



INTERIM FINANCIAL STATEMENTS
UNAUDITED INCOME STATEMENT FOR THE FINANCIAL PERIOD ENDED
31 MARCH 2024

	3rd Quarter Ended		9 Months Cumulative Totdate	
	31 March 2024 RM'000	31 March 2023 RM'000	31 March 2024 RM'000	31 March 2023 RM'000
Revenue	143,010	175,742	466,526	598,491
Operating expenses	(139,080)	(247,831)	(516,278)	(761,338)
Finance costs	(1,170)	(1,672)	(2,785)	(4,633)
Share of results of associates	191	(1,215)	(4,612)	(6,198)
Profit before tax	2,951	(74,976)	(57,149)	(173,678)
Taxation	(2,769)	31,183	5,671	24,034
(Loss)/Profit after tax	182	(43,793)	(51,478)	(149,644)
Other comprehensive (loss)/income				
Foreign currency translation	47,793	16,527	20,873	(4,534)
	47,793	16,527	20,873	(4,534)
Total comprehensive (loss)/income	47,975	(27,266)	(30,605)	(154,178)
(Loss)/Profit attributable to:				
Owners of the parent	(686)	(39,918)	(47,100)	(142,276)
Minority interest	868	(3,875)	(4,378)	(7,368)
	182	(43,793)	(51,478)	(149,644)
Total comprehensive (loss)/income attributable to:				
Owners of the parent	45,492	(25,797)	(25,300)	(140,148)
Minority interest	2,483	(1,469)	(5,305)	(14,030)
	47,975	(27,266)	(30,605)	(154,178)
Weighted average('000) number of Ordinary Shares in issue	2,576,120	2,650,316	2,576,120	2,650,316
EPS - Basic and diluted (sen)	(0.03)	(1.51)	(1.83)	(5.37)

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 31 MARCH 2024

	Unaudited 31 March 2024 RM'000	Audited 30 June 2023 RM'000
ASSETS		
Non-Current Assets		
Property, Plant & Equipment	2,638,568	2,243,195
Investment in associated companies	222,627	227,239
Deferred tax assets	17,082	18,958
	2,878,277	2,489,392
Current Assets		
Inventories	176,205	157,212
Trade receivables	70,837	53,314
Tax recoverable	328,092	303,143
Other receivables	99,067	96,820
Cash & bank balances	1,511,344	2,145,966
	2,185,545	2,756,455
TOTAL ASSETS	5,063,822	5,245,847
EQUITY AND LIABILITIES		
Share capital	340,077	340,077
Minority Interest	83,222	90,099
Treasury shares	(145,535)	(145,535)
Reserves	4,381,630	4,406,931
Shareholders Fund	4,659,394	4,691,572
Non-Current Liabilities		
Long term borrowing	18,354	18,691
Deferred tax liabilities	29,030	37,967
	47,384	56,658
Current Liabilities		
Trade payables	156,827	209,533
Other payables and accrued expenses	35,858	34,663
Prepayment received from customers	33,683	27,286
Short term borrowing	73,283	85,743
Dividend Payable	-	90,164
Provision for taxation	57,393	50,228
	357,044	497,617
TOTAL EQUITY AND LIABILITIES	5,063,822	5,245,847
Net Asset per share	1.78	1.89

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 31 MARCH 2024**

	9 Months Ended	
	31 March 2024 RM'000	31 March 2023 RM'000
(Loss)/Profit before tax	(57,149)	(173,678)
Adjustment for non cash items	12,397	83,301
Operating (loss)/profit before changes in working capital	(44,752)	(90,377)
Changes in working capital:		
Net change in current assets	(39,616)	272,834
Net change in current liabilities	(45,112)	(87,949)
Income tax paid	(19,174)	(184,847)
Net cash used in operating activities	(148,654)	(90,339)
Investing Activities		
Purchase of property, plant and equipment	(440,930)	(352,501)
Proceeds from disposal of property, plant and equipment	1,710	-
Net cash flows used in investing activities	(439,220)	(352,501)
Financing Activities		
Bank borrowings	(12,797)	(142,557)
Share buy back	-	(14,734)
Interest expenses	(2,785)	(4,633)
Interest income	57,616	25,742
Dividend paid	(91,737)	(129,883)
Net cash flows used in financing activities	(49,703)	(266,065)
Net change in cash & cash equivalents	(637,577)	(708,906)
Effect of foreign exchange rate changes	2,955	(11,432)
Cash & cash equivalent at beginning of period	2,145,966	3,032,157
Cash & cash equivalent at end of period	1,511,344	2,311,819
Analysis of cash & cash equivalents:-		
Cash & bank balances	1,511,344	2,311,819
	1,511,344	2,311,819

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 31 MARCH 2024**

	Share Capital RM'000	Reserves Attributable To Capital RM'000	Translation Reserve RM'000	Retained Profits RM'000	Minority Interest RM'000	Total RM'000
<u>Year Ended 30 June 2023</u>						
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)
At 30 June 2023	340,077	(145,535)	79,073	4,327,858	90,099	4,691,572
<u>Period Ended 31 March 2024</u>						
At 1 July 2023	340,077	(145,535)	79,073	4,327,858	90,099	4,691,572
Movements during the period	-	-	21,799	(47,100)	(6,877)	(32,178)
At 31 March 2024	340,077	(145,535)	100,872	4,280,758	83,222	4,659,394

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 31 MARCH 2024
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 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 31 March 2024, the Company held a total of 144,500,000 shares in treasury. As at 22 May 2024, however, the Company held a total of 157,000,000 shares in treasury after acquiring 12,500,000 shares from the open market in April and May 2024.



7. Dividend Paid

No dividends were paid in the current quarter and financial year-to-date ended 31 March 2024. 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 9 MONTHS	Investment Holding RM'000	Manu- facturing RM'000	Trading RM'000	Others RM'000	Elimination RM'000	Consolidated RM'000
Revenue						
External Revenue	-	184,463	279,587	2,476	-	466,526
Inter-Segment Revenue	32,011	232,822	71,774	3,097	(339,704)	-
	<u>32,011</u>	<u>417,285</u>	<u>351,361</u>	<u>5,573</u>	<u>(339,704)</u>	<u>466,526</u>
Segmental results						(63,621)
Depreciation & Amortisation						(43,747)
Finance costs						(2,785)
Interest income						57,616
Share of results of associates						(4,612)
Profit/(Loss) before tax						(57,149)
Tax expenses						(5,671)
Profit/(Loss) after tax						<u>(51,478)</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 May 2024, the Group had capital commitments paid &/or contracted amounting to RM123.2 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 continuously monitors the prevailing and expected market conditions to determine the installation rate of new production lines.

As for the manufacturing project in the USA, US\$350 million has been budgeted for Phase #1 of the project. Approval permits such as occupancy permits for offices and warehouses, permits for installation of Plant and Machinery, water management permits, etc., have been obtained. The joint Malaysian and American team of engineers are currently actively expediting the installation of the production lines and equipment to meet the scheduled timeline to commission the plant. As at 22 May 2024, the capital commitments paid &/or contracted for this project with US and Malaysian suppliers/vendors amounted to US\$214.50 million and RM72 million 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 March 2024.

13. Contingent liabilities and contingent assets

The Group has no outstanding contingent liabilities and contingent assets as at 22 May 2024 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	3 rd Quarter ended 31.03.2024 RM '000	3 rd Quarter ended 31.03.2023 RM '000	Increase/(Decrease)	
			RM'000	%
Revenue	143,010	175,742	(32,732)	(18.6)
EBITDA	10,137	(53,129)	+63,266	+119.1
EBITDA Margin (%)	16.1%	(30.2%)		+46.3
Profit/(Loss) Before Tax	2,951	(74,976)	+77,927	+103.9
PBT/(LBT) Margin (%)	2.1%	(42.7%)		+44.8
Profit/(Loss) After Tax	182	(43,793)	+43,975	+100.4
PAT/LAT Margin (%)	0.1%	(24.9%)		+25.0

The business environment remains challenging as demand continues to be weak for this reporting quarter with Supermax Group's revenue for the quarter being 18.6% or RM32.7 million lower compared to the corresponding quarter a year ago. The weaker demand is due to the over-stocked gloves that customers had accumulated during the pandemic.

However, this quarter, the Supermax Group is reporting an improvement in profit margins as compared to the corresponding quarter a year ago, which is due to:

- Efficient cost management which includes focusing on more efficient production lines, and shut down of old and non-efficient lines.
- Higher realised foreign exchange gain and lower unrealised foreign exchange loss.
- One-off adjustments to depreciation.



2. Comparison with Preceding Quarter's Result

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

Description	3 rd Quarter ended 31.03.2024 RM '000	2 nd Quarter ended 31.12.2023 RM '000	Increase/(Decrease)	
			RM'000	%
Revenue	143,010	145,553	(2,543)	(1.7)
EBITDA	10,137	(43,096)	+53,233	+123.5
EBITDA Margin (%)	16.0%	(29.6%)		+45.7
Profit/(Loss) Before Tax	2,951	(63,245)	+66,196	+104.7
PBT/(LBT) Margin (%)	2.1%	(43.5%)		+45.6
Profit/(Loss) After Tax	182	(50,258)	+50,440	+100.4
PAT/LAT Margin (%)	0.1%	(34.5%)		+34.6

The Group reported a slight decline in sales as the industry continues to recover from a sluggish few quarters due to the weak demand globally.

However, quarter to quarter, the Supermax Group is reporting an improvement in profit margins, as a result of:

- Better cost management by focusing on more efficient production lines, and shut down of old and non-efficient lines.
- The substantially higher realised foreign exchange gain and lower unrealised foreign exchange loss.

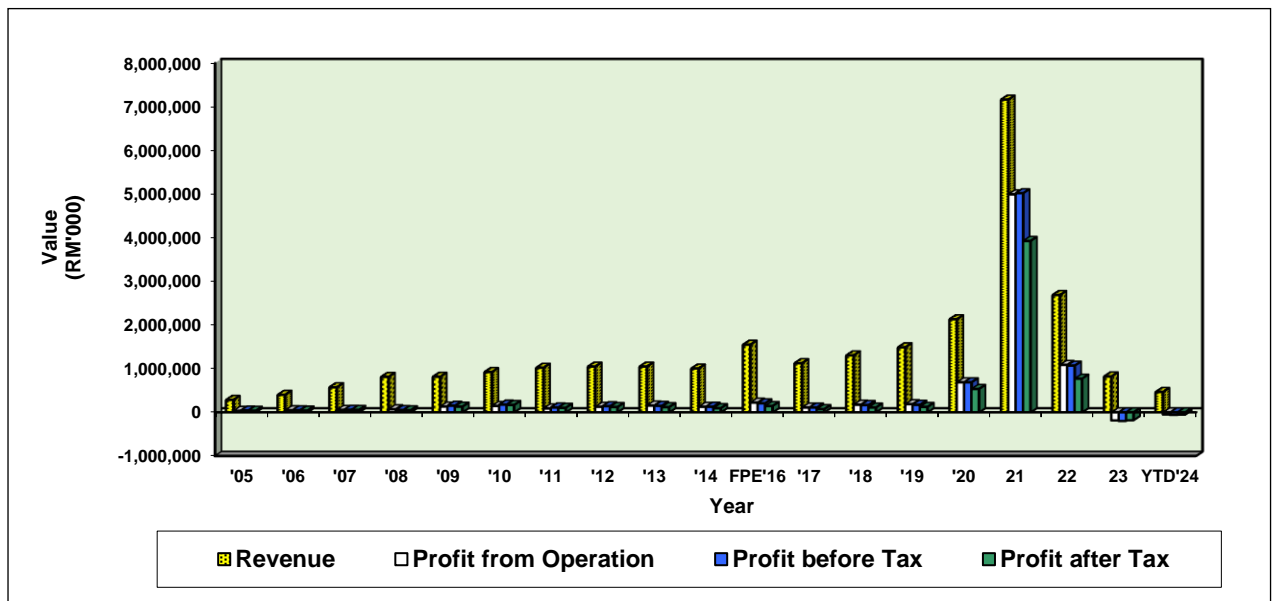


Historical & Current Financial Performance

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)	9 months ended 03/2024 (RM'000)
Revenue	2,131,808	7,164,186	2,687,227	821,856	466,526
Profit/(loss) from operations	679,111	5,028,106	1,065,207	(183,470)	(49,752)
EBITDA	771,822	5,096,884	1,139,068	(103,986)	(10,617)
EBITDA Margin	36.2%	71.1%	42.8%	(12.7%)	(2.3%)
Profit/(Loss) before Tax	680,163	5,019,993	1,059,501	(196,706)	(57,149)
PBT/(LBT) Margin	31.9%	70.1%	39.4%	(23.9%)	(12.2%)
Profit/(Loss) after Tax	534,778	3,929,944	757,122	(179,717)	(51,478)
Core Profit/(Loss) after Tax	534,778	3,929,944	725,165	(179,717)	(51,478)
Core PAT/(LAT) Margin	25.1%	54.9%	27.0%	(21.9%)	(11.0%)
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	4,659,394
NTA per share (RM)	0.59#	1.82	1.83	1.89	1.78
Earnings/(Loss) per share (sen)	20.08#	147.03	27.19	(5.67)	(1.83)
Return on Assets (ROA)	16.7%	53.1%	12.7%	(3.5%)	N/A
Return on Equity (ROE)	34.5%	80.3%	15.0%	(3.8%)	N/A

The NTA (which includes non-controlling interest) per share and EPS/(LPS) for the financial years ended 30.6.2021, 30.6.2022 & 30.6.2023 and year to date 9-month ended 31.3.2024 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

The rubber glove market is experiencing a mild recovery as the demand for medical and surgical rubber gloves picked up in March despite the prevailing oversupply situation which is expected to be in equilibrium by 2025. The uptick in demand was due to customers replenishing their stock as the stock purchased during the pandemic are expiring or have expired. With demand on an uptrend, prices are also set to rise but have yet to normalise.

As the slow recovery is anticipated to be over an extended period due to over-supply situation, smaller players have exited the market while the bigger players are scaling back their expansion and retiring older factories and production lines. The players in Malaysia are consolidating by rationalising their manufacturing operations in lieu of the weak demand and rising costs. Moreover, with China glove manufacturers willing to take very low and even with no margins and even at financial losses for the sake of growing market share, China glove manufacturers have taken over the global leadership from Malaysia, at the very least in terms of pricing.

For the Supermax Group itself at the present time, the orders from customers are gradually increasing but at low market prices. However, for 2024, the Group still does not anticipate a significant improvement in performance due to the high volume of high-priced stocks at its overseas distribution centres. The Group continues to practise cost rationalisation to improve the Group's profitability but the high material costs and costs of utilities currently and going forward are expected to result in continued margin squeeze.

For its manufacturing division, in preparing for better times ahead, Supermax has shut down 4 of its old plants and will continue to evaluate the efficiency of the existing old plants. 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 development of Supermax's first overseas manufacturing operations is currently well underway in the USA. The USA venture is to put Supermax in a good position to address increasing import barriers and tariffs being put in place that will impact countries who export their goods into the USA market. Just recently, the US government announced imposition of new tariffs hike on Chinese electric vehicles, solar cells, steel and medical equipment. The Tariff Hike on Medical and Surgical gloves and Facemasks **at 25% would be imposed** as announced by the US government. Hence, the USA venture provides a domestic production and supply capability to serve primarily the US domestic demand for gloves.

As the Group refreshes more of its production capacity by investing in automation technology when replacing old lines with newer high-capacity high efficiency lines which will serve to minimise costs and reduce reliance on foreign workers, expect to see Supermax continuing to put itself in a strong position to take advantage when the glove market regains its vibrancy in 2025.



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):

	3rd Quarter Ended 31.03.2024 RM'000	Financial YTD Ended 31.03.2024 RM'000
Interest Expense	1,170	2,785
Depreciation & Amortisation	6,016	43,747
Staff costs:		
- Salaries, wages & bonus	27,163	82,330
- EPF	1,919	5,229
- Other related staff costs	2,178	12,273
Foreign Exchange		
- Realised (Gain) or Loss	(15,233)	(28,374)
- Unrealised (Gain) or Loss	1,222	18,019
Other Costs & Expenses	115,815	383,054
Total Operating Expenses	<u>139,080</u>	<u>516,278</u>

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

	3rd Quarter Ended 31.03.2024 RM'000	Financial YTD Ended 31.03.2024 RM'000
Tax (Expense) / Income	(2,769)	5,671

The tax income arose from the recognition of deferred tax assets on the losses incurred.

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**

The Company had on 9 May 2024 (8 May 2024 in Montreal, Quebec, Canada) entered into a Share Sale Agreement with Sylvain Bergeron, to acquire the balance of 33% equity interest in Supermax Healthcare Canada Incorporated ("SHCI"), a 67%-owned subsidiary of the Company, for a cash consideration of CAD \$5,496,250 (equivalent to RM18,962,000) ("Proposed Acquisition"). Upon the completion of the Proposed Acquisition, SHCI shall become a wholly-owned subsidiary of Supermax. Closing has completed on May 8, 2024 in Montreal, Quebec, Canada.

10. Group Borrowings and Debt Securities

Group borrowings as at 31 March 2024 are as follows:-

	Secured RM'000	Unsecured RM'000	Total RM'000
Short term borrowings	-	73,283	73,283
Long term borrowings	-	18,354	18,354
Total borrowings	-	91,637	91,637

The borrowings are trade 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 May 2024 (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 May 2024, 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 31 March 2024.

14. Earnings per Share (EPS)

	Current Quarter Ended 31.03.2024	Financial YTD Ended 31.03.2024
Net (losses) / profit (RM'000) attributable to ordinary shareholders	(686)	(47,100)
Weighted average ('000) Number of ordinary shares in issue	2,576,120	2,576,120
Basic (losses) / profit per share (sen)	(0.03)	(1.83)