (RM '000)	Year 2009 (RM '000)	Year 2010 (RM '000)	Year 2011 (RM '000)	Year 2012 (RM '000)	6 Months 2013 (RM '000)
Revenue	811,824	803,633	977,281	1,021,358	1,048,393	650,544
Profit from operations	70,203	131,710	155,458	89,807	126,716	73,252
EBITDA	101,197	205,670	223,373	148,732	174,291	86,186
EBITDA Margin	12.5%	25.6%	22.9%	14.6%	16.6%	13.2%
Profit before Tax (PBT)	51,998	151,470	183,835	112,132	140,168	76,570
PBT Margin	6.4%	18.8%	18.8%	11.0%	13.3%	11.8%
Profit after Tax (PAT)	46,997	126,585	158,955	104,051	121,470	66,966
Core Profit after Tax (PAT)	63,658	126,585	158,955	108,051	121,470	66,966
Core PAT Margin	7.8%	15.8%	16.3%	10.6%	11.6%	10.3%
No. of Shares	265,270	268,250	340,077	340,077	680,154	680,154
Net Tangible Asset (NTA)	416,380	558,835	691,468	769,038	875,749	907,460
NTA per share (RM)	1.57	2.08	2.03	2.26	1.29	1.33
Core EPS (sen)	24.00	48.61	46.74	31.77	17.86	5.13
Return on Assets (ROA)	5.0%	13.4%	14.9%	8.6%	9.6%	NM
Return on Equity (ROE)	11.3%	22.7%	23.0%	13.5%	13.9%	NM

NM= Not meaningful



4. **Variance of Actual** and **Forecasted Profit and Shortfall in Profit Guarantee**

This is not applicable to the Group for the current quarter under review.

5. **Taxation and Variance between the Effective and Statutory Tax Rate**

	Quarter Ended 30.6.2013 RM '000	Year-to-Date Ended 30.6.2013 RM '000
Income tax	4,930	9,604
Deferred Tax	-	-
Total	4,930	9,604

The effective tax rate of the Group is lower than statutory income tax mainly because of tax incentives such as reinvestment allowances claimed by certain subsidiary companies.

6. **Profit/(Loss) On Sale Of Unquoted Investment and/or Properties**

There were no sales of investment and /or properties for the financial period under review.

7. **Quoted Investment**

There were no purchases or sales of quoted securities during the current financial period.

8. Status of Corporate Proposals Announced

There were no corporate proposals announced as at 23 August 2013 (the latest practicable date that shall not be earlier than 7 days from the date of this quarterly report).

9. Group Borrowings and Debt Securities

Group borrowings as at 30 June 2013 are as follows: -

	Secured RM'000	**Unsecured** RM'000	**Total** RM'000
Short term borrowings	3,895	166,127	170,022
Long term borrowings	4,577	108,102	112,679
Total borrowings	8,472	274,229	282,701

91% of the short term borrowings comprise trade facilities amounting to RM 155.7 million that are revolving in nature for working capital purposes. These facilities bear interest rates that are attractive and competitive ranging from 1.0% to 3.5%.

10. Financial Instruments with Off Balance Sheet Risks

There were no financial instruments with off balance sheet risk as at 23 August 2013 (the latest practicable date which shall not be earlier than 7 days from the date of this quarterly report).

11. Pending Material Litigation

The Group has no outstanding material litigation which might materially and adversely affect the position or business of the Group as at 23 August 2013, being the latest practicable date.

12. Dividends Declared

No interim dividend has been declared by the Board of Directors for the current financial year ending 31 December 2013.

13. Earnings per Share (EPS)

Basic earnings per share

	2013 Current Quarter Ended 30.6.2012	2013 Year to Date Ended 30.6.2013
Net profit / (loss) (RM'000) attributable to ordinary shareholders	34,873	66,966
Weighted average ('000) Number of ordinary shares in issue	680,154	680,154
Basic earnings per share (sen)	5.13	9.85

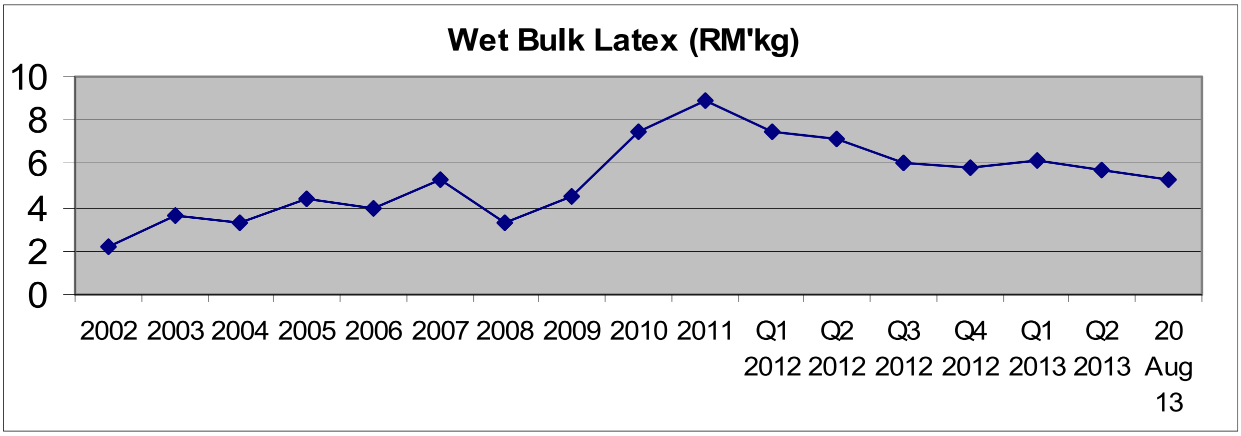
14. Realised and Unrealised Profits/Losses

	As at 30.6.2013 RM '000	As at 31.12.2012 RM '000
Total retained profits of the Company and its Subsidiaries:		
- Realised	668,121	602,236
- Unrealised	(16,280)	(12,826)
	651,841	589,410
Less: Consolidation adjustments	(40,557)	(50,802)
Total Group retained earnings as per consolidated accounts	611,284	538,608

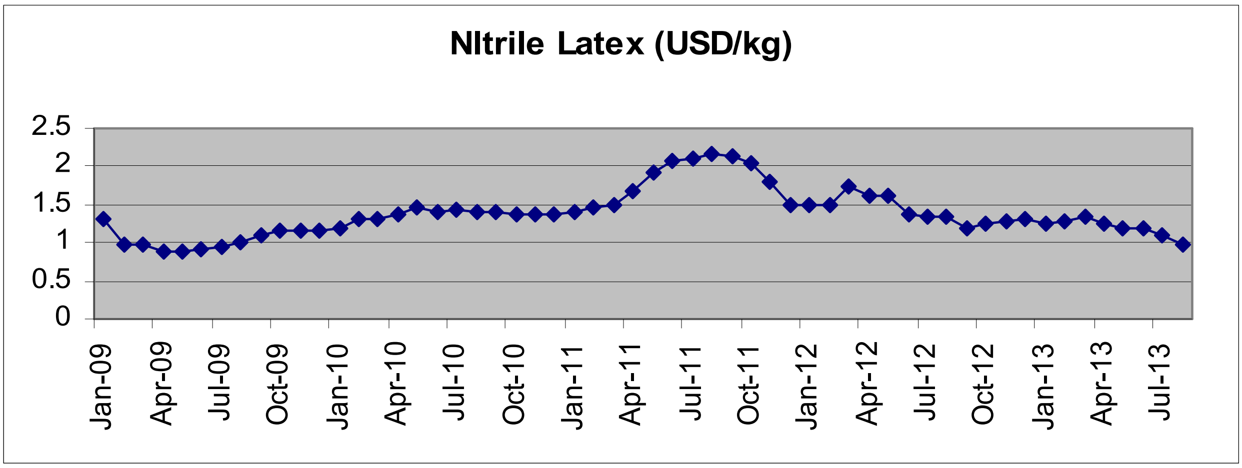
15. Management of Latex Cost Fluctuations

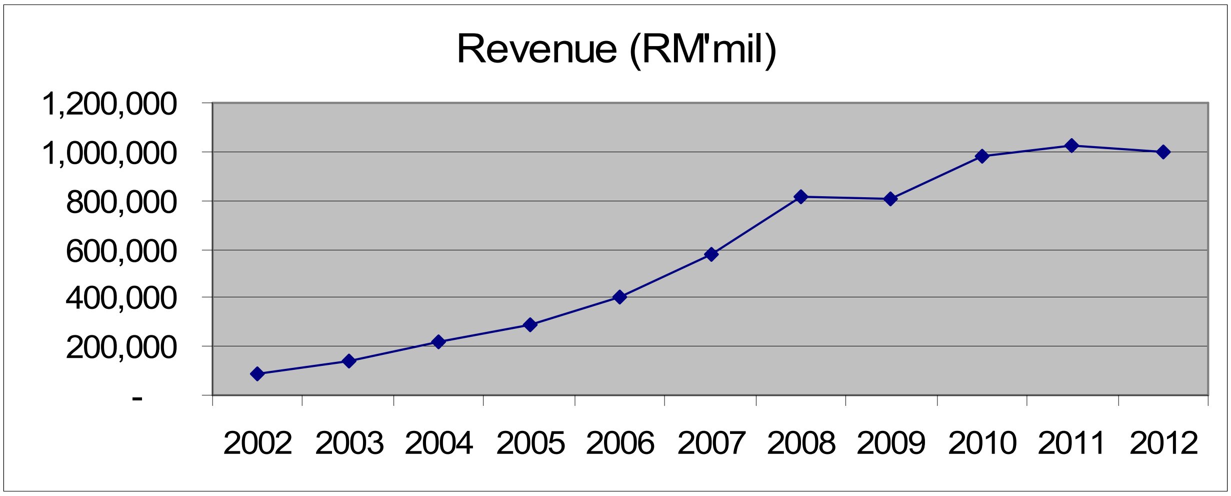
Rubber latex costs, the main raw material cost in the manufacturing of rubber gloves, forms a high percentage of the Group's costs and any increase in this cost item must be well managed.

The Group has a pricing mechanism in place whereby any fluctuation in this cost component is factored into the pricing process for the Group's rubber glove products. What this means is that effectively, the cost increases can be passed on to consumers, albeit with a short time lag, thus maintaining the Group's profitability. However, when latex costs are on a continuous rising trend, the ability to fully pass on all rising costs is adversely affected and results in margin squeeze. Below are 3 line graphs depicting the correlation between the price of NR and nitrile rubber latex and the Group's Sales Revenue.



NR Latex	Q1 2012	Q2 2012	Q3 2012	Q4 2012	Q1 2013	Q2 2013	20 Aug 13
RM/kg	7.43	7.12	5.99	5.85	6.14	5.72	5.31





16. Management of Foreign Exchange Rate Fluctuations

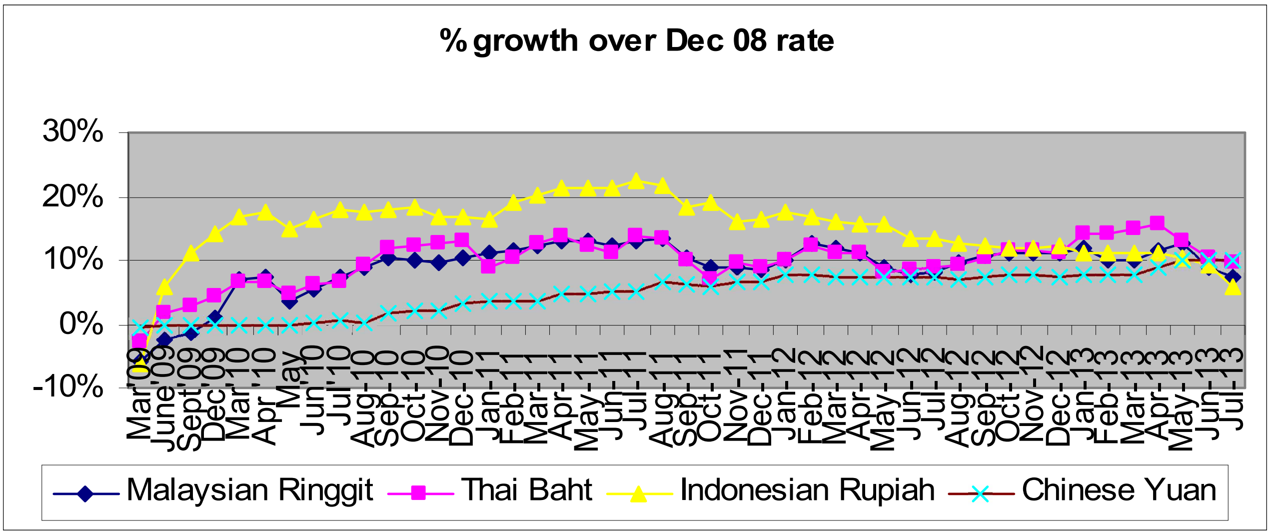
<u>Currency trend for competing nations</u>

Foreign exchange is another factor that may have a significant impact on the Group's performance. While the Ringgit has been relatively strong against the USD in recent quarters, the currencies of most of the major rubber glove producing countries have similarly appreciated. In the case of the Indonesian Rupiah and the Thai Baht, they have both appreciated against the USD by 11% and 14% respectively compared to 12% for the Ringgit since 2008. In conclusion, Malaysian exports remain competitive against the major competing nations.

A table showing the movement in USD:MYR exchange rate since Q3 2011 is as follows:

FOREX	Q1 2012	Q2 2012	Q3 2012	Q4 2012	Q1 2013	Q2 2013
(MYR/USD)	3.06	3.13	3.12	3.06	3.08	3.07

Below is a graph and table depicting the currency growth of the major rubber glove producing countries.



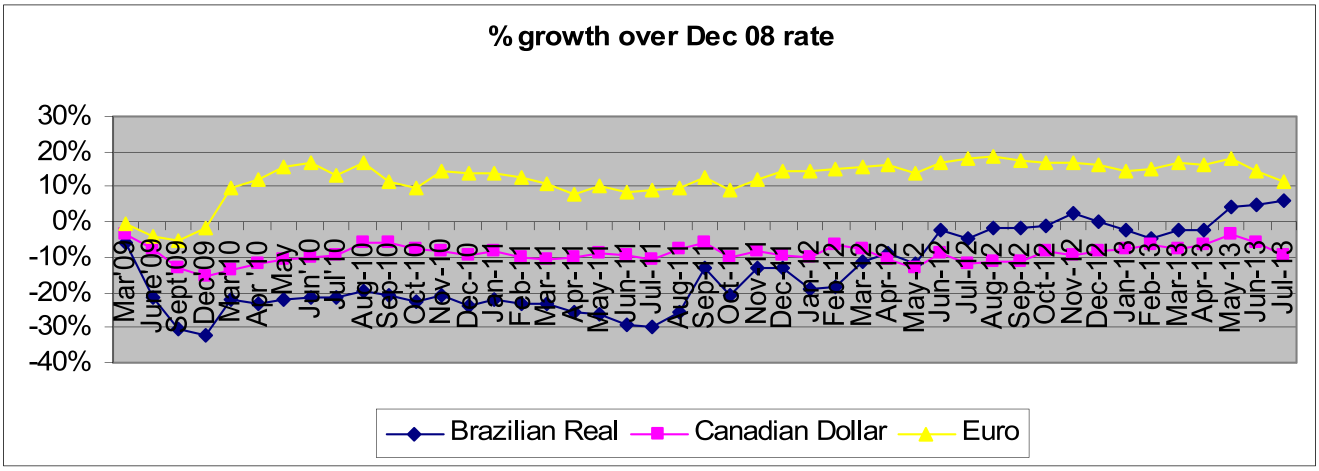
Exchange rate (1USD) vs Dec 08 rate

Currencies of Major Rubber Glove Producing Countries

	Dec-12	Jan-13	Feb-13	Mar-13	Apr-13	May-13	Jun-13	Jul-13
Malaysian Ringgit	11%	12%	10%	10%	12%	12%	9%	8%
Thai Baht	11%	14%	14%	15%	16%	13%	10%	10%
Indonesian Rupiah	12%	11%	11%	11%	11%	10%	9%	6%
Chinese Yuan	7%	8%	8%	8%	9%	10%	10%	10%

As at August 26, 2013, the USD has been appreciating against major currencies including RM. In conclusion, so long as the MYR appreciation against the USD is in tandem with the currencies of the other major rubber glove producing countries, gloves made in Malaysia will remain globally competitive.

Currency trend for associated companies and overseas subsidiaries



Exchange rate (1USD) vs Dec 08 rate

Currencies of Countries Where Our Associated Companies and Overseas Subsidiaries Operate

	Dec-12	Jan-13	Feb-13	Mar-13	Apr-13	May-13	Jun-13	Jul-13
Brazilian Real	2.4%	0.1%	-4.8%	-2.6%	-2.1%	4.2%	5.0%	6.3%
Canadian Dollar	-9.3%	-8.2%	-6.4%	-7.8%	-6.8%	-3.7%	-6.1%	-9.5%
Euro	17.1%	16.0%	14.9%	16.8%	16.2%	18.1%	14.6%	11.2%