



**INTERIM FINANCIAL STATEMENT  
UNAUDITED INCOME STATEMENT FOR THE FINANCIAL PERIOD  
30 SEPTEMBER 2021**

	1st Quarter Ended		3 Months Cumulative Todate	
	30 September 2021 RM'000	30 September 2020 RM'000	30 September 2021 RM'000	30 September 2020 RM'000
Revenue	1,455,660	1,352,537	1,455,660	1,352,537
Operating expenses	(518,564)	(313,490)	(518,564)	(313,490)
Finance costs	(2,519)	(2,411)	(2,519)	(2,411)
Share of profit of associated companies	(3,726)	12,606	(3,726)	12,606
Profit before tax	930,851	1,049,242	930,851	1,049,242
Taxation	(264,524)	(236,757)	(264,524)	(236,757)
Profit after tax	666,327	812,485	666,327	812,485
Other comprehensive income/(loss)				
Foreign currency translation	(8,374)	(9,424)	(8,374)	(9,424)
	(8,374)	(9,424)	(8,374)	(9,424)
Total comprehensive income	657,953	803,061	657,953	803,061
Profit attributable to:				
Owners of the parent	638,524	789,516	638,524	789,516
Minority interest	27,803	22,969	27,803	22,969
	666,327	812,485	666,327	812,485
Total comprehensive income attributable to:				
Owners of the parent	632,530	780,670	632,530	780,670
Minority interest	25,423	22,391	25,423	22,391
	657,953	803,061	657,953	803,061
Weighted average('000) number of Ordinary Shares in issue	2,595,917	2,581,518	2,595,917	2,581,518
EPS - Basic and diluted ( sen )	24.60	30.58	24.60	30.58

*This condensed Consolidated Income Statement should be read in conjunction with the Annual Financial Report of the Group for the year ended 30 June 2021 (the latest audited accounts).*



**INTERIM FINANCIAL STATEMENT  
UNAUDITED STATEMENT OF FINANCIAL POSITION AS AT 30 SEPTEMBER 2021**

	<b>Unaudited 30 September 2021 RM'000</b>	<b>Audited 30 June 2021 RM'000</b>
<b>ASSETS</b>		
<b>Non-Current Assets</b>		
Property, Plant & Equipment	1,469,315	1,449,803
Investment in associated companies	174,075	177,802
Deferred tax assets	44,277	111,674
	1,687,667	1,739,279
<b>Current Assets</b>		
Inventories	396,147	518,507
Trade receivables	464,215	627,711
Tax recoverable	803,813	592,253
Other receivables	142,072	137,379
Cash & bank balances	3,519,390	3,779,037
	5,325,637	5,654,887
<b>TOTAL ASSETS</b>	7,013,304	7,394,166
<b>EQUITY AND LIABILITIES</b>		
Share capital	340,077	340,077
Minority Interest	131,725	135,512
Treasury shares	(186,368)	(186,368)
Reserves	4,845,052	4,605,167
<b>Shareholders Fund</b>	5,130,486	4,894,388
<b>Non-Current Liabilities</b>		
Long term borrowing	96,151	63,992
Deferred tax liabilities	66,814	66,009
	162,965	130,001
<b>Current Liabilities</b>		
Trade payables	176,705	273,195
Other payables and accrued expenses	102,488	83,380
Prepayment received from customers	127,055	817,025
Short term borrowing	235,927	198,293
Provision for taxation	1,077,678	997,884
	1,719,853	2,369,777
<b>TOTAL EQUITY AND LIABILITIES</b>	7,013,304	7,394,166
Net Asset per share	1.91	1.82

*This condensed Consolidated Balance Sheet should be read in conjunction with the Annual Financial Report of the Group for the year ended 30 June 2021 (the latest audited accounts).*



**INTERIM FINANCIAL STATEMENT  
UNAUDITED CONDENSED STATEMENT OF CASH FLOW  
FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2021**

	<b>3 Months Ended</b>	
	<b>30 September 2021 RM'000</b>	<b>30 September 2020 RM'000</b>
Profit before tax	930,851	1,049,242
Adjustment for non cash items	34,434	(9,540)
Operating profit before changes in working capital	965,285	1,039,702
Changes in working capital:		
Net change in current assets	281,164	(120,125)
Net change in current liabilities	(767,350)	535,524
Income tax paid	(328,089)	(64,171)
<b>Net cash flows from operating activities</b>	<b>151,010</b>	<b>1,390,930</b>
<b>Investing Activities</b>		
Purchase of property, plant and equipment	(46,571)	(123,719)
<b>Net cash flows from investing activities</b>	<b>(46,571)</b>	<b>(123,719)</b>
<b>Financing Activities</b>		
Bank borrowings	69,793	12,199
Share buy back	-	(110,413)
Interest expenses	(2,519)	(2,411)
Dividend paid	(421,855)	-
<b>Net cash flows from financing activities</b>	<b>(354,581)</b>	<b>(100,625)</b>
Net change in cash & cash equivalents	(250,142)	1,166,586
Effect of foreign exchange rate changes	(9,505)	3,354
Cash & cash equivalent at beginning of period	3,779,037	1,186,190
<b>Cash &amp; cash equivalent at end of period</b>	<b>3,519,390</b>	<b>2,356,130</b>

Analysis of cash & cash equivalents:-

Cash & bank balances	3,519,390	2,356,130
	<b>3,519,390</b>	<b>2,356,130</b>

*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 2021 (latest audited accounts).*



**INTERIM FINANCIAL STATEMENT  
UNAUDITED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
FOR FINANCIAL PERIOD ENDED 30 SEPTEMBER 2021**

<b>Share Capital</b>	<b>Reserves Attributable To Capital</b>	<b>Translation Reserve</b>	<b>Retained Profits</b>	<b>Minority Interest</b>	<b>Total</b>
<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>

**Year Ended 30th June 2021**

At 1st July 2020	340,077	(101,912)	(141,657)	1,432,558	21,475	1,550,541
Movements during the year	-	(84,456)	17,193	3,297,072	114,037	3,343,846
<b>At 30th June 2021</b>	<b>340,077</b>	<b>(186,368)</b>	<b>(124,464)</b>	<b>4,729,630</b>	<b>135,512</b>	<b>4,894,387</b>

**Year Ended 30 June 2022**

At 1st July 2021	340,077	(186,368)	(124,464)	4,729,630	135,512	4,894,387
Movements during the period	-	-	(5,993)	245,879	(3,787)	236,099
<b>At 30 September 2022</b>	<b>340,077</b>	<b>(186,368)</b>	<b>(130,457)</b>	<b>4,975,509</b>	<b>131,725</b>	<b>5,130,486</b>

*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 30 June 2021 (the latest audited accounts).*



**NOTES TO THE INTERIM FINANCIAL REPORT FOR THE QUARTER ENDED 30 SEPTEMBER 2021 PURSUANT TO FINANCIAL REPORTING STANDARD (FRS) 134**

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**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 2021 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 2021. 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 2021.

**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

During the quarter under review, the Company did not conduct any share buyback activities and continues to hold 102,980,727 treasury shares as at 30 September 2021.



## 7. Dividend Paid

Dividends paid in respect of the last financial year-to-date are as follows:

Financial Year	Description	Payment Date(s)	Dividend per share	Value (RM'000)
2021	Interim single tier dividend	26.02.2021	3.8 sen*	99,470
	Special single tier dividend	08.06.2021	13.0 sen*	340,293
	Special single tier dividend	30.09.2021	15.0 sen*	392,646

\* The dividend rate is based on 2,720.6 million shares (less treasury shares if any) following a 1-for-1 bonus issue completed on 8 September 2020

## 8. Segmental Reporting

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

<b>THE GROUP CUMULATIVE 3 MONTHS</b>	Investment Holding RM'000	Manu- facturing RM'000	Trading RM'000	Others RM'000	Elimination RM'000	Consolidated RM'000
<b>Revenue</b>						
External sales	-	385,926	1,395,488	70,395	(396,149)	1,455,660
Inter-segment sales	390,904	386,213	362,272	949	(1,140,338)	-
	<u>390,904</u>	<u>772,139</u>	<u>1,757,760</u>	<u>71,344</u>	<u>(1,536,487)</u>	<u>1,455,660</u>
Segmental results						954,417
Depreciation & Amortisation						(18,524)
Finance costs						(2,520)
Interest income						1,204
Share of profit in associated cos.						(3,726)
PBT						<u>930,851</u>
Tax expenses						(264,524)
PAT						<u><u>666,327</u></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 12 November 2021, the Group had capital commitments amounting to RM 287.5 million for the purchase of plant and equipment to be installed at its various factories in Malaysia.

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 years 2021, 2022 & 2023.

**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 30 September 2021.

**13. Contingent liabilities and contingent assets**

The Group has no outstanding contingent liabilities and contingent assets as at 12 November 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	1 <sup>st</sup> Quarter ended 30.9.2021 RM '000	1 <sup>st</sup> Quarter ended 30.9.2020 RM '000	Increase/(Decrease)	
			RM'000	%
Revenue	1,455,660	1,352,537	+103,123	+7.6
EBITDA	951,894	1,065,702	(113,808)	(10.7)
EBITDA Margin (%)	65.4%	78.8%		(13.4)
Profit Before Tax (PBT)	930,851	1,049,242	(118,391)	(11.3)
PBT Margin (%)	63.9%	77.6%		(13.7)
Profit After Tax ( PAT )	666,327	812,485	(146,158)	(18.0)
PAT Margin (%)	45.8%	60.1%		(14.3)

Supermax Group's revenue rose by 7.6% (RM103.1 million) to RM1.46 billion compared to the corresponding quarter a year ago. This was achieved on the back of continued strong global demand for the Group's medical gloves and other PPEs amid the Covid-19 pandemic worldwide. It recorded increased sales from the additional capacity generated by its newest plant which was commissioned during the year.

The Group's profit margins have remained relatively high, although they have regressed compared to the corresponding quarter a year ago. EBITDA, PBT and PAT margins have pulled back by 13.4%, 13.7% and 14.3% respectively. The margin regression is due to the fall in average selling prices (ASPs) as competition has intensified significantly following a period of substantial capacity expansion across the industry as both existing and new players ramped up their production capacities.





## 2. Comparison with Preceding Quarter's Result

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

	1st Quarter ended 30.9.2021 RM '000	4 <sup>th</sup> Quarter ended 30.6.2021 RM '000	Increase/(Decrease)	
			RM'000	%
Revenue	1,455,660	1,875,488	(419,828)	(22.4)
EBITDA	951,894	1,252,676	(300,782)	(24.0)
EBITDA Margin (%)	65.4%	66.8%		(1.4)
Profit Before Tax (PBT)	930,851	1,231,218	(300,367)	(24.4)
PBT Margin (%)	63.9%	65.6%		(1.7)
Profit After Tax ( PAT )	666,327	1,015,433	(349,106)	(34.4)
PAT Margin (%)	45.8%	54.1%		(8.3)

Compared to the preceding quarter, the Group's revenue saw a sharp fall of 22.4%. The Group's profit also declined significantly with EBITDA, PBT and PAT falling by 24.0%, 24.4% and 34.4% respectively. The substantial deterioration in revenue and profits was mainly due to:

- Temporary closure of the Group's entire manufacturing operations during the Enhanced Movement Control Order (EMCO) imposed in July 2021;
- subsequent restriction on number of workers allowed to work under the National Recovery Plan; and
- decline in average selling prices (ASPs) as a result of intensifying competition with overall glove supply rising significantly in line with the ramping up of production capacities by existing and new glove players.

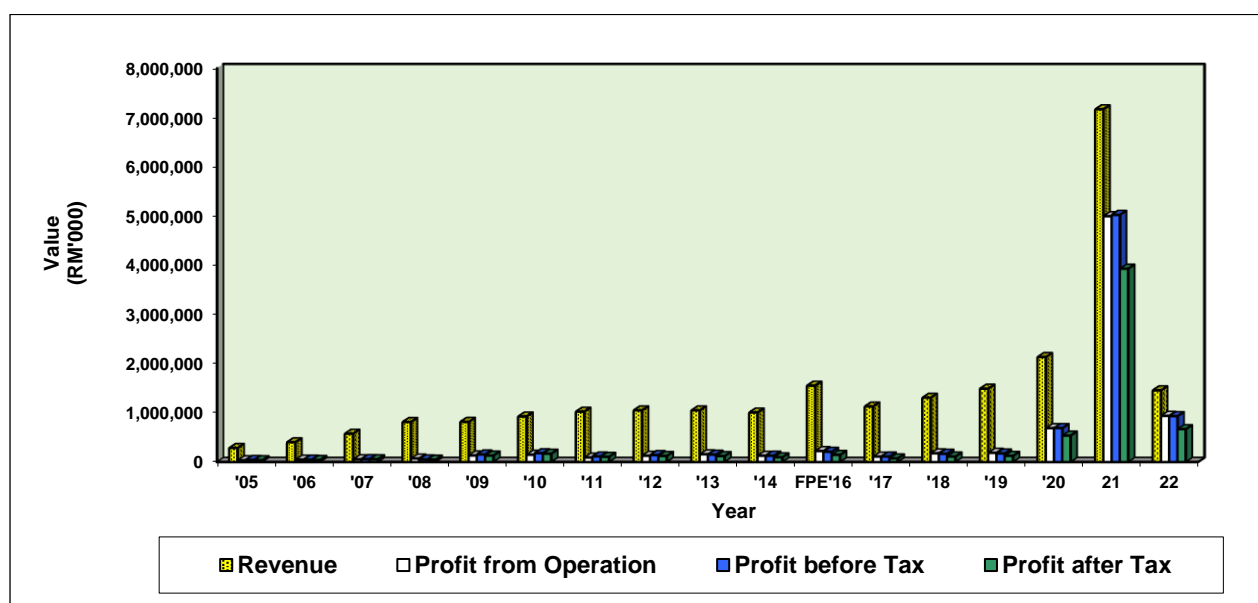


**Historical & Current Financial Performance**

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

Description	FYE 06/2018 (RM'000)	FYE 06/2019 (RM'000)	FYE 06/2020 (RM'000)	FYE 06/2021 (RM'000)	3 mths (July-Sept'21) FYE 06/2022 (RM'000)
Revenue	1,304,460	1,538,157	2,131,808	7,164,186	1,455,660
Profit from operations	169,879	192,116	679,111	5,028,106	937,096
EBITDA	217,720	237,194	771,822	5,096,884	951,894
EBITDA Margin	16.7%	15.4%	36.2%	71.1%	65.4%
Profit before Tax (PBT)	161,894	172,408	680,163	5,019,993	930,851
PBT Margin	12.4%	11.2%	31.9%	70.1%	63.9%
Profit after Tax (PAT)	110,142	123,103	534,778	3,929,944	666,327
Core Profit after Tax (PAT)	110,142	118,147	534,778	3,929,944	666,327
Core PAT Margin	8.4%	7.7%	25.1%	54.9%	45.8%
No. of Shares	680,154	1,360,308	1,360,308	2,720,619	2,720,619
Net Tangible Asset (NTA)	1,022,710	1,134,226	1,550,542	4,894,388	5,130,486
NTA per share (RM)	0.38#	0.42#	0.59#	1.82	1.91
EPS (sen)	4.05#	4.70#	20.08#	147.03	24.60
Return on Assets (ROA)	6.4%	6.7%	16.7%	53.1%	N/A
Return on Equity (ROE)	10.8%	10.8%	34.5%	80.3%	N/A

# The NTA per share and EPS for the financial year ended 30.6.2021 and financial year ending 30.6.2022 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 but global glove selling prices are decreasing.***

The demand for gloves as a personal protective equipment remains strong as the world continues to fight the COVID-19 pandemic. New waves continue to hit countries around the world, and continue to flare up even as more and more countries begin opening up their economic sectors and easing their SOPs. Since the start of the pandemic, we have seen and continue to see the emergence of new consumers and new consumption not previously seen before prior to Covid-19.

The surge in demand since March 2020 had resulted in a rapid rise in average selling prices (ASPs). 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 widely expected to cause some moderation in terms of glove demand and consumption. Nevertheless, 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.

At the height of the global surge in demand, many new glove players had jumped onto the bandwagon. Many of the existing players also ramped up their capacities in large scale especially from players who are public-listed companies based in China, Malaysia and in Thailand. With the substantial increase in market supply, average selling prices have started declining with spot market prices currently much lower than contracted prices.

##### ***b) Glove Capacity Expansion in Malaysia***

Supermax had completed the commissioning of the remaining production lines in Block B of Plant #12 in the last quarter of CY2020, adding 2.2 billion to the Group's annual installed capacity. We are seeing full quarter contributions since the first quarter of CY2021 and going forward. The Company is currently building 5 glove manufacturing plants concurrently and scheduled for completion progressively. The new plants will add 22.25 billion new capacity bringing the Group's total capacity to 48.42 billion gloves when they are fully commissioned. The Supermax Group would invest total capital expenditure of RM1.39 billion for the new plants.

##### ***c) Building Glove Manufacturing Plants Closer to Customers in the USA***

The vulnerability of disruption of PPE Supply Chains or over dependence on imports have become 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. This initiative is progressing and more details will be shared when it becomes available officially.



**d) Contact Lens Division**

The Group has continued to progress well in its contact lens business and is looking forward to continuous and sustained growth in the years ahead.

**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):

	<b>1<sup>st</sup> Quarter Ended 30.9.2021 RM'000</b>	<b>Financial Year-to-Date 30.9.2021 RM'000</b>
Interest Expense	2,519	2,519
Depreciation & Amortisation	18,524	18,524
Staff costs:		
- Salaries, wages & bonus	31,685	31,685
- EPF	1,402	1,402
- Other related staff costs	2,188	2,188
Foreign Exchange		
- Realised (Gain) or Loss	(7,071)	(7,071)
- Unrealised (Gain) or Loss	937	937
Other Costs & Expenses	470,899	470,899
<b>Total Operating Expenses</b>	<b><u>518,564</u></b>	<b><u>518,564</u></b>

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

	<b>1<sup>st</sup> Quarter Ended 30.9.2021 RM '000</b>	<b>Financial Year-to-Date 30.9.2021 RM '000</b>
Taxation	264,524	264,524

The effective tax rate is higher than the statutory tax rate of 24% as higher provision was made in view of the prosperity tax announced in the recent Budget 2022.

**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 12 November 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 30 September 2021 are as follows:-

	<b>Secured RM'000</b>	<b>Unsecured RM'000</b>	<b>Total RM'000</b>
Short term borrowings	-	244,785	244,785
Long term borrowings	-	87,293	87,293
Total borrowings	-	332,078	332,078

83% of the short-term borrowings comprise trade facilities amounting to RM 204.1 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 12 November 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 12 November 2021, being the latest practicable date.

**13. Dividends Declared/Proposed**

The Board of Directors has declared an interim Single Tier Dividend of **5 Sen** per ordinary share for the current financial year ended 30 June 2022, to be paid on **3 January 2022** to the depositors registered in the Record of Depositors at the close of business on **6 December 2021**.



**14. Earnings per Share (EPS)**

	<b>Current Quarter Ended 30.9.2021</b>	<b>Financial Year-to- Date ended 30.9.2021</b>
Net profit / (loss) (RM'000) attributable to ordinary shareholders	632,530	632,530
Weighted average ('000) Number of ordinary shares in issue	2,595,917	2,595,917
Basic earnings per share (sen)	24.60	24.60