



INTERIM FINANCIAL STATEMENTS
UNAUDITED INCOME STATEMENT FOR THE FINANCIAL YEAR ENDED
30 JUNE 2023

	4th Quarter Ended		12 Months Cumulative Totdate	
	30 June 2023 RM'000	30 June 2022 RM'000	30 June 2023 RM'000	30 June 2022 RM'000
Revenue	223,365	300,226	821,856	2,687,227
Operating expenses	(243,988)	(279,159)	(1,005,326)	(1,610,585)
Finance costs	(1,808)	(1,591)	(6,441)	(5,705)
Share of results of associates	(597)	(1,051)	(6,795)	(11,435)
(Loss)/Profit before tax	(23,028)	18,425	(196,706)	1,059,502
Taxation	(7,046)	(97)	16,988	(302,379)
(Loss)/Profit after tax	(30,074)	18,328	(179,718)	757,123
Other comprehensive income/(expense)				
Foreign currency translation	107,233	90,396	102,699	82,058
	107,233	90,396	102,699	82,058
Total comprehensive (expense)/income	77,159	108,724	(77,019)	839,181
(Loss)/Profit attributable to:				
Owners of the parent	(7,172)	19,532	(149,448)	718,906
Minority interest	(22,902)	(1,204)	(30,270)	38,217
	(30,074)	18,328	(179,718)	757,123
Total comprehensive (expense)/income attributable to:				
Owners of the parent	84,750	110,798	(55,398)	801,293
Minority interest	(7,591)	(2,074)	(21,621)	37,888
	77,159	108,724	(77,019)	839,181
Weighted average('000) number of Ordinary Shares in issue	2,636,616	2,643,856	2,636,616	2,636,812
EPS - Basic and diluted (sen)	(0.27)	0.74	(5.67)	27.26

This Unaudited Condensed Income Statement should be read in conjunction with the Annual Financial Report of the Group for the year ended 30 June 2022 (the latest audited accounts).



INTERIM FINANCIAL STATEMENTS
UNAUDITED STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2023

	Unaudited 30 June 2023 RM'000	Audited 30 June 2022 RM'000
ASSETS		
Non-Current Assets		
Property, Plant & Equipment	2,180,540	1,728,559
Investment in associated companies	200,393	207,189
Deferred tax assets	17,605	36,317
	2,398,538	1,972,065
Current Assets		
Inventories	157,362	267,561
Trade receivables	53,253	152,378
Tax recoverable	303,143	375,334
Other receivables	87,896	157,463
Cash & bank balances	2,147,307	3,032,157
	2,748,961	3,984,893
TOTAL ASSETS	5,147,499	5,956,958
EQUITY AND LIABILITIES		
Share capital	340,077	340,077
Minority Interest	90,395	166,563
Treasury shares	(145,535)	(70,672)
Reserves	4,371,248	4,596,157
Shareholders Fund	4,656,185	5,032,125
Non-Current Liabilities		
Long term borrowing	18,691	52,588
Deferred tax liabilities	36,661	67,116
	55,352	119,704
Current Liabilities		
Trade payables	146,676	144,949
Other payables and accrued expenses	34,763	120,864
Prepayment received from customers	27,311	64,724
Short term borrowing	85,794	179,905
Dividend Payables	90,164	-
Provision for taxation	51,254	294,687
	435,962	805,129
TOTAL EQUITY AND LIABILITIES	5,147,499	5,956,958
Net Asset per share	1.77	1.83

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 2022 (the latest audited accounts).



**INTERIM FINANCIAL STATEMENTS
UNAUDITED CONDENSED STATEMENT OF CASH FLOWS
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2023**

	12 Months Ended	
	30 June 2023 RM'000	30 June 2022 RM'000
(Loss)/Profit before tax	(196,707)	1,059,502
Adjustment for non cash items	84,950	114,836
Operating (loss)/profit before changes in working capital	(111,757)	1,174,338
Changes in working capital:		
Net change in current assets	264,729	696,322
Net change in current liabilities	(121,787)	(843,062)
Income tax paid	(165,998)	(712,194)
Net cash (used in)/generated from operating activities	(134,813)	315,404
Investing Activities		
Purchase of property, plant and equipment	(570,793)	(398,507)
Proceeds from disposal of property, plant and equipment	2,200	
Net cash flows used in investing activities	(568,593)	(398,507)
Financing Activities		
Bank borrowings	(128,009)	(29,790)
Share buy back	(74,862)	(42,177)
Interest expenses	(6,441)	(5,705)
Interest income	45,000	5,161
Dividend paid	(133,893)	(659,332)
Net cash flows used in financing activities	(298,205)	(731,843)
Net change in cash & cash equivalents	(1,001,611)	(814,946)
Effect of foreign exchange rate changes	116,761	68,066
Cash & cash equivalent at beginning of period	3,032,157	3,779,037
Cash & cash equivalent at end of period	2,147,307	3,032,157
Analysis of cash & cash equivalents:-		
Cash & bank balances	2,147,307	3,032,157
	2,147,307	3,032,157

This Unaudited Condensed Income Statement should be read in conjunction with the Annual Financial Report of the Group for the year ended 30 June 2022 (the latest audited accounts).



INTERIM FINANCIAL STATEMENTS
UNAUDITED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2023

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 30 June 2022

At 1 July 2021	340,077	(186,368)	(124,463)	4,729,630	135,512	4,894,388
Movements during the year	-	115,696	82,386	(91,396)	31,051	137,737
At 30 June 2022	340,077	(70,672)	(42,077)	4,638,234	166,563	5,032,125

Period Ended 30 June 2023

At 1 July 2022	340,077	(70,672)	(42,077)	4,638,234	166,563	5,032,125
Movements during the period	-	(74,863)	94,050	(318,959)	(76,168)	(375,940)
At 30 June 2023	340,077	(145,535)	51,973	4,319,275	90,395	4,656,185

This Unaudited Condensed Income Statement should be read in conjunction with the Annual Financial Report of the Group for the year ended 30 June 2022 (the latest audited accounts).



**NOTES TO THE INTERIM FINANCIAL REPORT FOR THE QUARTER ENDED 30 JUNE 2023
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 2022 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 2022. 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 2022.

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 68,741,791 shares from the open market, all of which were retained as treasury shares. As at 30 June 2023, the Company held a total of 144,500,000 shares in treasury.



7. Dividend Paid

Dividends paid in respect of the current and last financial years 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
	Final single tier dividend	18.01.2023	3.0 sen	79,346
2023	Interim single tier dividend	18.07.2023	3.5 sen	90.164

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 12 MONTHS	Investment Holding RM'000	Manu- facturing RM'000	Trading RM'000	Others RM'000	Elimination RM'000	Consolidated RM'000
Revenue						
External Revenue	-	339,248	474,833	7,775	-	821,856
Inter-Segment Revenue	229,571	355,210	46,367	5,458	(636,606)	-
	<u>229,571</u>	<u>694,458</u>	<u>521,200</u>	<u>13,233</u>	<u>(636,606)</u>	<u>821,856</u>
Segmental results						(142,191)
Depreciation & Amortisation						(86,279)
Finance costs						(6,441)
Interest income						45,000
Share of results of associates						(6,795)
Profit/(Loss) before tax						<u>(196,706)</u>
Tax expenses						16,988
Profit/(Loss) after tax						<u>(179,718)</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 22 August 2023, the Group had capital commitments paid &/or contracted amounting to RM 184.9 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 6 blocks of manufacturing plants in the Group's manufacturing complex in Meru, Klang.

The Group will monitor closely the prevailing and expected market conditions before deciding on the rate of installation of the new production lines.

As for the manufacturing project in the USA, US\$350 million has been budgeted for Phase #1 of the project and site work, civil and structural works have started. Installation of plant and machinery shall follow once the main civil and structural works are completed in year 2023. The capital commitments paid &/or contracted for this project amounted to US\$ 177.2 million as at 22 August 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 2023.

13. Contingent liabilities and contingent assets

The Group has no outstanding contingent liabilities and contingent assets as at 22 August 2023 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 30.6.2023 RM '000	4 th Quarter ended 30.6.2022 RM '000	Increase/(Decrease)	
			RM'000	%
Revenue	223,365	300,226	(76,861)	(25.6)
EBITDA	4,347	52,755	(48,408)	(91.8)
EBITDA Margin (%)	1.9%	17.6%		(15.7)
Profit/(Loss) Before Tax	(23,028)	29,174	(52,202)	(178.9)
PBT/(LBT) Margin (%)	(10.3%)	9.7%		(20.0)
Profit/(Loss) After Tax	(30,074)	32,281	(62,355)	(193.2)
PAT/LAT Margin (%)	(13.5%)	10.7%		(24.2)

The operating environment continues to be very challenging and this has seen the Supermax Group's revenue for the quarter decline 25.6% to RM 223.4 million from RM 300.2 million a year ago; and losses recorded compared to profits previously. The weaker performance is mainly due to the lower glove average selling prices (ASPs) and rising costs.

The main factors contributing to the decline include:

- Average selling prices (ASPs) in the current quarter are lower compared to a year ago as the glove market continues to consolidate under the prevailing demand/supply imbalance situation.
- Loss of sales from a major market as the Withhold Release Order (WRO) imposed by the US Customs and Border Protection (USCBP) in October 2021 remains in place.
- Lower demand in the broader global market as buyers continue to wind down their over-stocked positions.
- Increased operating costs including high energy/utilities costs (natural gas, electricity and water).



2. Comparison with Preceding Quarter's Result

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

	4 th Quarter ended 30.6.2023 RM '000	3 rd Quarter ended 31.3.2023 RM '000	Increase/(Decrease)	
			RM'000	%
Revenue	223,365	175,742	+47,623	+27.1
EBITDA	4,347	(53,129)	+57,476	+108.2
EBITDA Margin (%)	1.9%	(30.2)		+32.1
Profit/(Loss) Before Tax	(23,028)	(74,976)	+51,948	+69.3
PBT/(LBT) Margin (%)	(10.3%)	(42.7%)		+32.4
Profit/(Loss) After Tax	(30,074)	(43,793)	+13,719	+31.3
PAT/LAT Margin (%)	(13.5%)	(24.9%)		+11.4

Compared to the preceding quarter, the Group's revenue was higher for a 2nd consecutive quarter, although the rise has been from a relatively low base following 8 consecutive quarters of declining sales prior to this. The Group's profitability has improved, even managing to eke out a slight profit margin of 1.9% at EBITDA level. Nevertheless, it continues to suffer losses at PBT and PAT levels.

The improved performance is mainly due to the factors as follows:

- Average selling prices (ASPs) have stabilised and have improved slightly.
- Increased capacity utilisation rate as demand has started to improve albeit moderately. The significant overstocking built up as a result of over-buying during the pandemic has started to deplete appreciably and some re-stocking is taking place again.
- Improving economies of scale as the capacity utilisation improves.

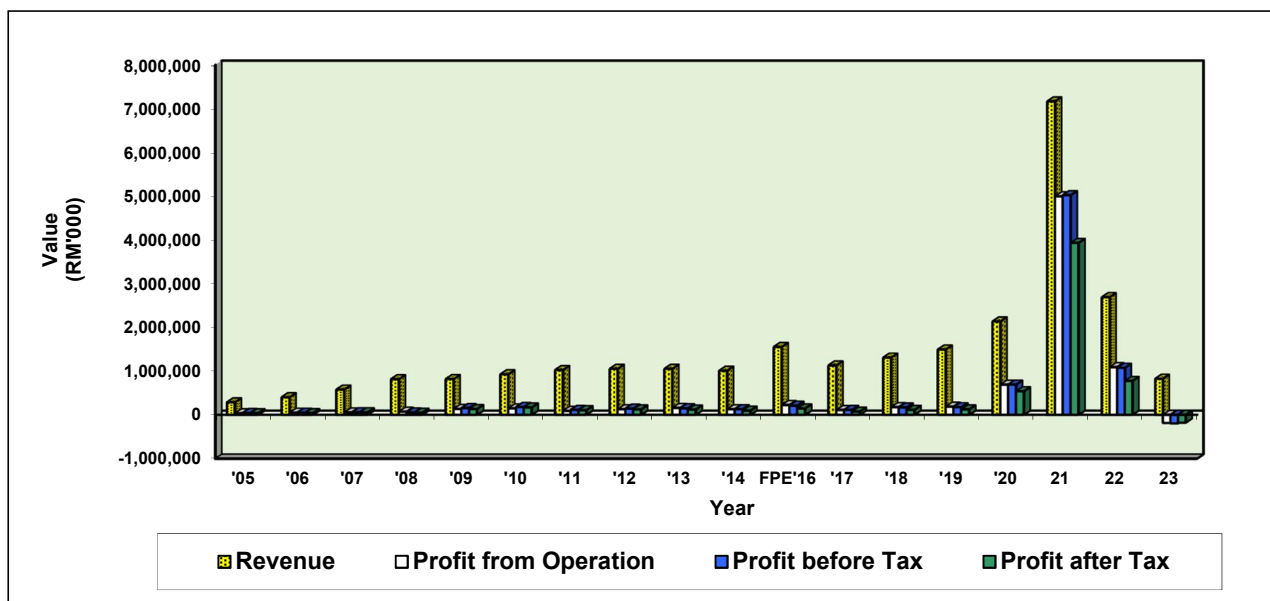


Historical & Current Financial Performance

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

Description	FYE 06/2019 (RM'000)	FYE 06/2020 (RM'000)	FYE 06/2021 (RM'000)	FYE 06/2022 (RM'000)	FYE 06/2023 (RM'000)
Revenue	1,538,157	2,131,808	7,164,186	2,687,227	821,856
Profit/(loss) from operations	192,116	679,111	5,028,106	1,065,207	(183,470)
EBITDA	237,194	771,822	5,096,884	1,139,068	(103,986)
EBITDA Margin	15.4%	36.2%	71.1%	42.8%	(12.7%)
Profit/(Loss) before Tax	172,408	680,163	5,019,993	1,059,501	(196,706)
PBT/(LBT) Margin	11.2%	31.9%	70.1%	39.4%	(23.9%)
Profit/(Loss) after Tax	123,103	534,778	3,929,944	757,122	(179,717)
Core Profit/(Loss) after Tax	118,147	534,778	3,929,944	725,165	(179,717)
Core PAT/(LAT) Margin	7.7%	25.1%	54.9%	27.0%	(21.9%)
No. of Shares	1,360,308	1,360,308	2,720,619	2,720,619	2,720,619
Net Tangible Asset (NTA)	1,134,226	1,550,542	4,894,388	5,032,125	4,656,185
NTA per share (RM)	0.42#	0.59#	1.82	1.83	1.77
Earnings/(Loss) per share (sen)	4.70#	20.08#	147.03	27.19	(5.67)
Return on Assets (ROA)	6.7%	16.7%	53.1%	12.7%	(3.5%)
Return on Equity (ROE)	10.8%	34.5%	80.3%	15.0%	(3.8%)

The NTA per share and EPS/(LPS) for the financial years ended 30.6.2021 & 30.6.2022 and financial year ending 30.6.2023 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

The rubber glove market remains lacklustre as the prevailing unfavourable demand-supply dynamic continues to re-balance itself post-pandemic. The over-supply situation is expected to moderate gradually as more and more of the smaller players exit the market. Some of the big players are also scaling back their expansion and retiring older factories and production lines. Nevertheless, average selling prices (ASPs) remain suppressed and a meaningful market recovery may only take place sometime late into year 2024.

At the present time, new contracts secured by the Supermax Group are at prevailing low prices and low margins. The Group does not expect to see a significant improvement in performance in the near to medium term owing to the high volume of high-priced stocks at its overseas distribution centres. For its manufacturing division, in preparing for better times ahead, Supermax has shut down 4 of its old plants over the last 1¾ years. Meanwhile, the plan to build 6 new modern and more efficient manufacturing blocks is still in place, with production lines being installed gradually at a pace that takes into account the current and expected market conditions.

The construction of the Group's USA plant is also underway and is very much in response to the steps taken by an increasing number of countries including the US which are taking steps to re-shore or shore-up domestic production to ensure security of supply especially in times of crises.

The Company is also continuing to engage with the US CBP to demonstrate the huge strides made in improving its human resource policies and procedures including actively reaching out to all former workers for the purpose of remediation. The Group has thus far paid out a total of RM 41.2 million in remediation payments to existing and former workers.

As the Group refreshes more of its production capacity by replacing old lines with newer high-capacity high efficiency lines and at the same time maintaining its existing work force through re-deployment to newer plants, expect to see Supermax continuing to put itself in a strong position to take advantage when the glove market regains its vibrancy sometime in the next 5 – 6 quarters.

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/(Loss) Before Tax

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

	4 th Quarter Ended 30.6.2023 RM'000	Financial Year Ended 30.6.2023 RM'000
Interest Expense	1,808	6,441
Depreciation & Amortisation	25,567	86,279
Staff costs:		
- Salaries, wages & bonus	26,122	109,775
- EPF	1,796	7,705
- Other related staff costs	8,763	21,535



Foreign Exchange		
- Realised (Gain) or Loss	(26,335)	(44,641)
- Unrealised (Gain) or Loss	(23,001)	(15,516)
Other Costs & Expenses	231,076	840,189
Total Operating Expenses	<u>243,988</u>	<u>1,005,326</u>

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

	4th Quarter Ended 30.6.2023 RM '000	Financial Year Ended 30.6.2023 RM '000
Tax (Expense) / Income	(7,046)	16,988

The Group has recorded a tax expense despite incurring a loss before tax for the quarter due to a higher deferred tax recognition as it registered a lower tax loss as against the previous quarter.

For the FYE 30.6.2023, the Group recorded a tax income which arose mainly from the lower provision of deferred tax as a result of the higher unabsorbed tax losses carried forward.

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 22 August 2023 (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 2023 are as follows:-

	Secured RM'000	Unsecured RM'000	Total RM'000
Short term borrowings	-	85,794	85,794
Long term borrowings	-	18,691	18,691
Total borrowings	-	104,485	104,485

92% of the short-term borrowings comprise trade facilities amounting to RM 78.6 million that are revolving in nature for working capital purposes.

11. Financial Instruments with Off Balance Sheet Risks

There were no financial instruments with off balance sheet risk as at 22 August 2023 (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 22 August 2023, being the latest practicable date.

13. Dividends Declared/Proposed

The Board of Directors has not declared or proposed any dividends in the current quarter ended 30 June 2023.

14. Earnings per Share (EPS)

	Current Quarter Ended 30.6.2023	Financial Year Ended 30.6.2023
Net (losses) / profit (RM'000) attributable to ordinary shareholders	(7,172)	(149,448)
Weighted average ('000) Number of ordinary shares in issue	2,636,616	2,636,616
Basic (losses) / profit per share (sen)	(0.27)	(5.67)