



Press Release

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SUPERMAX ACHIEVES STELLAR PERFORMANCE IN 1Q2021 WITH NET PROFIT BEFORE TAX OF RM1.049 BILLION

KUALA LUMPUR, MALAYSIA – 27th OCTOBER 2020 - Supermax Corporation Berhad (“Supermax” or the “Group”) has today released its first quarter results for financial year ending 30 June 2021 (“1Q2021”), achieving another quarter of record profits amid higher average selling prices and continuous robust demand.

For 1Q2021, revenue surged to RM1.35 billion, increasing by 265.6% as compared to the corresponding quarter a year ago. Profit Before tax (“PBT”) increased by 3,134.2% to RM1.049 billion and Profit after tax (“PAT”) soared by 3,155.1% to RM812.49 million. With this stellar performance, the Group achieved superior EBITDA, PBT and PAT margins of 78.8%, 77.6% and 60.1%, respectively, in 1Q2021. The Group’s revenue and PAT for this quarter grew by 45.6% and 99.0%, respectively, as compared to the preceding quarter being 4Q2020.

Supermax’s already sound financial position has strengthened dramatically, most notably to a net cash position with cash & bank balances amounting to RM2.36 billion as of 30 September 2020. This is mainly due to high collections from increased sales where customers pay between 30% to 50% deposits in advance to secure supply.

Our products are sold to over 165 countries and we currently export 58% of production under our own brands via our own distribution centres and 40% through independent distributors. The remaining 2% 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.

In terms of capacity expansion in Malaysia, we have put in place expansion plans of building a total of 5 glove manufacturing plants between now and 2022. This will yield additional production capacity of 22.25 billion making a total of 48.42 billion gloves by end of year 2022. The Supermax Group will invest total capital expenditure of RM1.39 billion for the new plants.

The vulnerability of disruption of PPE supply chains and over dependence on imports is the primary concern of governments around the world. To address this major concern in countries where Supermax operates, we are reinvesting the earnings derived from our distribution centres into the respective countries in particular in the US and the UK. We are now in the planning stages and will kick-start the US and UK projects in 1H2021 and target to commission in stages starting 1H2022. The capital expenditure earmarked for the US is US\$300 million for phase #1 and US\$250 million for phase #2 making total of US\$550 million and GBP50 million for United Kingdom, respectively.



The Supermax Group has decided to enter into Face Mask Manufacturing in Malaysia and in Canada. This is to complement our existing global supply chain that the Group has built over the years. We have started delivery of millions of masks to the Government in Canada since early October 2020.

In this quarter, we have witnessed expansion in both our manufacturing and distribution contributions. We are optimistic that our OBM cum distribution business model will exhibit even healthier performance as we are in an oversold position.

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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.

Issued by: iBES Advisory Sdn Bhd on behalf of Supermax Corporation Berhad

Date: 27th October 2020

For more information, please contact:

Supermax Corporation Berhad

Andrew Lim

Tel: +603 6145 2328

iBES Advisory Sdn Bhd (Investor Relations)

Hon Boon Hui, Managing Partner

Sandy Yap, CEO

Tel: +603 2712 1862

Email address: ir@ibes-advisory.com
