



**INTERIM FINANCIAL STATEMENT
UNAUDITED INCOME STATEMENT FOR THE FINANCIAL PERIOD ENDED
31ST DECEMBER 2020**

	2nd Quarter Ended		6 Months Cumulative Todate	
	31st December 2020 RM'000	31st December 2019 RM'000	31st December 2020 RM'000	31st December 2019 RM'000
Revenue	1,998,645	385,497	3,351,182	755,438
Operating expenses	(602,010)	(338,766)	(915,500)	(672,884)
Finance costs	(1,972)	(4,625)	(4,383)	(8,814)
Share of profit of associated companies	2,577	(277)	15,183	532
Profit before tax	1,397,240	41,829	2,446,482	74,272
Taxation	(317,540)	(11,807)	(554,297)	(19,290)
Profit after tax	1,079,700	30,022	1,892,185	54,982
Other comprehensive income/(loss)				
Foreign currency translation	(11,793)	(1,851)	(21,217)	20,334
	(11,793)	(1,851)	(21,217)	20,334
Total comprehensive income	1,067,907	28,171	1,870,968	75,316
Profit attributable to:				
Owners of the parent	1,059,463	30,165	1,848,979	54,912
Minority interest	20,237	(143)	43,206	70
	1,079,700	30,022	1,892,185	54,982
Total comprehensive income attributable to:				
Owners of the parent	1,047,985	28,548	1,828,655	76,041
Minority interest	19,922	(377)	42,313	(725)
	1,067,907	28,171	1,870,968	75,316
Weighted average('000) number of Ordinary Shares in issue	2,575,125	2,612,656	2,575,125	2,612,656
EPS - Basic and diluted (sen)	41.14	1.15 *	71.80	2.10 *

This condensed Consolidated Income Statement should be read in conjunction with the Annual Financial Report of the Group for the year ended 30th June 2020 (the latest audited accounts).

**For comparative purpose, the EPS for the quarter and year to date ended 30 September 2019 has been adjusted to reflect the bonus issue of 1 bonus share for every 1 existing ordinary share which was completed on 8 September 2020.*



INTERIM FINANCIAL STATEMENT
UNAUDITED STATEMENT OF FINANCIAL POSITION AS AT 31ST DECEMBER 2020

	Unaudited 31st December 2020 RM'000	Audited 30th June 2020 RM'000
ASSETS		
Non-Current Assets		
Property, Plant & Equipment	1,321,769	1,092,500
Investment in associated companies	183,389	168,206
Goodwill on consolidation	28,716	28,716
Deferred tax assets	2,587	1,245
	1,536,461	1,290,667
Current Assets		
Inventories	362,945	253,237
Trade receivables	271,169	242,768
Tax recoverable	119,804	86,350
Other receivables	123,359	145,177
Cash & bank balances	3,699,445	1,186,190
	4,576,722	1,913,723
TOTAL ASSETS	6,113,183	3,204,390
EQUITY AND LIABILITIES		
Share capital	340,077	340,077
Minority Interest	64,402	21,475
Treasury shares	(212,326)	(101,912)
Reserves	3,118,049	1,290,902
Shareholders Fund	3,310,202	1,550,542
Non-Current Liabilities		
Long term borrowing	67,667	102,033
Deferred tax liabilities	87,157	44,830
	154,824	146,863
Current Liabilities		
Trade payables	287,388	189,672
Other payables and accrued expenses	110,959	46,786
Prepayment received from customers	1,477,430	892,371
Short term borrowing	219,600	228,413
Provision for taxation	552,780	149,743
	2,648,157	1,506,985
TOTAL EQUITY AND LIABILITIES	6,113,183	3,204,390
Net Asset per share	1.26	0.59 *

This condensed Consolidated Balance Sheet should be read in conjunction with the Annual Financial Report of the Group for the year ended 30th June 2020 (the latest audited accounts).

**For comparative purpose, the Net asset per share attributable to the owners of the Company as at 30 June 2020 has been adjusted to reflect the bonus issue of 1 for 1 existing ordinary shares which was completed on 8 September 2020.*



**INTERIM FINANCIAL STATEMENT
UNAUDITED CONDENSED STATEMENT OF CASH FLOW
FOR THE FINANCIAL PERIOD ENDED 31ST DECEMBER 2020**

	2nd Quarter Ended	
	31st December 2020 RM'000	31st December 2019 RM'000
Profit before tax	2,446,482	74,272
Adjustment for non cash items	16,758	26,916
Operating profit before changes in working capital	2,463,240	101,188
Changes in working capital:		
Net change in current assets	(341,320)	(4,525)
Net change in current liabilities	971,980	15,305
Income tax paid	(143,732)	(19,850)
Net cash flows from operating activities	2,950,168	92,118
Investing Activities		
Purchase of property, plant and equipment	(258,641)	(125,285)
Net cash flows from investing activities	(258,641)	(125,285)
Financing Activities		
Bank borrowings	(43,180)	32,340
Share buy back	(110,413)	(9,104)
Interest expenses	(4,383)	(8,814)
Net cash flows from financing activities	(157,976)	14,422
Net change in cash & cash equivalents	2,533,551	(18,745)
Effect of foreign exchange rate changes	(20,296)	2,919
Cash & cash equivalent at beginning of period	1,186,190	173,814
Cash & cash equivalent at end of period	3,699,445	157,988

Analysis of cash & cash equivalents:-

Cash & bank balances	3,699,445	157,988
	3,699,445	157,988

This Condensed Consolidated Cash Flow Statements should be read in conjunction with the Annual Financial Report of the Group for the year ended 30 June 2020 (latest audited accounts).



**INTERIM FINANCIAL STATEMENT
UNAUDITED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR QUARTER ENDED 31ST DECEMBER 2020**

Share Capital	Reserves Attributable To Capital	Retained Profits	Minority Interest	Total
RM'000	RM'000	RM'000	RM'000	RM'000

Year Ended 30th June 2020

At 1 st July 2019	340,077	(146,821)	930,453	10,516	1,134,225
Movements during the year	-	(96,748)	501,491	11,572	416,315
At 30th June 2020	340,077	(243,569)	1,431,944	22,088	1,550,540

Period Ended 31st December 2020

At 1 st July 2019	340,077	(243,569)	1,431,944	22,088	1,550,540
Movements during the period	-	(131,631)	1,848,979	42,314	1,759,662
At 31st December 2020	340,077	(375,200)	3,280,923	64,402	3,310,202

This Condensed Consolidated Statements of Changes in Equity should be read in conjunction with the Annual Financial Report of the Group for the year ended 30th June 2020 (the latest audited accounts).



NOTES TO THE INTERIM FINANCIAL REPORT FOR THE QUARTER ENDED 31 DECEMBER 2020 PURSUANT TO FINANCIAL REPORTING STANDARD (FRS) 134

1. Basis of Preparation

The interim financial report is unaudited and has been prepared in accordance with the requirements of the Malaysian Financial Reporting Standard 134 (MFRS 134): Interim Financial Reporting issued by the Malaysian Accounting Standards Board (“MASB”) and paragraph 9.22 (Appendix 9B part A) of the Main Market Listing Requirements (“Listing Requirements”) of the Bursa Malaysia Securities Berhad (“Bursa Securities”) and should be read in conjunction with the Group’s audited financial statements for the financial year ended 30 June 2020 and the accompanying explanatory notes attached to the unaudited consolidated financial statements.

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 30 June 2020. The adoption of the new MFRS, amendments/improvements to MFRSs and new IC Interpretations does not have any significant impact on the financial performance and financial position of the Group.

2. Auditors’ Report

There was no qualification on the audited financial statements of the Group for the financial year ended 30 June 2020.

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

Share Buyback

The Company did not conduct any share buyback activities during the quarter under review. As at 31 December 2020, the total treasury shares stood at 151,888,000 at cost of RM212.3 million or RM1.40 per share. In January 2021, the Company distributed 57,058,873 treasury shares as dividend to shareholders and also purchased back a total of 8,151,600 shares from the open market, bringing the total number of treasury shares held to 102,980,727 as at 25 January 2021.



7. Dividend Paid

Dividends paid in respect of the preceding 3 financial years and to-date are as follows:

Financial Year	Description	Payment Date(s)	Dividend per share	Value (RM'000)
2017	Interim single tier dividend	28.07.2017	2.5 sen [^]	16,686
	Final single tier dividend	18.12.2017	3.0 sen [^]	19,738
2018	Interim single tier dividend	28.03.2018	3.0 sen [^]	19,670
	Interim single tier dividend	28.06.2018	3.0 sen [^]	19,670
	Final single tier dividend	18.12.2018	2.0 sen [^]	13,113
2019	Interim single tier dividend	18.04.2019	1.5 sen [#]	19,670
	Final share dividend 1-for-65	08.01.2020	2.0 sen [*]	21,946 [*]
2020	Final share dividend 1-for-45	05.01.2021	18.0 sen [*]	79,882 [*]

[^] Note that the dividend rate is based on 680.2 million shares (less treasury shares if any) following a 1-for-1 bonus issue completed on 31 January 2012

[#] Note that the dividend rate is based on 1,360.4 million shares (less treasury shares if any) following a 1-for-1 bonus issue completed on 8 January 2019

^{*} The dividend per share is based on the closing share price prior to the ex-date, i.e. RM1.34 on 5.12.2019 and RM8.29 on 4.12.2020 respectively.

The 20,088,223 shares distributed as final dividend in respect of FYE 2019 were treasury shares valued at the Company's average purchase cost of RM1.09 per share while the 57,058,873 shares distributed as final dividend in respect of FYE 2020 were treasury shares valued at the average purchase price of RM1.40 per share.

8. Segmental Reporting

For management purposes, the Group is organized into operating divisions as shown in the table below:

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	-	1,068,696	2,311,585	117,032	(146,131)	3,351,182
Inter-segment sales	303,700	1,554,774	1,233,058	2,784	(3,094,316)	-
	<u>303,700</u>	<u>2,623,470</u>	<u>3,544,643</u>	<u>119,816</u>	<u>(3,240,447)</u>	<u>3,351,182</u>
Segmental results						2,463,679
Depreciation & Amortisation						(29,534)
Finance costs						(4,383)
Interest income						1,537
Share of profit in associated cos.						15,183
PBT						2,446,482
Tax expenses						(554,297)
PAT						<u>1,892,185</u>



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 25 January 2021, the Group had capital commitments amounting to RM 281.2 million for the purchase of plant and equipment to be installed at its various factories.

This amount is part of total Capital Expenditure of RM1.39 billion that the group budgeted to build 5 new Nitrile Glove Manufacturing plants, i.e. Plant #13, #14, #15, #16 & #17 in Klang, Selangor, Malaysia. The construction of the 5 new plants are at various stages & the plant and machineries are to be commissioned in batches over the year 2021 and year 2022 respectively.

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 during the current quarter ended 31 December 2020.

13. Contingent liabilities and contingent assets

The Group has no outstanding contingent liabilities and contingent assets as at 25 January 2021 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 is tabled below:

Description	2 nd Quarter ended 31.12.2020 RM '000	2 nd Quarter ended 31.12.2019 RM '000	Increase/(Decrease)	
			RM'000	%
Revenue	1,998,645	385,497	+1,613,148	+418.4
EBITDA	1,414,696	59,292	+1,355,404	+2,286.0
EBITDA Margin (%)	70.8%	15.4%	+55.4%	+359.7
Profit Before Tax (PBT)	1,397,240	41,829	+1,355,411	+3,240.4
PBT Margin (%)	69.9%	10.8%	+59.1%	+547.2
Profit After Tax (PAT)	1,079,700	30,022	+1,049,678	+3,496.4
PAT Margin (%)	54.0%	7.8%	+46.2%	+592.3

Supermax has again recorded a new record quarterly financial performance, achieving another historical high performance for the 3rd consecutive quarter.

Revenue increased to a new high of RM1.999 billion from RM385.8 million in the previous year corresponding quarter. This increase translates to a 418.1% or RM1.6 billion increase compared to the corresponding quarter a year ago.

The Group recorded new highs in terms of profitability with EBITDA, PBT and PAT all exceeding the RM1 billion mark as shown in the table above. Profit margins also remain at elevated levels with EBITDA, PBT and PAT margins at 70.8%, 69.9% and 54.0% respectively.

The Group's performance was mainly contributed from & due to:

- a) An exponential increase in demand GLOBALLY for Medical Gloves & other PPEs following the global outbreak of the Covid-19 pandemic.
- b) An increase in Sales from the additional production capacity of the new lines at Plant #12 Block A and Block B commissioned during the year.
- c) Increase in average selling prices (ASPs) each month which started in March, 2020 for both its Manufacturing and Distribution divisions.
- d) Increase in percentage of the Group's capacity & Global Sales to end-users; including sales to governments and government agencies of various countries where Supermax Group operates and joint participation with independent Distributors for selling to their government and government agencies in over 165 countries.
- e) Proven business model through Own Brand Manufacturing (OBM) with 2 streams of income via Manufacturing & Distribution.



- f) Earnings contribution from exponential growth in demand and thus increase in Sales of other PPEs such as Masks, Sanitizers, Gowns, FaceShields from certain overseas subsidiary companies & the Group's Distribution Centres.

2. Comparison with Preceding Quarter's Result

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

	2 nd Quarter ended 31.12.2020 RM '000	1 st Quarter ended 30.9.2020 RM '000	Increase/(Decrease)	
			RM'000	%
Revenue	1,998,645	1,352,537	+646,108	+47.8
EBITDA	1,414,696	1,065,702	+348,994	+32.7
EBITDA Margin (%)	70.8%	78.8%	(8.0%)	(10.1)
Profit Before Tax (PBT)	1,397,240	1,049,242	+347,998	+33.2
PBT Margin (%)	69.9%	77.6%	(7.7%)	(9.9)
Profit After Tax (PAT)	1,079,700	812,485	+267,215	+32.9
PAT Margin (%)	54.0%	60.1%	(6.1%)	(10.1)

The Group has continued to receive strong demand for its gloves as the global pandemic continues to worsen in most parts of the world. Revenue grew by another 47.8% compared to the preceding quarter while profitability continued to improve with EBITDA, PBT and PAT increasing by 32.7%, 33.2% and 32.9% respectively.

The improvement is mainly due to:

- a) Contribution from the fully commissioned production lines at Plant #12 Block B which added 2.2 billion gloves to the Group's total installed capacity.
- b) Higher contribution of earnings of Own brand Manufacturing (OBM) sales, from both the Manufacturing & Distribution Divisions.
- c) Continued rise in average selling prices (ASPs) and thus contributing higher earnings from Manufacturing and Distribution.
- d) Earnings contribution from the exponential growth in demand and thus increase in Sales of other PPEs such as Masks, Sanitizers, Gowns, FaceShields from certain overseas subsidiary companies & the Group's Distribution Centres.
- e) Proven business model through Own Brand Manufacturing (OBM) with 2 streams of income via Manufacturing & Distribution.

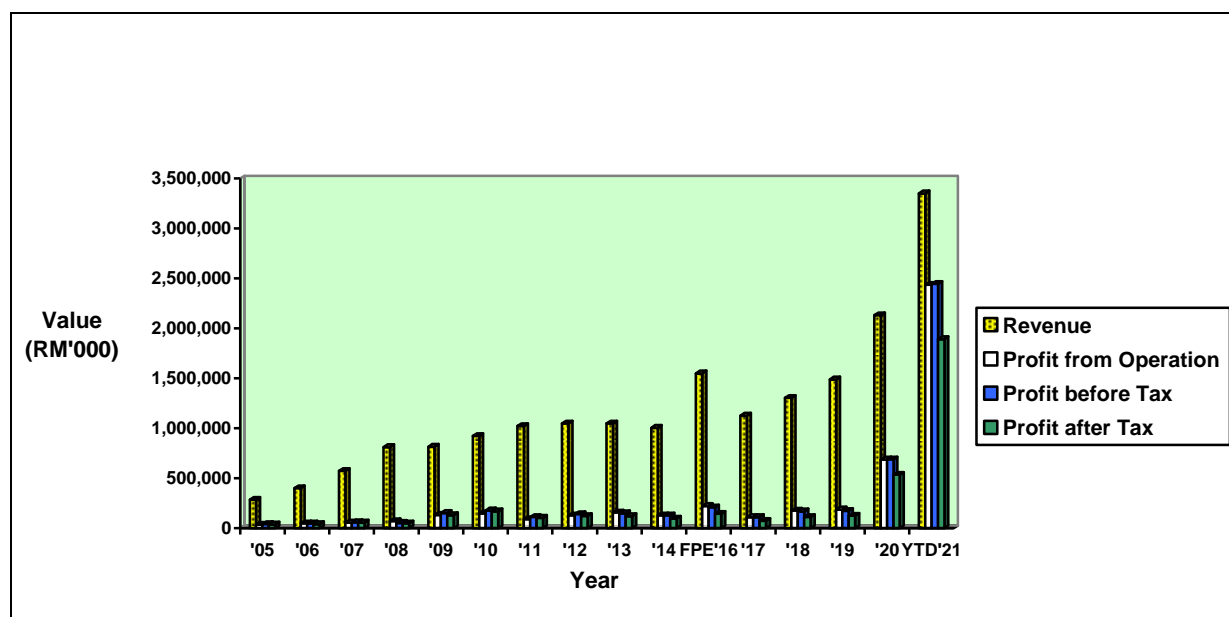


Historical & Current Financial Performance

The Group's historical and current year cumulative financial performances are shown below:

Description	FYE 06/2017 (RM'000)	FYE 06/2018 (RM'000)	FYE 06/2019 (RM'000)	FYE 06/2020 (RM'000)	6 MTHS (July-Dec'20) FYE 06/2021 (RM'000)
Revenue	1,126,879	1,304,460	1,538,157	2,131,808	3,351,182
Profit from operations	107,731	169,879	192,116	679,111	2,435,682
EBITDA	160,304	217,720	237,194	758,910	2,480,399
EBITDA Margin	14.2%	16.7%	15.4%	35.6%	74.0%
Profit before Tax (PBT)	107,939	161,894	172,408	680,163	2,446,482
PBT Margin	9.6%	12.4%	11.2%	31.9%	73.0%
Profit after Tax (PAT)	70,295	110,142	123,103	534,778	1,892,185
Core Profit after Tax (PAT)	70,295	110,142	118,147	534,778	1,892,185
Core PAT Margin	6.2%	8.4%	7.7%	25.1%	56.5%
No. of Shares	680,154	680,154	1,360,308	1,360,308	2,720,619
Net Tangible Asset (NTA)	1,070,236	1,022,710	1,134,226	1,550,542	3,310,202
NTA per share (RM)	0.39#	0.38#	0.42#	0.57#	1.26
EPS (sen)	2.51#	4.05#	4.70#	20.08#	41.14
Return on Assets (ROA)	3.9%	6.4%	6.7%	16.7%	N/A
Return on Equity (ROE)	6.6%	10.8%	10.8%	34.5%	N/A

The NTA per share and EPS for the financial year ending 30.6.2021 are based on an enlarged share capital of 2.72 billion shares following a 1:1 bonus issue on 8 September 2020. For comparative purposes, the NTA per share and EPS in the prior years' have been adjusted to reflect the said bonus issue.



Note: The financial period ended 30 June 2016 is an 18-month transition period following the change in financial year-end from December to June.



3. Prospects

Glove Division

a) Demand Continues to Increase & Supermax is in Oversold Position

The demand for gloves as a personal protective equipment remains strong as the world continues to fight the COVID-19 pandemic. We are seeing the emergence of new consumers and new consumption not previously seen before prior to Covid-19. Currently, we are in a grossly 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 possible more waves. In light of this, we expect the demand to remain buoyant beyond 2021.

The Covid-19 vaccines are being rolled out in an increasing number of countries. This is expected to cause glove demand and consumption to moderate. The Company believes that it will likely be gradual and not drop sharply due to the structural change in consumption, such as new consumption, new customers and greatly heightened healthcare and hygiene awareness.

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 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.

Our products are sold to over 165 countries, the largest contributor being the Americas region which contributed 51% of revenue in FY2020. Asia/Oceania and Europe each contributed 23% to FY2020 revenue. In terms of product segmentation, 68% is from nitrile powder free gloves, followed by 25% from latex powder free, 5% from powdered latex and 2% from surgical gloves.

b) ASPs Continue to Increase

The Average Selling Prices (ASPs) are continuing to trend upwards and the highest ASPs have not been reflected in this current quarter. Natural rubber glove prices, which have been lagging its nitrile counterpart rather significantly throughout the pandemic, are beginning to gap up in tandem with rising demand as nitrile glove supply becomes more constricted by raw material supply constraints. We are optimistic that our OBM cum Distribution Business Model will exhibit even healthier & stellar performances in the coming quarters.



c) *Glove Capacity Expansion in Malaysia*

Supermax had completed the commissioning of the remaining production lines in Block B of Plant #12 during the quarter under review, adding 2.2 billion to the Group's annual installed capacity. It is currently building 5 glove manufacturing plants concurrently and scheduled for completion progressively between now and year 2022. The new plants will add 22.25 billion new capacity bringing the Group's total capacity to 48.42 billion gloves by end-2022. The Supermax Group would invest total capital expenditure of RM1.39 billion for the new plants. Our capacity expansion plans are illustrated in the table below:

	Annual capacity as at 31.12.2018 (Million pcs/line)	New expansion (Million pcs/line)	Annual capacity as at 31.12.2020 (Million pcs/line)	New expansion (Million pcs/line)	Annual capacity as at 31.12.2021 (Million pcs/line)	New expansion (Million pcs/line)	Annual capacity as at 31.12.2022 (Million pcs/line)
SUPERMAX GROUP	21,751 (174)*		26,175 (206)		36,425 (286)		48,425 (376)
Added capacity from:							
- New lines from Plant #12 (Lot 6061)		+4,424 (32)					
- New lines from Plant #13 (Lots 6072 & 6073)				+2,750 (22)		+1,000 (8)	
- New lines from Plant #14 (Lots 6072 & 6073)				+1,000 (8)		+2,750 (22)	
- New lines from Plant #15 (Lots 6072 & 6073)				+3,750 (30)			
- New lines from Plant #16 (Lot 6062)				+1,375 (10)		+4,125 (30)	
- New lines from Plant #17 (Lot 6060)				+1,375 (10)		+4,125 (30)	
TOTAL	21,751 (174)	+4,424 (32)	26,175 (206)	+10,250 (80)	36,425 (286)	+12,000 (90)	48,425 (376)

d) *Building Glove Manufacturing Plants Closer to Customers in the USA & in UK*

The vulnerability of disruption of PPE Supply Chains or over dependence on imports is the primary concern of governments around the world. To address this major concern in countries where Supermax operates, in addition to the capital expenditure that the Group is putting into Glove Manufacturing in Malaysia, we are reinvesting the earnings derived from our Distribution Centres into the respective countries where Supermax operates:

- Allocation of US\$300 million in Glove Manufacturing in USA for Phase #1 & US\$250 million for Phase #2.

Currently, the company is working with various government agencies in the US:

- 1) To identify suitable manufacturing site.
- 2) To negotiate with various agencies, counties & local governments for providing the full infrastructure that the Company needs for production of Medical Gloves.
- 3) To provide various supports from local institutions such as on R&D, Employee Training and other support services that the company needs in Manufacturing of PPEs such as Medical Glove.

As for the UK, the company is studying the Industrial Land that Supermax UK acquired earlier is suitable for use in Glove Manufacturing.



Plant #18 in USA would kick-start in 1H2021 and target to commission in stages starting 1H2022. As for Plant #19, we are still studying the suitability of the manufacturing site and it would require more time to identify the site since the UK has imposed restriction of movement control for visitors.

We have shortlisted several suitable manufacturing site for plant #18 in the US and is currently working with State and local county for various infrastructural support etc.

Contact Lens Division

The Group has continued to make steady progress in its contact lens business. It is continuously expanding its global marketing reach, which has extended to cover 65 countries presently. Various platforms have been employed to market its contact lenses worldwide, from wholesale distribution, to mobile trucks, to online B2C sales via websites launched in the US (aveovision.com), Malaysia (aveovision.my), the UK (aveovision.co.uk) and also in Brazil (aveovision.com.br). Top line performance is improving as a result of continued market expansion and increasing recurring revenue.

Face Mask Manufacturing

The Supermax Group had decided to enter into Face Mask Manufacturing in Malaysia and in Canada. This is to complement the existing Global Supply Chain that the Group has built up over the years. In addition, we are responding to the huge demand and consumption required globally. Some details are as follows:

a) Supervision Optimax Sdn Bhd:

The Facemask Manufacturing in Malaysia would be undertaken by a new division of Supervision Optimax Sdn Bhd.

- Initial capacity: 8 million pieces of Face Masks per month.
- Target market: Global Market through the existing distribution channels in over 165 countries. However, we shall supply the Made in Malaysia Facemask for the local market to fight the Covid-19 pandemic at the moment until Covid-19 is contained & until the ban of the Export Sales is lifted.

b) Supermax in Canada:

Supermax Healthcare Canada Inc has started manufacturing of FaceMasks with the incorporation of subsidiary company, Supermax Medical Inc (SMI), and have started delivery of FaceMasks to the Government in early October, 2020.

Supermax Canada has also been awarded contracts from Federal and Provincial governments in Canada to supply FaceMask and other PPEs.



Investment into Renewable Energy

The Supermax Group has received approval from MIDA for the investment of Renewable Energy in the form of Roof-Top Solar Energy. This is another step taken by the Group towards achieving its ESG commitments in terms of reducing its environmental footprint, complementing its existing use of biomass for power generation. A total Capital Investment of **RM45 million** has been budgeted for this initiative. With the investment in renewable energy, the Group would be more efficient in terms of energy consumption and thus savings of electricity costs for the Manufacturing division.

Dual-Listing in SGX

The Company is looking to widen the Shareholder's structure base which includes foreign based institutional investors to take up future fund raising and future business expansion globally. The company will make announcement once an Investment Bank is appointed to carry out this corporate work.

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. Profit Before Tax

Profit before Tax is arrived at after charging/(crediting):

	2nd Quarter Ended 31.12.2020 RM'000	Financial Year-to- Date 31.12.2020 RM'000
Interest Expense	1,972	4,383
Depreciation & Amortisation	15,484	29,534
Staff costs:		
- Salaries, wages & bonus	46,578	77,007
- EPF	1,341	2,636
- Other related staff costs	2,075	6,730
Foreign Exchange		
- Realised (Gain) or Loss	(6,661)	6,799
- Unrealised (Gain) or Loss	11,419	(1,976)
Other Costs & Expenses	531,774	794,770
Total Operating Expenses	<u>602,010</u>	<u>915,500</u>

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

	2nd Quarter Ended 31.12.2020	Financial Year-to- Date 31.12.2020
	RM '000	RM '000
Taxation	317,540	554,297

The effective tax rate approximates the statutory tax rate of 24%.

7. 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.

8. Quoted Investment

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

9. Status of Corporate Proposals Announced

There are no corporate proposals announced as at 25 January 2021 (the latest practicable date that shall not be earlier than 7 days from the date of this quarterly report).

10. Group Borrowings and Debt Securities

Group borrowings as at 31 December 2020 are as follows:-

	Secured RM'000	Unsecured RM'000	Total RM'000
Short term borrowings	-	219,600	219,600
Long term borrowings	-	67,667	67,667
Total borrowings	-	287,267	287,267

88% of the short-term borrowings comprise trade facilities amounting to RM 193.2 million that are revolving in nature for working capital purposes.

Remaining secured bank facilities have been fully settled.

11. Financial Instruments with Off Balance Sheet Risks

There were no financial instruments with off balance sheet risk as at 25 January 2021 (the latest practicable date which shall not be earlier than 7 days from the date of this quarterly report).

12. 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 25 January 2021, being the latest practicable date.



13. Dividends Declared/Proposed

The Board of Directors has declared an interim single tier dividend of 3.8 sen per ordinary share for the current financial year ended 30 June 2021 to be paid on 26 February 2021.

14. Earnings per Share (EPS)

	Current Quarter Ended 31.12.2020	Financial Year-to- Date Ended 31.12.2020
Net profit / (loss) (RM'000) attributable to ordinary shareholders	1,047,985	1,828,655
Weighted average ('000) Number of ordinary shares in issue	2,575,125	2,575,125
Basic earnings per share (sen)	41.14	71.80