



SUPERMAX 4Q2020 PROFIT SOARED 2,815.4% to RM408.3 MILLION

Own Brand Manufacturing Model and Distribution Income give rise to strong profit and EBITDA margins

KUALA LUMPUR, MALAYSIA –10th AUGUST 2020 - Supermax Corporation Berhad (“Supermax” or the “Group”), has today released its fourth quarter results for financial year ended 30 June 2020 (“**4Q2020**”), achieving its best ever quarterly financial performance since incorporation.

For 4Q2020, revenue surged to RM929.1 million increasing by 147.1% as compared to the corresponding quarter a year ago (“**4Q2019**”). Profit after tax (“**PAT**”) soared by 2,815.4% to RM408.3 million. With this strong performance, the Group achieved industry leading **EBITDA, PBT and PAT margins of 60.4%, 55.9% and 43.9%**, respectively in 4Q2020. For the full financial year ended 30 June 2020 (“**FYE2020**”), revenue closed at RM2.13 billion with PAT of RM535.6 million compared to RM123.1 million in FYE2019.

The demand for gloves as a personal protective equipment has heightened as the world fights the COVID-19 pandemic. We are seeing the emergence of new consumers and new consumption not previously seen before prior to Covid-19. Currently, the Group is in an oversold position. The surge in demand has resulted in a rapid rise of average selling prices (“**ASPs**”) since March 2020. Governments all over the world have increased healthcare spending budgets to contain the effects of the pandemic and in preparation of a possible second or more waves. At this point in time, the world continues to discover of new strain of viruses and in light of these developments, the Group expects demand to remain buoyant in 2021 and beyond.

Since the founding of Supermax, we have adopted the Own Brand Manufacturing (“**OBM**”) model whereby we manufacture the products, package and market under our In-house brands. We currently export 55% of production under our own brands via our own distribution centres and 40% through independent distributors. The remaining 5% is for OEM production. Due to the current robust demand, we are taking the opportunity to build new relationships with new customers and distributors in anticipation that they will continue with repeat orders post pandemic.

Our products are sold to over 165 countries, the largest contributor being the Americas region which contributed 51% of revenue in FYE2020. Asia/Oceania and Europe each contributed 23% to FYE2020 revenue. In terms of product segmentation, 72% is from nitrile powder free gloves, followed by 18% from latex powder free and 7% and 3% from powdered latex and surgical gloves, respectively. In terms of capacity expansion, we have put in place expansion plans of building total of 5 glove manufacturing plants between now and until year 2022 with additional production capacity of 22.25 billion making total of 48.42 billion gloves by end of year 2022. The Supermax Group would invest total capital expenditure of RM1.3 billion for the new plants.

The highest ASPs have not been reflected this current quarter and we are optimistic that our OBM cum distribution business model will exhibit even healthier performance in the coming quarters.

Press Release

For Immediate Distribution



SUPERMAX Corporation Berhad

ABOUT SUPERMAX CORPORATION BERHAD

Supermax Corporation Berhad is a leading international manufacturer, distributor and marketer of high-quality medical gloves. Established in 1987, its founders started a trading business to distribute latex gloves and moved on to manufacture latex gloves in 1989. The Supermax Group has twelve factories manufacturing various types of natural rubber and nitrile latex gloves. Supermax is also one of the top four glove manufacturers in Malaysia. Supermax has become Malaysia's very first home-grown contact lens manufacturing company. It successfully commissioned its manufacturing facility in Malaysia after carrying out extensive R&D activities in the UK. It has also made good progress in terms of obtaining the necessary licenses and approvals which have allowed it to build up its product presence in more countries.

For more information about Supermax, visit
www.supermax.com.my, www.supervision.com.my, www.aveovision.com.

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