



**INTERIM FINANCIAL STATEMENTS**  
**UNAUDITED INCOME STATEMENT FOR THE FINANCIAL PERIOD ENDED**  
**30 SEPTEMBER 2023**

	1st Quarter Ended		3 Months Cumulative Totdate	
	30 September 2023 RM'000	30 September 2022 RM'000	30 September 2023 RM'000	30 September 2022 RM'000
Revenue	177,963	247,964	177,963	247,964
Operating expenses	(172,674)	(238,543)	(172,674)	(238,543)
Finance costs	(387)	(1,368)	(387)	(1,368)
Share of results of associates	(1,757)	(1,950)	(1,757)	(1,950)
Profit before tax	3,145	6,103	3,145	6,103
Taxation	(4,547)	(1,575)	(4,547)	(1,575)
(Loss)/Profit after tax	(1,402)	4,528	(1,402)	4,528
Other comprehensive (loss)/income				
Foreign currency translation	(556)	48,927	(556)	48,927
	(556)	48,927	(556)	48,927
Total comprehensive (loss)/income	(1,958)	53,455	(1,958)	53,455
(Loss)/Profit attributable to:				
Owners of the parent	(2,053)	5,710	(2,053)	5,710
Minority interest	651	(1,182)	651	(1,182)
	(1,402)	4,528	(1,402)	4,528
Total comprehensive (loss)/income attributable to:				
Owners of the parent	25	57,206	25	57,206
Minority interest	(1,983)	(3,751)	(1,983)	(3,751)
	(1,958)	53,455	(1,958)	53,455
Weighted average('000) number of Ordinary Shares in issue	2,576,120	2,661,107	2,576,120	2,661,107
EPS - Basic and diluted ( sen )	(0.08)	0.21	(0.08)	0.21

*This Unaudited Condensed Income Statement should be read in conjunction with the Annual Financial Report of the Group for the year ended 30 June 2023 (the latest audited accounts).*



**INTERIM FINANCIAL STATEMENTS**  
**UNAUDITED STATEMENT OF FINANCIAL POSITION AS AT 30 SEPTEMBER 2023**

	<b>Unaudited 30 September 2023 RM'000</b>	<b>Audited 30 June 2023 RM'000</b>
<b>ASSETS</b>		
<b>Non-Current Assets</b>		
Property, Plant & Equipment	2,400,053	2,243,195
Investment in associated companies	225,481	227,239
Deferred tax assets	14,687	18,958
	2,640,221	2,489,392
<b>Current Assets</b>		
Inventories	155,032	157,212
Trade receivables	39,564	53,314
Tax recoverable	305,462	303,143
Other receivables	113,075	96,820
Cash & bank balances	1,815,995	2,145,966
	2,429,128	2,756,455
<b>TOTAL ASSETS</b>	5,069,349	5,245,847
<b>EQUITY AND LIABILITIES</b>		
Share capital	340,077	340,077
Minority Interest	88,116	90,099
Treasury shares	(145,535)	(145,535)
Reserves	4,406,956	4,406,931
<b>Shareholders Fund</b>	4,689,614	4,691,572
<b>Non-Current Liabilities</b>		
Long term borrowing	19,251	18,691
Deferred tax liabilities	37,964	37,967
	57,215	56,658
<b>Current Liabilities</b>		
Trade payables	134,988	209,533
Other payables and accrued expenses	32,032	34,663
Prepayment received from customers	22,960	27,286
Short term borrowing	82,010	85,743
Dividend Payable	-	90,164
Provision for taxation	50,530	50,228
	322,520	497,617
<b>TOTAL EQUITY AND LIABILITIES</b>	5,069,349	5,245,847
Net Asset per share	1.79	1.79

*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 2023 (the latest audited accounts).*



**INTERIM FINANCIAL STATEMENTS  
UNAUDITED CONDENSED STATEMENT OF CASH FLOWS  
FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2023**

	<b>3 Months Ended</b>	
	<b>30 September 2023 RM'000</b>	<b>30 September 2022 RM'000</b>
(Loss)/Profit before tax	3,145	6,103
Adjustment for non cash items	43,209	(13,226)
Operating (loss)/profit before changes in working capital	46,354	(7,123)
Changes in working capital:		
Net change in current assets	(14,489)	26,684
Net change in current liabilities	(81,501)	(73,361)
Income tax paid	(2,295)	13,035
<b>Net cash used in operating activities</b>	<b>(51,931)</b>	<b>(40,765)</b>
<b>Investing Activities</b>		
Purchase of property, plant and equipment	(209,832)	(75,403)
Proceeds from disposal of property, plant and equipment	2,200	-
<b>Net cash flows used in investing activities</b>	<b>(207,632)</b>	<b>(75,403)</b>
<b>Financing Activities</b>		
Bank borrowings	(3,173)	(26,684)
Share buy back	-	(14,734)
Interest expenses	(387)	(1,368)
Interest income	26,256	4,066
Dividend paid	(90,164)	(15,293)
<b>Net cash flows used in financing activities</b>	<b>(67,468)</b>	<b>(54,013)</b>
Net change in cash & cash equivalents	(327,031)	(170,182)
Effect of foreign exchange rate changes	(2,940)	81,766
Cash & cash equivalent at beginning of period	2,145,966	3,032,157
<b>Cash &amp; cash equivalent at end of period</b>	<b>1,815,995</b>	<b>2,943,741</b>
<b>Analysis of cash &amp; cash equivalents:-</b>		
Cash & bank balances	1,815,995	2,943,741
	<b>1,815,995</b>	<b>2,943,741</b>

*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 2023 (latest audited accounts).*



**INTERIM FINANCIAL STATEMENTS**  
**UNAUDITED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**  
**FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2023**

<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 30 June 2023**

At 1 July 2022	340,077	(70,672)	(42,077)	4,638,234	166,563	5,032,125
Movements during the year	-	(74,863)	121,150	(310,376)	(76,464)	(340,553)
<b>At 30 June 2023</b>	<b>340,077</b>	<b>(145,535)</b>	<b>79,073</b>	<b>4,327,858</b>	<b>90,099</b>	<b>4,691,572</b>

**Period Ended 30 September 2023**

At 1 July 2023	340,077	(145,535)	79,073	4,327,858	90,099	4,691,572
Movements during the period	-	-	2,078	(2,053)	(1,983)	(1,958)
<b>At 30 September 2023</b>	<b>340,077</b>	<b>(145,535)</b>	<b>81,151</b>	<b>4,325,805</b>	<b>88,116</b>	<b>4,689,614</b>

*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 2023 (the latest audited accounts).*



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

**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. As at 30 September 2023, the Company held a total of 144,500,000 shares in treasury.



## 7. Dividend Paid

No dividends were paid in the current quarter and financial year-to-date ended 30 September 2023. Dividends paid in respect of the last financial year are as follows:

Financial Year	Description	Payment Date(s)	Dividend per share	Value (RM'000)
2023	Interim single tier dividend	18.07.2023	3.5 sen	90.164

The dividend rate is based on 2.72 billion 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 3 MONTHS	Investment Holding RM'000	Manu-facturing RM'000	Trading RM'000	Others RM'000	Elimination RM'000	Consolidated RM'000
<b>Revenue</b>						
External Revenue	-	65,967	111,062	934	-	177,963
Inter-Segment Revenue	12,000	93,387	21,552	1,019	(127,958)	-
	12,000	159,354	521,200	1,953	(127,958)	177,963
Segmental results						(2,158)
Depreciation & Amortisation						(18,809)
Finance costs						(387)
Interest income						26,256
Share of results of associates						(1,757)
Profit/(Loss) before tax						3,145
Tax expenses						(4,547)
Profit/(Loss) after tax						(1,402)

## 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 169.9 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 RM 1.39 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\$ 183.22 million as at 22 November 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 2023.

**13. Contingent liabilities and contingent assets**

The Group has no outstanding contingent liabilities and contingent assets as at 22 November 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	1 <sup>st</sup> Quarter ended 30.9.2023 RM '000	1 <sup>st</sup> Quarter ended 30.9.2022 RM '000	Increase/(Decrease)	
			RM'000	%
Revenue	177,963	247,964	(70,001)	(28.2)
EBITDA	22,341	27,713	(5,372)	(19.4)
EBITDA Margin (%)	12.5%	11.2%		+1.3
Profit/(Loss) Before Tax	3,145	6,103	(2,958)	(48.5)
PBT/(LBT) Margin (%)	1.8%	2.5%		(0.7)
Profit/(Loss) After Tax	(1,402)	4,528	(5,930)	(131.0)
PAT/LAT Margin (%)	(0.8%)	1.8%		(2.6)

The business environment continues to be very challenging with demand and ASPs remaining on the weak side. This has resulted in the Supermax Group's revenue for the quarter being 28.2% or RM70.0 million lower compared to the corresponding quarter a year ago.

The main factors contributing to this quarter's performance include:

- Continued weak demand due to many buyers' continuing to run down their heavily over-stocked positions post-pandemic; and loss of sales revenue from a major market, i.e. US market due to the Withhold Release Order (WRO) imposed by the US Customs and Border Protection (USCBP) in October 2021.

In a positive development, however, the USCBP had during the current quarter uplifted the WRO with effect from 18 September 2023. Efforts are already underway to rebuild this business segment.

- Low average selling prices (ASPs) due to stiff competition, especially from manufacturers in China and in Thailand.
- Despite the lower top-line, the Group's cost management measures helped the Group to record profits at EBITDA and PBT levels and a relatively low loss of RM1.4 million at PAT level.





## 2. Comparison with Preceding Quarter's Result

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

	1 <sup>st</sup> Quarter ended 30.9.2023 RM '000	4 <sup>th</sup> Quarter ended 30.6.2023* RM '000	Increase/(Decrease)	
			RM'000	%
Revenue	177,963	222,601	(44,638)	(20.0)
EBITDA	22,341	11,431	+10,910	+95.4
EBITDA Margin (%)	12.5%	5.1%		+7.4
Profit/(Loss) Before Tax	3,145	(15,807)	+18,952	+119.9
PBT/(LBT) Margin (%)	1.8%	(7.1%)		+8.9
Profit/(Loss) After Tax	(1,402)	(21,773)	+20,371	+93.6
PAT/LAT Margin (%)	(0.8%)	(9.8%)		+9.0

\* audited

The moderate but encouraging revenue uptick in the preceding 2 quarters could not be sustained and revenue eased back as demand and ASPs again waned amid stiff competition in a contracted market.

Nevertheless, the topline weakness was cushioned by the Group's significantly lower operating expenses which enabled the Group to achieve an improvement in terms of profitability, with EBITDA rising further, PBT returning to the black after 3 consecutive quarters of losses, while loss after tax was significantly reduced. Profit margins improved across the board.

The Group's performance is mainly attributed to the factors as follows:

- The global rubber glove market remains tight and the demand/supply imbalance has yet to fully redress itself post-pandemic.
- Operating expenses were significantly reduced during this period owing to
  - Intensive cost management efforts
  - Natural gas prices falling by over 10% during this period

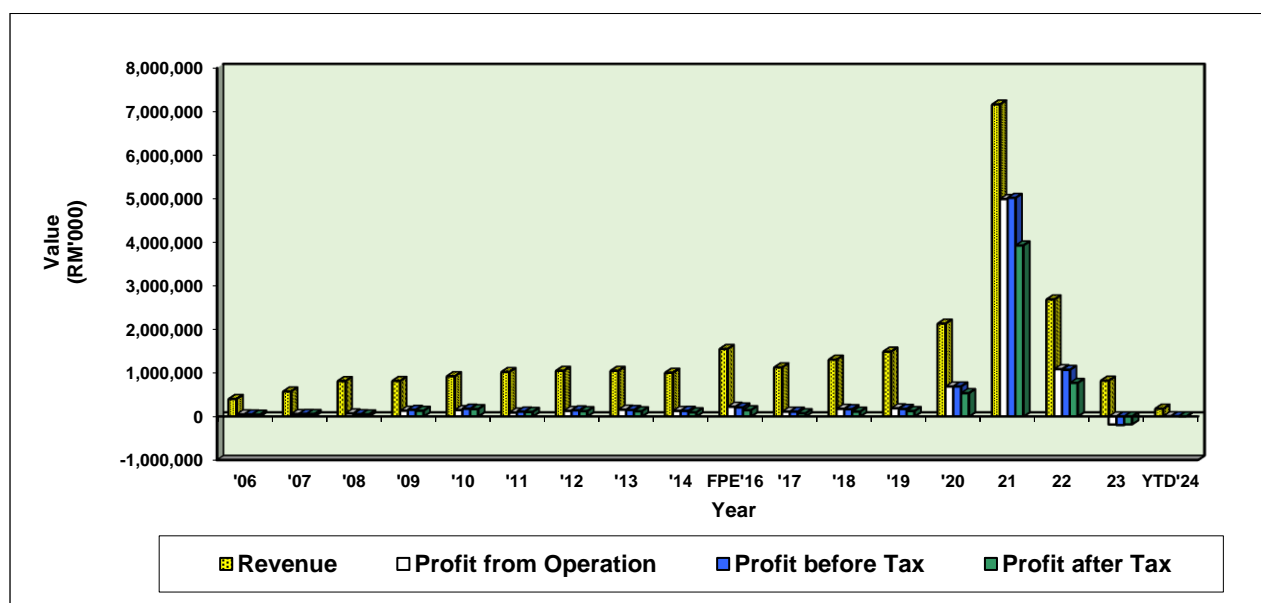


**Historical & Current Financial Performance**

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

Description	FYE 06/2020 (RM'000)	FYE 06/2021 (RM'000)	FYE 06/2022 (RM'000)	FYE 06/2023 (RM'000)	3 months ended 09/2023 (RM'000)
Revenue	2,131,808	7,164,186	2,687,227	821,092	177,963
Profit/(loss) from operations	679,111	5,028,106	1,065,207	(182,271)	3,532
EBITDA	771,822	5,096,884	1,139,068	(96,903)	22,341
EBITDA Margin	36.2%	71.1%	42.8%	(11.8%)	12.5%
Profit/(Loss) before Tax	680,163	5,019,993	1,059,501	(189,486)	3,145
PBT/(LBT) Margin	31.9%	70.1%	39.4%	(23.1%)	1.8%
Profit/(Loss) after Tax	534,778	3,929,944	757,122	(171,418)	(1,402)
Core Profit/(Loss) after Tax	534,778	3,929,944	725,165	(171,418)	(1,402)
Core PAT/(LAT) Margin	25.1%	54.9%	27.0%	(20.9%)	(0.8%)
No. of Shares	1,360,308	2,720,619	2,720,619	2,720,619	2,720,619
Net Tangible Asset (NTA)	1,550,542	4,894,388	5,032,125	4,691,572	4,689,614
NTA per share (RM)	0.59#	1.82	1.83	1.79	1.79
Earnings/(Loss) per share (sen)	20.08#	147.03	27.19	(5.34)	(0.08)
Return on Assets (ROA)	16.7%	53.1%	12.7%	(3.3%)	N/A
Return on Equity (ROE)	34.5%	80.3%	15.0%	(3.7%)	N/A

# 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 year (FYE2020) 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. Cost management measures have helped to improve the Group's profitability in the recent quarter but natural gas prices are expected to rise in the coming quarters and may result in margins squeeze again.

For its manufacturing division, in preparing for better times ahead, Supermax has shut down 4 of its old plants over the last 2 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.

Amid the gloomy business conditions, a positive development for the Supermax Group during the quarter was the US Customs & Border Protection (USCBP) announcing the lifting of the Withhold Release Order (WRO) for its companies that export to the US. With the Group now able to resume exports to the US market, it will look to rebuild this business segment in the weeks and months ahead and this augurs well for its business prospects going forward.

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.

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 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):

	<b>1<sup>st</sup> Quarter Ended 30.9.2023 RM'000</b>	<b>Financial YTD Ended 30.9.2023 RM'000</b>
Interest Expense	387	387
Depreciation & Amortisation	18,809	18,809
Staff costs:		
- Salaries, wages & bonus	24,734	24,734
- EPF	1,655	1,655
- Other related staff costs	4,940	4,940
Foreign Exchange		
- Realised (Gain) or Loss	(8,171)	(8,171)
- Unrealised (Gain) or Loss	2,560	2,560
Other Costs & Expenses	128,147	128,147
Total Operating Expenses	<b><u>172,674</u></b>	<b><u>172,674</u></b>

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

	<b>1<sup>st</sup> Quarter Ended 30.9.2023 RM '000</b>	<b>Financial YTD Ended 30.9.2023 RM '000</b>
Tax (Expense) / Income	(4,547)	(4,547)

The Group recorded a higher tax expense due to tax on the Group's significant interest income.

**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 November 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 September 2023 are as follows:-

	<b>Secured RM'000</b>	<b>Unsecured RM'000</b>	<b>Total RM'000</b>
Short term borrowings	-	82,010	82,010
Long term borrowings	-	19,251	19,251
Total borrowings	-	101,261	101,261

91% of the short-term borrowings comprise trade facilities amounting to RM 74.7 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 November 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 November 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 September 2023.

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

	<b>Current Quarter Ended 30.9.2023</b>	<b>Financial YTD Ended 30.9.2023</b>
Net (losses) / profit (RM'000) attributable to ordinary shareholders	(2,053)	(2,053)
Weighted average ('000) Number of ordinary shares in issue	2,576,120	2,576,120
Basic (losses) / profit per share (sen)	(0.08)	(0.08)