



INTERIM FINANCIAL STATEMENTS
UNAUDITED INCOME STATEMENT FOR THE FINANCIAL YEAR ENDED
30 JUNE 2022

	4th Quarter Ended		12 Months Cumulative Totdate	
	30 June 2022 RM'000	30 June 2021 RM'000	30 June 2022 RM'000	30 June 2021 RM'000
Revenue	300,226	1,875,488	2,687,227	7,164,186
Operating expenses	(268,410)	(644,796)	(1,599,836)	(2,171,130)
Finance costs	(1,591)	(1,973)	(5,705)	(8,113)
Share of profit of associated companies	(1,051)	2,498	(11,435)	35,050
Profit before tax	29,174	1,231,217	1,070,251	5,019,993
Taxation	3,107	(215,785)	(299,174)	(1,090,049)
Profit after tax	32,281	1,015,432	771,077	3,929,944
Other comprehensive income/(loss)				
Foreign currency translation	49,385	(3,349)	41,047	22,175
	49,385	(3,349)	41,047	22,175
Total comprehensive income	81,666	1,012,083	812,124	3,952,119
Profit attributable to:				
Owners of the parent	33,054	962,526	732,429	3,816,717
Minority interest	(773)	52,906	38,648	113,227
	32,281	1,015,432	771,077	3,929,944
Total comprehensive income attributable to:				
Owners of the parent	83,300	956,845	773,796	3,833,910
Minority interest	(1,634)	55,238	38,328	118,209
	81,666	1,012,083	812,124	3,952,119
Weighted average('000) number of Ordinary Shares in issue	2,643,856	2,595,917	2,643,856	2,595,917
EPS - Basic and diluted (sen)	1.25	37.08	27.70	147.03

This Unaudited Condensed 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 STATEMENTS
UNAUDITED STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2022

	Unaudited 30 June 2022 RM'000	Audited 30 June 2021 RM'000
ASSETS		
Non-Current Assets		
Property, Plant & Equipment	1,750,984	1,449,803
Investment in associated companies	166,366	177,802
Deferred tax assets	40,671	111,674
	1,958,021	1,739,279
Current Assets		
Inventories	250,399	518,507
Trade receivables	156,438	627,711
Tax recoverable	375,334	592,253
Other receivables	159,671	137,379
Cash & bank balances	3,031,820	3,779,037
	3,973,662	5,654,887
	5,931,683	7,394,166
EQUITY AND LIABILITIES		
Share capital	340,077	340,077
Minority Interest	167,123	135,512
Treasury shares	(70,673)	(186,368)
Reserves	4,568,659	4,605,167
Shareholders Fund	5,005,186	4,894,388
Non-Current Liabilities		
Long term borrowing	52,729	63,992
Deferred tax liabilities	68,006	66,009
	120,735	130,001
Current Liabilities		
Trade payables	144,991	273,195
Other payables and accrued expenses	121,688	83,380
Prepayment received from customers	64,221	817,025
Short term borrowing	179,907	198,293
Provision for taxation	294,955	997,884
	805,762	2,369,777
TOTAL EQUITY AND LIABILITIES	5,931,683	7,394,166
Net Asset per share	1.82	1.82

This Unaudited Condensed Statement of Financial Position 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 STATEMENTS
UNAUDITED CONDENSED STATEMENT OF CASH FLOWS
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2022**

	12 Months Ended	
	30 June 2022 RM'000	30 June 2021 RM'000
Profit before tax	1,070,251	5,019,993
Adjustment for non cash items	95,480	39,897
Operating profit before changes in working capital	1,165,731	5,059,890
Changes in working capital:		
Net change in current assets	714,699	(642,413)
Net change in current liabilities	(842,699)	44,771
Income tax paid	(712,186)	(837,061)
Net cash flows from operating activities	325,545	3,625,187
Investing Activities		
Purchase of property, plant and equipment	(408,936)	(450,057)
Net cash flows used in investing activities	(408,936)	(450,057)
Financing Activities		
Bank borrowings	(29,649)	(68,162)
Share buy back	(42,177)	(164,338)
Interest expenses	(5,705)	(8,113)
Interest income	5,156	7,630
Dividend paid	(659,332)	(443,935)
Net cash flows used in financing activities	(731,708)	(676,918)
Net change in cash & cash equivalents	(815,099)	2,498,212
Effect of foreign exchange rate changes	67,882	94,635
Cash & cash equivalent at beginning of period	3,779,037	1,186,190
Cash & cash equivalent at end of period	3,031,820	3,779,037
Analysis of cash & cash equivalents:-		
Cash & bank balances	3,031,820	3,779,037
	3,031,820	3,779,037

This Unaudited Condensed Statement of Cash Flows 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 STATEMENTS
UNAUDITED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2022

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

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)	17,194	3,297,072	114,037	3,343,847
At 30th June 2021	340,077	(186,368)	(124,463)	4,729,630	135,512	4,894,388

Year Ended 30 June 2022

At 1st July 2021	340,077	(186,368)	(124,463)	4,729,630	135,512	4,894,388
Movements during the period	-	115,695	41,365	(77,873)	31,611	110,798
At 30 June 2022	340,077	(70,673)	(83,098)	4,651,757	167,123	5,005,186

This Unaudited Condensed Consolidated Statement 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 JUNE 2022
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 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 purchased a total of 697,200 ordinary shares from the open market, all of which were retained in treasury. As at 30 June 2022, the Company held 55,758,209 shares in treasury.



7. Dividend Paid

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

Financial Year	Description	Payment Date(s)	Dividend per share	Value (RM'000)
2022	Interim single tier dividend	03.01.2022	5.0 sen*	130,882
	Interim single tier dividend	28.06.2022	3.0 sen*	79,946

* 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:

THE GROUP CUMULATIVE FY2022	Investment Holding RM'000	Manu-facturing RM'000	Trading RM'000	Others RM'000	Elimination RM'000	Consolidated RM'000
Revenue						
External Revenue	-	517,158	2,096,395	73,673	-	2,687,226
Inter-Segment Revenue	906,154	1,244,694	508,941	17,040	(2,676,829)	-
	<u>906,154</u>	<u>1,761,852</u>	<u>2,605,336</u>	<u>90,713</u>	<u>(2,676,829)</u>	<u>2,687,226</u>
Segmental results						1,156,190
Depreciation & Amortisation						(73,954)
Finance costs						(5,705)
Interest income						5,155
Share of profit in associated cos.						(11,435)
PBT						1,070,251
Tax expenses						(299,174)
PAT						<u>771,077</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 18 August 2022, the Group had capital commitments amounting to RM 212.6 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 & put aside to build 5 new Nitrile Glove Manufacturing plants, i.e. Plant #13, #14, #15, #16 & #17 in Klang, Selangor, Malaysia. The construction of the 4 of the 5 new plants are at various stages & the plant and machineries for those which have been under installation would be commissioned when market recovers.

As for USA Plant, US\$350 million has been budgeted and site work, civil and structural works have started. Installation of plant and machineries shall follow once the main civil and structural works are completed in year 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 June 2022.

13. Contingent liabilities and contingent assets

The Group has no outstanding contingent liabilities and contingent assets as at 18 August 2022 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	4 th Quarter ended 30.6.2022 RM '000	4 th Quarter ended 30.6.2021* RM '000	Increase/(Decrease)	
			RM'000	%
Revenue	300,226	1,875,488	(1,575,262)	(84.0)
EBITDA	52,755	1,252,948	(1,200,193)	(64.0)
EBITDA Margin (%)	17.6%	66.8%		(49.2)
Profit Before Tax (PBT)	29,174	1,231,217	(1,202,043)	(97.6)
PBT Margin (%)	9.7%	65.6%		(55.9)
Profit After Tax (PAT)	32,281	1,015,432	(983,151)	(96.8)
PAT Margin (%)	10.7%	54.1%		(43.4)

* Audited

Supermax Group's revenue saw a steep fall of 84.0% (RM1.57 billion) to RM 300.2 million compared to the corresponding quarter a year ago. Over this period, profitability in absolute terms and in terms of margins have fallen away significantly.

The declining profitability was due to a combination of factors as follows:

- Average selling prices (ASPs) and demand continue to come off the highs recorded a year ago at a time when the worldwide Covid-19 pandemic fears were at or near its peak.
- Sales continues to be adversely impacted as the Withhold Release Order (WRO) imposed by the US Customs and Border Protection (USCBP) in October 2021 remains in place and the Canadian government having suspended orders and deliveries from Supermax.
- Importers and distributors including Supermax Group's overseas distribution units having had to sell high-priced inventory at falling market prices since end-CY2021.
- Increased operating costs caused by unfavourable factors and increase in minimum wages.



2. Comparison with Preceding Quarter's Result

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

	4 th Quarter ended 30.6.2022 RM '000	3 rd Quarter ended 31.3.2022 RM '000	Increase/(Decrease)	
			RM'000	%
Revenue	300,226	407,799	(107,573)	(26.4)
EBITDA	52,755	34,485	+18,270	+53.0
EBITDA Margin (%)	17.6%	8.5%		+9.1
Profit Before Tax (PBT)	29,174	18,280	+10,894	+59.6
PBT Margin (%)	9.7%	4.5%		+5.2
Profit After Tax (PAT)	32,281	15,810	+16,471	+104.2
PAT Margin (%)	10.7%	3.9%		+6.8

Compared to the preceding quarter, the Group's revenue was lower by 26.4%. While the Group's profits showed increases with EBITDA, PBT and PAT rising by RM18.3 million, RM10.9 million and RM16.5 million respectively.

The deterioration in revenue was mainly due to:

- continued decline in average selling prices (ASPs) amid intensive competition with overall glove supply rising significantly in line with the ramping up of production capacities by existing and new glove players.
- US CBP's WRO action remains in place and together with the Canadian government suspending glove purchases from the Company, sales continue to be hampered.
- Importers and distributors including Supermax Group's overseas distribution units having to sell high-priced inventory at falling market prices since end-CY2021.
- Increased operating costs due to inflationary pressures on utility costs among others.

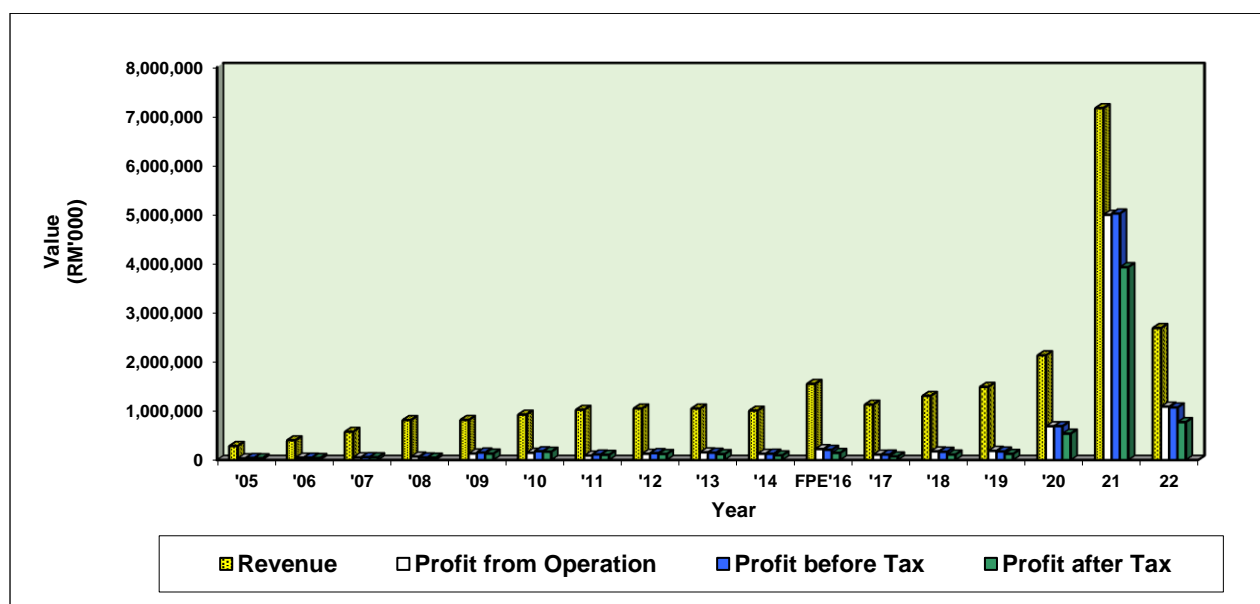


Historical & Current Financial Performance

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)	FYE 06/2022 (RM'000)
Revenue	1,304,460	1,538,157	2,131,808	7,164,186	2,687,227
Profit from operations	169,879	192,116	679,111	5,028,106	1,087,391
EBITDA	217,720	237,194	771,822	5,096,884	1,149,909
EBITDA Margin	16.7%	15.4%	36.2%	71.1%	42.8%
Profit before Tax (PBT)	161,894	172,408	680,163	5,019,993	1,070,250
PBT Margin	12.4%	11.2%	31.9%	70.1%	39.8%
Profit after Tax (PAT)	110,142	123,103	534,778	3,929,944	771,076
Core Profit after Tax (PAT)	110,142	118,147	534,778	3,929,944	738,913
Core PAT Margin	8.4%	7.7%	25.1%	54.9%	27.5%
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	4,954,982
NTA per share (RM)	0.38#	0.42#	0.59#	1.82	1.81
EPS (sen)	4.05#	4.70#	20.08#	147.03	26.52
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) Global supply exceeding demand and glove selling prices are weak.

The rubber glove industry is currently well into a consolidation phase, after having gone through its strongest ever growth phase historically in 2020 and 2021, triggered by the Covid-19 pandemic that had spread across the globe. The sector's strong growth spurt had attracted many new players into the market and encouraged existing players to ramp up production capacity to capitalise on the surging demand. The resulting over-supply situation coupled with demand normalising as the world comes to terms with a pandemic that is transitioning to an endemic disease, has seen average selling prices (ASPs) for gloves track lower from their record highs.

We expect to see continued major consolidation in the rubber glove industry as ASPs and demand continue to moderate from the record highs seen at the peak of the Covid-19 pandemic. Nevertheless, the structural shift triggered by the pandemic will see demand remain at a higher level compared to the pre-pandemic period and resume a longer-term upward trend once the current demand-supply disequilibrium rebalances in time.

Going forward, we are expecting the market to remain weak, competition continue to be intense and the profit margins continue to moderate.

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):

	4th Quarter Ended 30.6.2022 RM'000	Financial Year Ended 30.6.2022 RM'000
Interest Expense	1,591	5,705
Depreciation & Amortisation	21,990	73,953
Staff costs:		
- Salaries, wages & bonus	33,597	145,478
- EPF	1,948	7,669
- Other related staff costs	1,105	15,290
Foreign Exchange		
- Realised (Gain) or Loss	(9,687)	(38,973)
- Unrealised (Gain) or Loss	(30,019)	(26,386)
Other Costs & Expenses	249,476	1,422,805
Total Operating Expenses	<u>268,410</u>	<u>1,599,836</u>

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

	4th Quarter Ended 30.6.2022 RM '000	Financial Year Ended 30.6.2022 RM '000
Tax Expense/(Income)	(3,107)	299,174

The effective tax rate for the financial year-to-date is higher than the statutory tax rate of 24% as higher provision was made in view of the prosperity tax announced in 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 18 August 2022 (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 June 2022 are as follows:-

	Secured RM'000	Unsecured RM'000	Total RM'000
Short term borrowings	-	179,907	179,907
Long term borrowings	-	52,729	52,729
Total borrowings	-	232,636	232,636

81% of the short-term borrowings comprise trade facilities amounting to RM 145.7 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 18 August 2022 (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 18 August 2022, being the latest practicable date.

13. Dividends Declared/Proposed

The Board of Directors has proposed a final single tier dividend of 3 sen per ordinary share for the financial year ended 30 June 2022, subject to shareholders' approval at the upcoming Annual General Meeting to be held later this year.

14. Earnings per Share (EPS)

	Current Quarter Ended 30.6.2022	Financial Year Ended 30.6.2022
Net profit (RM'000) attributable to ordinary shareholders	33,054	732,429
Weighted average ('000) Number of ordinary shares in issue	2,643,856	2,643,856
Basic earnings per share (sen)	1.25	27.70