



SUPERMAX
CORPORATION BERHAD
199701004909 (420405-P)

Sustainability



for a Brighter Tomorrow

2024
Annual Report

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27th

ANNUAL GENERAL MEETING



LOT 38,
PUTRA INDUSTRIAL PARK,
BUKIT RAHMAN PUTRA,
40160 SUNGAI BULOH,
SELANGOR DARUL EHSAN,
MALAYSIA




THURSDAY
28 NOVEMBER 2024
AT 10.00 A.M.

CORPORATE PROFILE

SUPERMAX CORPORATION BERHAD

is a leading international manufacturer, distributor and marketer of high quality medical devices, namely medical gloves and contact lenses.



Established in 1987, its founders started a trading business to distribute latex gloves and eventually ventured into manufacturing of latex gloves in 1989. Today, the Supermax Group has factories manufacturing various types of nitrile latex and natural rubber gloves, which are exported to over 165 countries around the world, such as the United States of America, Europe, Middle East, Asia and South Pacific countries. The Group distributes its gloves through distribution centres set up around the world as well as in collaboration with a wide network of over 1,200 distributors globally.

The Supermax Group has also become Malaysia's very first home-grown contact lens manufacturing company. It had in year 2016 successfully commissioned its manufacturing facility in Malaysia after carrying out extensive R&D activities in the United Kingdom, and is gradually building up its production capacity. It has also made good progress in terms of obtaining the necessary licenses and approvals which have allowed it to build up its product presence in over 60 countries.

The Group has received numerous accolades and awards over the years, including The Edge Billion Ringgit Club's inaugural Company of the Year Award in 2010, Export Excellence & Brand Excellence in the Industry Excellence Awards in 2009 and 2008, Special Award & 4th placing in the prestigious Deloitte's Top 50 Enterprise Award Malaysia in 2006, Export Excellence & Product Excellence in the Industry Excellence Awards in 2003, the National Productivity Council Award in 1999 and Andersen Consulting Top 50 Enterprise in Malaysia in 1998.

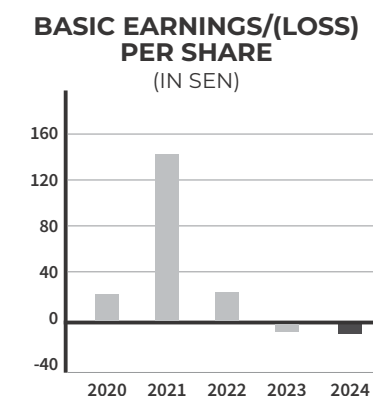
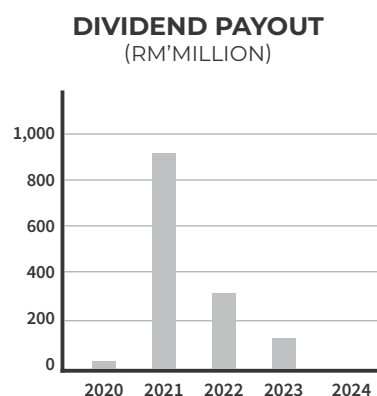
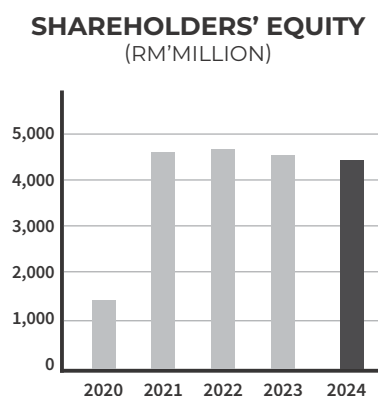
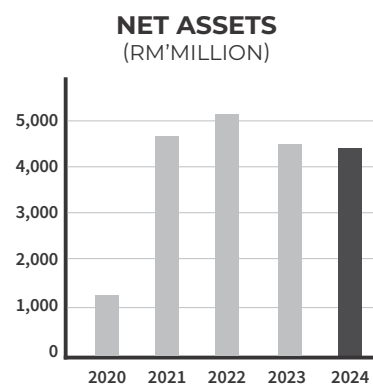
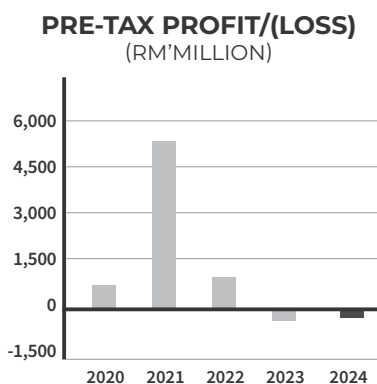
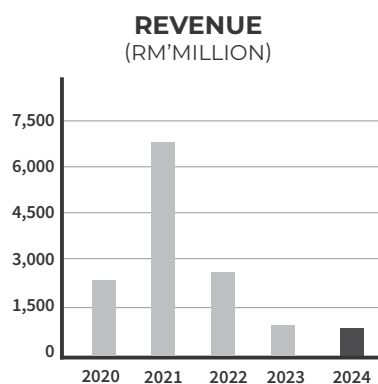
Supermax is well recognised for its commitment to deliver quality products and service to its customers. These accomplishments testify to the Group's relentless efforts in enhancing productivity in order to compete in the global market.

FINANCIAL HIGHLIGHTS

	2024 RM'000	2023 RM'000
Revenue	646,170	821,092
Pre-tax loss	(179,508)	(189,486)
After-tax loss	(183,133)	(171,418)
Net assets	4,467,253	4,691,572
Total assets	4,841,332	5,245,847
Paid-up capital	340,077	340,077
Shareholders' equity	4,450,085	4,601,473
Interim dividend	-	90,164
Final dividend	Note*	Note*
Net assets per share (in RM)	1.74	1.79
Loss per ordinary share (in Sen)	(6.82)	(5.34)

* For FY2023 and FY2024, the Board did not recommend a final dividend.

FIVE-YEARS FINANCIAL SUMMARY



	2020 RM'000	2021 RM'000	2022 RM'000	2023 RM'000	2024 RM'000
Revenue	2,131,808	7,164,186	2,687,227	821,092	646,170
Pre-tax profit/(loss)	680,163	5,019,993	1,059,501	(189,486)	(179,508)
Net assets	1,550,541	4,894,388	5,032,125	4,691,572	4,467,253
Shareholders' equity	1,529,066	4,758,875	4,865,561	4,601,473	4,450,085
Dividend payout	21,946 [#]	912,292 ^{*@}	368,701 ⁺	169,510 ^{**}	-
Basic earnings/(loss) per share (in Sen)	20.08 [^]	147.03	27.19	(5.34)	(6.82)

Note:

[#] Dividend paid comprises the FY2019 final share dividend which was distributed during the year on the basis of 1 treasury share for every 65 existing ordinary shares held. A total of 20,088,223 treasury shares were distributed at the cost of RM1.09 per treasury share.

^{*} Dividend paid includes the FY2020 final share dividend which was distributed during the year on the basis of 1 treasury share for every 45 existing ordinary shares held. A total of 57,058,873 treasury shares were distributed at the cost of RM1.40 per treasury share.

[@] Includes special dividend of 15.0 sen per ordinary share amounting to RM392.6 million that was paid after the current financial year ended 30 June 2021.

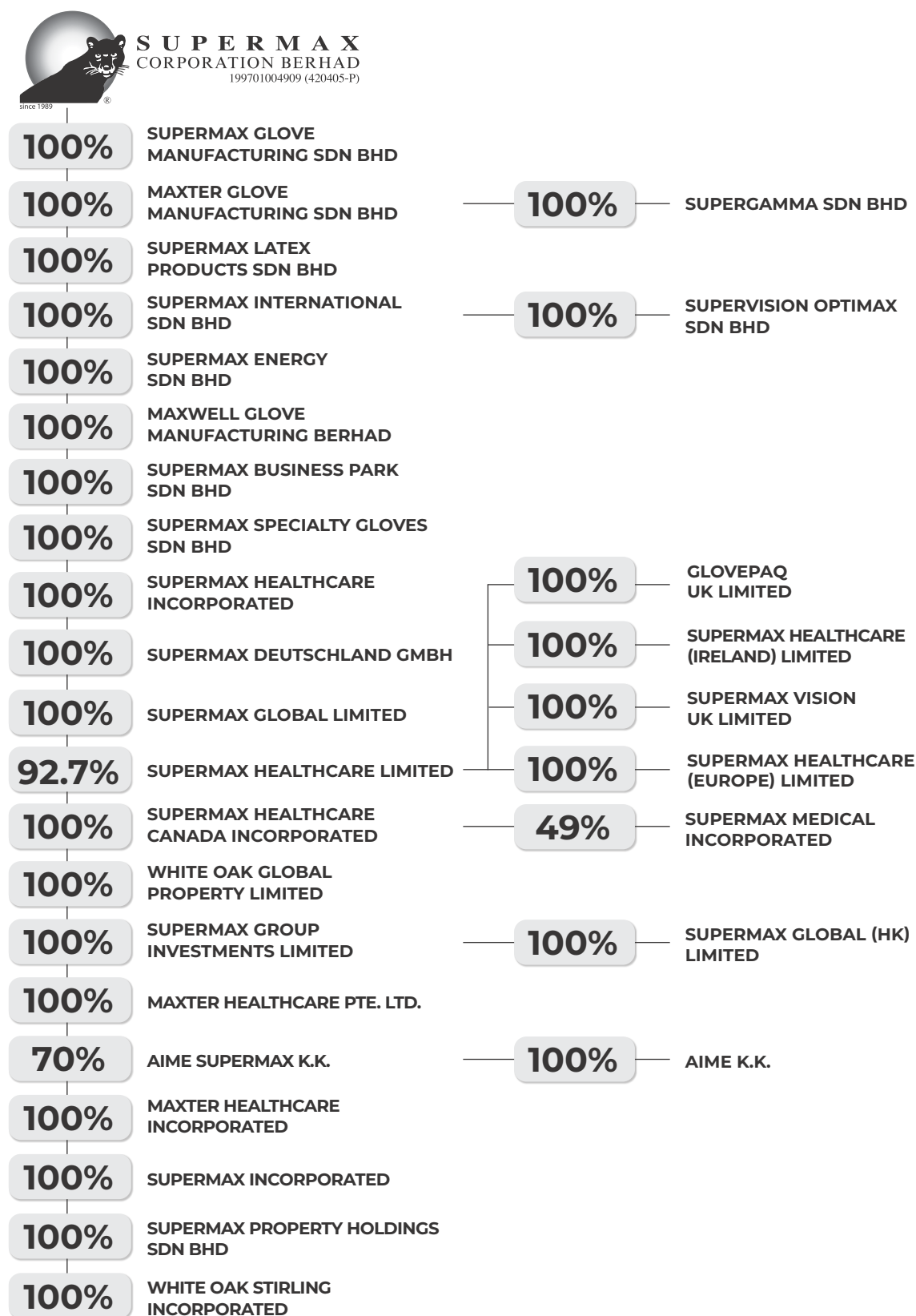
⁺ Dividend paid includes the FY2021 final share dividend which was distributed during the year on the basis of 1 treasury share for every 30 existing ordinary shares held. A total of 87,222,518 treasury shares were distributed at the cost of RM1.81 per treasury share.

[^] Adjusted for comparative purposes following completion of 1-for-1 bonus issue on 8 September 2020 which resulted in enlarged share capital of 2,720,619,520 ordinary shares.

^{**} Includes interim single tier dividend of 3.5 sen per ordinary share amounting to RM90 million that was paid on 18 July 2023.

For FY2023 and FY2024, the Board did not recommend a final dividend.

CORPORATE STRUCTURE



CORPORATE INFORMATION

BOARD OF DIRECTORS

DATO' SERI THAI KIM SIM, STANLEY

(Executive Chairman)

TAN CHEE KEONG

(CEO & Senior Executive Director)

WONG PHAIT LEE

(Executive Director)

DATO' TING HENG PENG

(Non-Independent Non-Executive Director)

ALBERT SAYCHUAN CHEOK

(Independent Non-Executive Director)

EISEN NG KENG LIM

(Independent Non-Executive Director)

ROZITA BINTI ABDUL RAHMAN

(Independent Non-Executive Director)

GAN KIM KHOON

(Independent Non-Executive Director)

YIP KIT WENG

(Independent Non-Executive Director)

AUDIT COMMITTEE

Albert Saychuan Cheok

Chairman,
Independent Non-Executive Director

Rozita Binti Abdul Rahman

Member,
Independent Non-Executive Director

Gan Kim Khoon

Member,
Independent Non-Executive Director

COMPANY SECRETARY

Tan Tong Lang

SSM PC No. 202208000250
(MAICSA 7045482)

Lau Hooi Pin

SSM PC No. 202408000447
(MAICSA 7081620)

CORPORATE OFFICE

Supermax Corporation Berhad
Lot 38, Putra Industrial Park,
Bukit Rahman Putra
40160 Sungai Buloh
Selangor Darul Ehsan
Tel : 03 – 6145 2328
Fax : 03 – 6156 2191

REGISTERED OFFICE

B-21-1, Level 21, Tower B,
Northpoint Mid Valley City,
No. 1, Medan Syed Putra Utara,
59200 Kuala Lumpur,
W.P. Kuala Lumpur.
Tel : 03 – 97702200
Fax : 03 – 22017774
Email :
boardroom@boardroom.com.my

SHARE REGISTRAR

Boardroom Share Registrars Sdn Bhd
11th Floor, Menara Symphony
No. 5, Jalan Prof. Khoo Kay Kim,
Seksyen 13, 46200 Petaling Jaya
Selangor Darul Ehsan
Tel : 03 – 7890 4700
Fax : 03 – 7890 4670
Email :
bsr.helpdesk@boardroomlimited.com

PRINCIPAL BANKERS

OCBC Bank (Malaysia) Berhad
Citibank Berhad
HSBC Bank Malaysia Berhad
RHB Bank Berhad
Malayan Banking Berhad

AUDITORS

HLB LER LUM CHEW PLT
A-23-1, Level 23, Hampshire Place Office,
157 Hampshire, No.1 Jalan Mayang Sari,
Off Jalan Tun Razak,
50450 Kuala Lumpur,
Malaysia
Tel : 03 – 78905588
Website: www.hlblerlumchew.com

CORPORATE COUNSEL

Shearn Delamore & Co.
7th Floor, Wisma Hamzah-Kwong Hing
No. 1, Leboh Ampang
50100 Kuala Lumpur
Tel : 03 – 2027 2727
Fax : 03 – 2078 5625/2376

STOCK EXCHANGE LISTING

Main Market of Bursa Malaysia
Securities Berhad
Date of Listing: 2 August 2000

STOCK INFORMATION

Code No. : 7106
Name : SUPERMX

PROFILE OF DIRECTORS

DATO' SERI THAI KIM SIM, STANLEY

AGE
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Dato' Seri Thai is the Founder of Supermax Group. He had held the posts of Chief Executive Officer cum Group Managing Director and subsequently Executive Chairman and Group Managing Director for many years until end-2017 when he relinquished his posts temporarily. He re-joined the Group on 8 December 2021 and was re-appointed as Executive Chairman.

Dato' Seri Thai graduated from the University of Windsor, Ontario, Canada with a Bachelor of Commerce degree (Hons) in 1982. He started his early business training with a multinational company before venturing into rubber glove trading and export business in 1987. Subsequently, he ventured into rubber glove manufacturing in 1989. He is a strong advocate of 'Made in Malaysia' products and had actively participated in many overseas trade promotions and programmes over the years. He has successfully built the brands Supermax, Maxter and Aurelia in global markets and was the first to launch a Malaysian brand of latex examination gloves SUPERMAX® in international markets.

Dato' Seri Thai has successfully grown Supermax Group into one of the World's largest rubber glove players with manufacturing plants in Malaysia exporting to over 165 countries and has distribution centres and operations in the United States of America ("USA"), Canada, Brazil, United Kingdom ("UK"), Ireland, Japan, Hong Kong, and Singapore. His stewardship of Supermax Group is evident in the accolades won including Malaysia's CEO of the Year Award, The Ernst & Young Entrepreneur of the Year Award, The Edge Billion Ringgit Club "Company of the Year" Award in 2010.

Dato' Seri Thai was also one of only 14 Asians to have received the American Humanitarian Service Award from the State of Illinois, USA, in recognition of his humanitarian contributions and commitment to the community.

Dato' Seri Thai sat in the Board of the Malaysian Rubber Export Promotion Council ("MREPC") from 2010 to 2015 and was Trustee of the Malaysian Rubber Glove Manufacturers Association ("MARGMA") from 2013 to 2016.

MR TAN CHEE KEONG

AGE
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Mr. Tan graduated from the University of Staffordshire, UK with a Bachelor of Computing & Information Systems degree

(Hons). Upon graduation, Mr. Tan joined the Supermax Group in 2000 as part of the Sales & Marketing team before being assigned to Chicago, USA to establish Aurelia Gloves in the North American market. By 2010, Mr. Tan had taken on the role of Executive Vice President of Supermax Healthcare USA and subsequently, the role of Chief Executive Officer of Supermax Healthcare USA. Mr. Tan joined the Board of Supermax Group as Executive Director in January 2018. In January of 2024, Mr. Tan was re-designated as Senior Executive Director and appointed as Chief Executive Officer of the Group.

Mr. Tan's comprehensive portfolio includes overseeing the company's long-term business expansion and development, while focusing on strategic planning and execution of global distribution of sales & marketing across key markets including Brazil, Canada, Hong Kong, Singapore, UK, and USA.

In 2021, Mr. Tan was extensively involved in the Group's most ambitious project to date: establishing a state-of-the-art nitrile medical glove manufacturing facility in the heart of the American Gulf Coast region - in the greater Houston, Texas area. The Texas project follows the US Federal Government's post-COVID policies for urgent domestic critical manufacturing capacity expansion and is the Group's first manufacturing site outside of Malaysia.

DATO' TING HENG PENG

AGE
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Dato' Ting graduated from University of Windsor, Ontario, Canada with a Bachelor of Commerce degree (Hons) in 1982. Upon graduation, he went to England where he read law at the University of Essex. Dato' Ting obtained his Bachelor of Laws (Hons) in 1985. Following Dato' Ting's admission as a barrister by Lincoln's Inn, London in 1986, Dato' Ting returned to Malaysia and was called to the Malaysian Bar in 1987. Dato' Ting has been in active legal practice as advocate and solicitor since 1987. He is currently the managing partner of Ting Asiah & Co. Dato' Ting was appointed as an Independent Non- Executive Director ("INED") of Supermax on 18 June 2000 and re-designated as Non-Independent Non- Executive Director ("NINED") on 21 October 2022. Following his re-designation to NINED, he has also been re-designated from Chairman of the Risk Management & ESG Committee to Member of the Committee, in line with the Committee's Terms of Reference. He remains a Member of the Nomination & Remuneration Committee. Dato' Ting is also an Independent Non- Executive Director of Mercury Industries Bhd and Independent Non-Executive Chairman of Daythree Digital Bhd.

PROFILE OF DIRECTORS

ALBERT SAYCHUAN CHEOK



Mr Cheok holds a Bachelor of Economics Degree 1st Class Honours from the University of Adelaide. Mr Cheok was awarded a PhD scholarship to Cambridge University, which was not taken up. He is also an Associate of the Australian Society of Accountants and a Fellow at CPA Australia. Between May 1979 and February 1982, Mr Cheok was an advisor to the Australian Government inquiry into the Australian Financial System (Campbell Inquiry) which recommended comprehensive reforms of the Australian financial system. He was the Chief Manager at the Reserve Bank of Australia from October 1988 to September 1989 before becoming the Deputy Commissioner of Banking of Hong Kong for 3½ years. He was subsequently appointed as the Executive Director in charge of Banking Supervision at the Hong Kong Monetary Authority from April 1993 to May 1995. Mr Cheok was the Chairman of Bangkok Bank Berhad in Malaysia from September 1995 to November 2005.

Mr Cheok was Chairman of Auric Pacific Group of Singapore, a food group listed in Singapore; and was Chairman of Bowsprit Capital Corporation Ltd, the Manager of First REIT, a listed healthcare REIT in Singapore. He was also Chairman of LMIR Management, the Manager of Lippo Malls Indonesia Retail Trust, a listed shopping mall REIT in Singapore. He was the Chairman of the 5G Networks Group listed in Australia. Mr Cheok was awarded by Future Times the prestigious award of the Best Performing REIT Fund Manager in Asia for 2016. Mr Cheok also sat on the Board of Governors of the Malaysian Institute of Corporate Governance.

Mr Cheok is presently Chairman of Amplefield Ltd, listed in Singapore. He is also a Director of China Aircraft Leasing Group Holdings, which was awarded the top aircraft leasing company in the world for 2016/2017/2018. He is also the Chairman of Forbidden Foods Ltd, a company listed in Australia; and the “honorary” Chairman of the Hong Kong Blockchain Association. He was first appointed to the Board of Supermax on 19 October 2018 and he currently chairs the Audit Committee.

AR. NG KENG LIM, EISEN



Ar. Ng holds a Bachelor of Architecture from the University of Singapore in 1981. He is a Registered Architect of the Board of Architects Malaysia (Lembaga Arkitek Malaysia) and a Corporate Member Architect of the Malaysian Institute of Architects (Pertubuhan Arkitek Malaysia). Ar. Ng started

out as an architect with the Malaysian Associate Architects (“MAA Sdn Bhd”) before joining Dewan Bandaraya Kuala Lumpur (“DBKL”) where he was involved in the design and implementation of several City Hall projects. After serving 3-years at DBKL, he started his own architectural practice, Akistudio Architects and Arkitek Studio Sdn Bhd, where he worked on the design and implementation of many commercial, industrial and residential buildings over the next 30 years. Presently he is an Associate Director of the Malaysian Alliance of Corporate Directors. Ar. Ng was appointed to the Board of Supermax Corporation Bhd on 19 October 2018 and is currently Chairman of the Nomination & Remuneration Committee.

ROZITA BINTI ABDUL RAHMAN



Puan Rozita graduated with a Bachelor of Law (LL.B(Hons)) from Institut Teknologi Mara in 1999. In year 2000, she was called to the Bar in Kuala Lumpur High Court. She also holds a Diploma In Shariah Law & Practice from International Islamic University Malaysia (“IIUM”). She has been practicing as an Advocate & Solicitor in Selangor and Kuala Lumpur for over 20 years. Rozita was appointed as an INED of Supermax Corporation Berhad on 3 January 2023. She is a member of the Audit Committee and the Nomination & Remuneration Committee, and chairs the Risk Management & ESG Committee.

YIP KIT WENG



Mr Yip holds a degree in Bachelor of Commerce, majoring in Accounting and Finance from the University of Western Australia in 1992. Mr Yip has over 30 years of experience in Equity Fundraising, Corporate Finance and Advisory Services, Corporate Banking, Private Debt Securities Issuances and Private Equity Transactions.

He started his career in 1993 with Messrs PriceWaterhouseCoopers before joining Utama Merchant Bank Berhad (formerly known as Utama Wardley Berhad) three years later. He spent a total of eight years as Senior Manager, Corporate Finance with Utama Merchant Bank Berhad and also worked as Executive Director with AFG Global Services Sdn Bhd and AFG Advisory Sdn Bhd from 2004 to 2008. He served as CEO-Asia for Kajo Investments Pty Ltd in 2009 and subsequently as Director of Equity Capital Markets with CIMB Investment Bank Berhad from 2010-2013. He then joined RHB Investment Bank as Director/Team Head, Corporate and Investment Banking Services. In 2014, Mr Yip joined as Executive Director and Head of Investment Banking at Nomura Securities

PROFILE OF DIRECTORS

Malaysia Berhad. From October 2019 to November 2021, he was the Deputy Group Managing Director of Affin Hwang Investment Bank Berhad, where he also served as NINED of Affin Hwang Asset Management Berhad and ALLMAN Asset Management Sdn Bhd.

He currently also serves as a Divisional Council for CPA Australia Malaysia Division effective January 2021 and was elected as Deputy President for the calendar year 2023 and 2024. Mr Yip also serves as a Member of the Faculty of Business Industry Advisory Board, Curtin University Malaysia.

Mr Yip is currently serving as an INED of Esente Capital Berhad, PCA Capital Markets Sdn Bhd, Privasia Technology Berhad, Euro Holdings Berhad, Capital Dynamics Asset Management Sdn Bhd and Independent Non-Executive Chairman of Frugl Group Limited which is listed on the Australian Stock Exchange.

Mr Yip joined the Board of Supermax on 2 January 2024 as an INED and is a member of its Risk Management & ESG Committee.

GAN KIM KHOON



Mr Gan holds a Master of Business Administration in Financial Management from the University of Wales, Bangor and Manchester Business School. Mr Gan has more than 30 years of experience in the financial services industry, encompassing investment banking, capital markets, equity fund raising, investment research, stockbroking and commercial banking. He has substantial experience in origination and business development and in managing the marketing and distribution of equity fund raising exercises such as initial public offerings and private placements, as well as in investment research, stockbroking and auditing.

Mr Gan began his career in 1982 with KPMG Malaysia and subsequently transitioned to the banking and finance sector, where he held various positions throughout the different stages of his career from Internal Auditor, Financial Officer, Head of Research, Regional Head of Equity Capital Markets to Head of Equity Markets at a number of financial institutions. His career spanned several prominent organisations in the financial services industry, namely Standard Chartered Bank Malaysia Bhd, HSBC Research (Malaysia) Sdn Bhd, SG Research (M) Sdn Bhd, AmResearch Sdn Bhd, OSK Investment Bank Bhd, RHB Investment Bank Bhd and AmlInvestment Bank Bhd.

Mr Gan served as the former Chairman of the FTSE Bursa Malaysia Index Advisory Committee from 2019 to 2023 as well as a Member of the Listing Committee of Bursa Malaysia (a Board Committee of Bursa Malaysia Bhd) from 2008 to 2014.

Mr Gan is a Chartered Accountant with the Malaysian Institute of Accountants and an Associate of the Asian Institute of Chartered Bankers. Presently, Mr Gan is an Advisor to CGS International Securities Malaysia and an INED of I-Berhad and Independent Director of Great Eastern General Insurance (Malaysia) Berhad. Mr Gan joined Supermax as an INED on 2 January 2024 and is a member of its Audit Committee.

WONG PHAIT LEE



Ms Wong holds a degree in Bachelor of Commerce, majoring in Accounting and Finance from the University of Western Australia in 1996. She is a member of CPA Australia since 1999. In 1999, she was admitted to the status of Associate of the Australian Society of Certified Practising Accountants. She is also a member of Malaysian Institute of Accountants since 29 September 2023.

Ms. Wong started her career as a consultant with PricewaterhouseCoopers Malaysia in June 1996 specialising in insolvency management and restructuring. In July 2000, she joined Alliance Merchant Bank Berhad and then Hwang-DBS Investment Bank Berhad in December 2003 in Corporate Finance where she led and participated in various fund-raising exercises in equity and debt capital markets, corporate reorganisation proposals and other advisory work for the company's clients. In April 2008, she worked with Astro All Asia Networks plc on multiple cross-border mergers and acquisition and joint venture deals in USA, UK, Dubai, India, Vietnam, China and Hong Kong. In 2017, she transitioned to the digital services of Astro in its content streaming services. She then joined Lionsgate Play in April 2022 as its Country Head for its streaming service in Malaysia.

Ms Wong currently sits on the board as INED of YX Precious Metals Berhad and Vanzo Holdings Berhad. Ms Wong was appointed to the Board of Supermax as an INED on 2 January 2024 and on 8 May 2024, she was re-designated to Executive Director.

ADDITIONAL INFORMATION ON THE BOARD OF DIRECTORS

Family relationships with any director and / or major shareholder

None of the Directors of the Company has family relationships with any Director and/or major shareholder with the exception of Mr Tan Chee Keong, who is the nephew of Dato' Seri Thai Kim Sim, Stanley (Executive Chairman and indirect major shareholder) and Datuk Wira Tan Bee Geok, Cheryl (indirect major shareholder).

Key Senior Management

Dato' Seri Thai Kim Sim, Stanley, Tan Chee Keong and Wong Phait Lee, being the Executive Chairman and Executive Directors respectively, are the key senior management staff of the Company. Their relevant particulars, including qualification and working experience, have been outlined under their individual profiles.

Conflict of interest

None of the Directors of the Company have any conflict of interest with the Company or potential conflict of interest, including interest in any competing business that the person has with Supermax or its subsidiaries.

List of convictions for offences within past 5 years other than traffic offences; and public sanction/penalty imposed by relevant regulatory bodies

During the financial year ended 30 June 2024, none of the directors of the Company have been convicted for offences within the past five (5) years other than traffic offences, if any, nor publicly sanctioned/penalised by any relevant regulatory bodies.

Shareholdings in the Company and its subsidiaries

Details are set out on page 95 of the Annual Report.

MANAGEMENT DISCUSSION & ANALYSIS (MD&A)

LETTER TO SHAREHOLDERS AND MANAGEMENT DISCUSSION & ANALYSIS

MACROECONOMIC LANDSCAPE & INDUSTRY DYNAMICS

During the pandemic boom, many manufacturers had expanded their capacity significantly and coupled with an influx of new players eager to partake in the boom in the glove industry, led to oversupply in the market, and put downward pressure on prices. Nonetheless, there will still be demand for rubber gloves, driven by ongoing healthcare needs, increased hygiene awareness across sectors, and industrial safety regulations.

The year 2024 had witnessed some evolution in the market dynamics, which are still influenced by post-pandemic shifts. The grossly over-stocked positions of rubber gloves appear to be plateauing out as buyers are replenishing their stocks. However, prices still have yet to rebound, whilst prices of natural rubber and synthetic alternatives have been volatile due to supply chain disruptions, fluctuating oil prices and labour shortages in producing countries, resulting in margin squeeze. Shipping delays and higher freight costs led to longer lead times and higher prices.

With the prevailing industry challenges, gradual recovery is anticipated whilst industry players need to adapt through innovation and sustainability initiatives to emerge as leaders in the evolving landscape.

RECALIBRATE TO PREPARE FOR INDUSTRY RECOVERY

Taking advantage of a slowdown in demand, the Group focuses on the following group-wide initiatives as the Group prepares itself for a recovery in the glove industry.

- *Consolidation & Cost Rationalisation:* The Group has gradually shut down old and inefficient lines and consolidated its entire production operations at its manufacturing complex in Meru, Klang. The Group has also implemented cost-savings measures to improve efficiency by optimising the production workflow and usage, which has shown improvement in operating margins.
- *Invest in Better Efficiency & Automation:* The Group is investing in building new and more efficient lines that have higher production output and lower wastage. As part of its modernisation initiatives, the Group is also investing heavily in automation to improve productivity and reduce operational costs.

The Group's decision to build a production plant in the US has come to fruition. The US plant is anticipated to commence commercial glove production in January 2025 with an initial capacity of 2.4 billion gloves per annum. The plant is intended to serve the US domestic market in its initial stage.

MANAGEMENT DISCUSSION & ANALYSIS (MD&A)

FINANCIAL PERFORMANCE OVERVIEW

The Group continues to operate in a difficult environment of lower global sales demand and stiff competition from China players.



Revenue recorded for the financial year ended 30 June 2024 fell to RM646 million versus RM821 million in the previous financial year, but sales orders have been gradually improving as customers are replenishing their stocks. As a result of lower revenue, the Group recorded another year of losses with Losses Before Tax and Losses After Tax of RM179 million and RM183 million, respectively (FY23: Losses Before Tax of RM189 million; Losses After Tax of RM171 million).

The losses were the result of several one-off accounting losses such as impairments of property, plant and equipment, write-downs of stocks and additional taxes charged for prior years. After accounting for such one-off losses, the core net loss for the financial year ended 30 June 2024 came in at RM46 million, an improvement against last year's core net loss of RM120 million. This signifies an improvement in the Group's profitability as a result of effective cost rationalisation measures and shutting of non-efficient lines.

Albeit a loss-making year, the Group's balance sheet remains healthy with net assets of RM4.47 billion and a cash stockpile of RM1.33 billion.

MANAGEMENT DISCUSSION & ANALYSIS (MD&A)

INDUSTRY TRENDS

Competition and excess capacity

The rubber glove industry experienced a massive shakeup with new entrants during the pandemic, like the Chinese players, that drove up the global production capacity. In order to gain market share, the Chinese players were selling the gloves at a discounted price, which led the market prices to tumble. Post pandemic, due the demand-supply imbalance, the industry had to consolidate to adapt to reduced capacity required and with lower market prices, this resulted in margins being squeezed. Nearly 2 years on, there appears to be some signs of recovery globally. Market prices are slowly trending upwards albeit not to the pandemic times, and volume is increasing as the old stocks are running low or expiring. The industry is now poised for a recovery in 2025/2026.

Ongoing healthcare needs & increasing hygiene awareness

The COVID-19 pandemic had a profound impact on the production and sales of medical gloves. The increased need for personal protective equipment, including gloves, led to a surge in demand. Now, post pandemic, the demand for medical gloves is expected to continue to grow steadily, fuelled by heightened healthcare needs, increased safety awareness and government regulations that mandate protective gear across healthcare, food safety and industrial sectors.

Exposure to foreign exchange and cost impact

Malaysian glove makers generate revenue from exports, primarily in USD. A stronger RM reduces the value of the foreign revenues and directly compresses profit margins. Even though the rubber glove industry is facing challenges due to elevated raw material costs, including rising prices for chemicals, a stronger RM can help reduce the cost of importing raw materials that are priced in foreign currencies. As such, the forex impact ought to provide a natural offset and hedge to forex fluctuation.

Growing demand for sustainable & biodegradable gloves

The growing demand for sustainable and biodegradable gloves signifies a paradigm shift in the global glove market. Sustainable gloves are made from materials like natural rubber latex, which are bio-degradable and has lower environmental impact compared to synthetic gloves. With continued research, technological advances, and collaborative efforts, biodegradable gloves can pave the way for a greener future, ensuring human health and environmental well-being. Glove-makers are also adopting sustainable practices to meet corporate social responsibility goals and align with sustainability trends.

US tariffs on China-made gloves brings positive news to Malaysian glove makers

In September 2024, the Office of the US Trade Representative (“USTR”) announced import tariffs on China-made medical and surgical gloves, to 50% by 2025 and 100% by 2026. This is positive news for Malaysian glove manufacturers as they could potentially regain substantial loss in market share from the Chinese players. These Chinese players are expanding to certain countries, such as Indonesia, Thailand and Vietnam, but due to different operational factors and lack of subsidies, it is unlikely the Chinese players will be able to replicate their low cost of operations that they have in China. In addition, it will take them a few years to ramp up and reach competitive scale, providing the Malaysian players an opportunity to regain market share.

In addition, until the tariffs are imposed in 2025, it is foreseen that there could be a massive influx of Chinese made gloves into the US and re-direction of those gloves to non-US markets, which could lead to stiff competition in those markets.

OUTLOOK

The Group continued to report a loss for the financial year ended 30 June 2024 as the industry continues to re-calibrate. As previously reported, the Group has earmarked RM1.3 billion for the expansion of the Malaysian operations and another USD550 million allocated for Phase 1 and Phase 2 of the manufacturing project in the USA.

MANAGEMENT DISCUSSION & ANALYSIS (MD&A)

Due to the industry downcycle, the Group has taken the opportunity to consolidate its local manufacturing operations to Meru and shut down old and non-efficient lines, and implement cost management. The local expansion plans include refreshing 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. As such, the Group is in a strong position to take advantage when the glove market regains its vibrancy in 2025.

Over in the US, Maxter Healthcare Inc (MHI) will commence testing and commissioning of its first batch of production lines in December 2024 and commercialisation of glove production is expected by January 2025. Phase 1 operation has a total production capacity of 4.8 billion pieces of gloves per annum, and it expects to achieve half capacity by next year. The remaining capacity expansion is expected to be completed in the fourth quarter of 2025. With the impending tariff hike by the US government on imports, and the US government's policies to catalyse more domestic manufacturing, with the development of Supermax's first overseas manufacturing operations in the USA, MHI is poised to benefit from these such policies. The Supermax Group anticipates that market prices for personal protective equipment ("PPE") including gloves and face-masks in North America would stabilise and rebound starting from the first quarter of CY2025.

SUSTAINABILITY IN OUR GROUP

Supermax Group pledges an unwavering commitment to sustainability, which is a continuous journey of innovation and responsibility. The Group's consistent dedication towards integrating sustainable business practices is imperative for our long-term success and resilience in a rapidly evolving world.

Invest in new technology and automation to promote efficiency

It is the Group's objective is to enhance energy efficiency by FY2030. Supermax has also set an ambitious target to achieve carbon neutrality by 2030, with the ultimate goal of reaching net-zero emissions by 2050.

The Group's strategic decision to close certain plants and consolidate operations at a more efficient facility at Meru is a step into this direction. The Meru facility is equipped with advanced technology and optimised processes, which optimises the Group's electricity consumption and reduces carbon emissions. The Group has upgraded lighting across our manufacturing plants to energy-efficient LED bulbs, which yield substantial energy savings and reducing greenhouse gas emissions. In the Group's overseas operations, efficient energy management is indoctrinated into the business. In the US operations, the buildings have put in place automatic climate control and lighting systems within the buildings, as well as the installation of solar panels, which helped offset electricity use.

Responsible waste management practices

The Group is deeply committed to responsible waste management practices that minimise environmental impact and benefit the surrounding communities. Our waste generation encompasses hazardous scheduled waste and non-hazardous waste such as domestic and recyclable materials. The Group practices effective waste management to prevent adverse effects on air and water quality, soil contamination, and potential health risks to our employees and nearby communities.

Protect the well-being of all employees and workers

Supermax believes in providing a safe and healthy work environment is essential for the well-being of our employees and workers. Through rigorous health and safety programmes, continuous training, and strict adherence to relevant regulations, the Group strives to mitigate workplace hazards and prevent accidents or injuries from occurring.

In respect to human rights, the Group adopts both local and international standards, including Malaysian labour laws, the UN Guiding Principles on Business and Human Rights, and the International Labour Organisation's ("ILO") 11 Indicators of Forced Labour. These frameworks guide our commitment to promoting and protecting the rights of our employees and workers, ensuring their well-being and dignity are preserved at all times.

MANAGEMENT DISCUSSION & ANALYSIS (MD&A)

DIVIDEND PAYOUT

Taking into consideration the Group's FY24 results, the Board will not be declaring any dividend. Notwithstanding this, the Group remains committed to creating value for its shareholders and maximising shareholders' value through dividend payouts once the Group returns to profitability.

APPRECIATION

Reflecting on the journey and milestones achieved thus far, the Board of Directors wish to thank the Supermax Group's employees for their commitment, hard work and passion, which have been the driving force in the Group's success. The Board would also like to express its sincere gratitude to the shareholders and all other stakeholders and all other stakeholders including bankers, suppliers and service providers for their continuing support and cooperation. With your immense support, we endeavour to continue to build a successful and thriving business going forward.

SUSTAINABILITY REPORT

ABOUT THIS REPORT

Supermax Corporation Berhad (hereafter referred to as “Supermax” or the “Group”) is dedicated to sustainability, recognizing that responsible business practices are fundamental to creating enduring value for stakeholders and safeguarding the environment. This Sustainability Report underscores the Group's commitment to integrating sustainability into its core operations and decision-making processes.

The report underscores Supermax's pledge to environmental stewardship, social responsibility, and robust corporate governance. The company acknowledges the interconnectedness of these facets and their impact on community well-being, natural resource preservation, and business resilience.

Supermax's Sustainability Report aims to transparently communicate its objectives, initiatives, and progress. It provides comprehensive insights into the company's sustainability strategies, policies, and practices, addressing key challenges and opportunities in sustainability.

The report highlights Supermax's commitment to reducing environmental impacts, promoting sustainable design and construction, and enhancing energy efficiency across its operations. The company is dedicated to lowering carbon emissions, responsibly managing waste, and conserving natural resources.

Furthermore, Supermax demonstrates its commitment to social responsibility through efforts to foster a safe and inclusive workplace, prioritize employee well-being, and support local communities. The report details the company's initiatives to engage stakeholders, uphold ethical standards, and make a positive societal impact.

In the governance section, the Sustainability Report emphasizes Supermax's commitment to integrity, transparency, and accountability in all business dealings. The company prioritizes sound corporate governance practices, regulatory compliance, and upholding high ethical standards.




By publishing this report, Supermax aims to inspire and engage its stakeholders, including employees, investors, customers, and partners, in its sustainability journey. It serves as a guiding document that highlights the Group's ongoing efforts to create sustainable value and contribute positively to society and the environment.

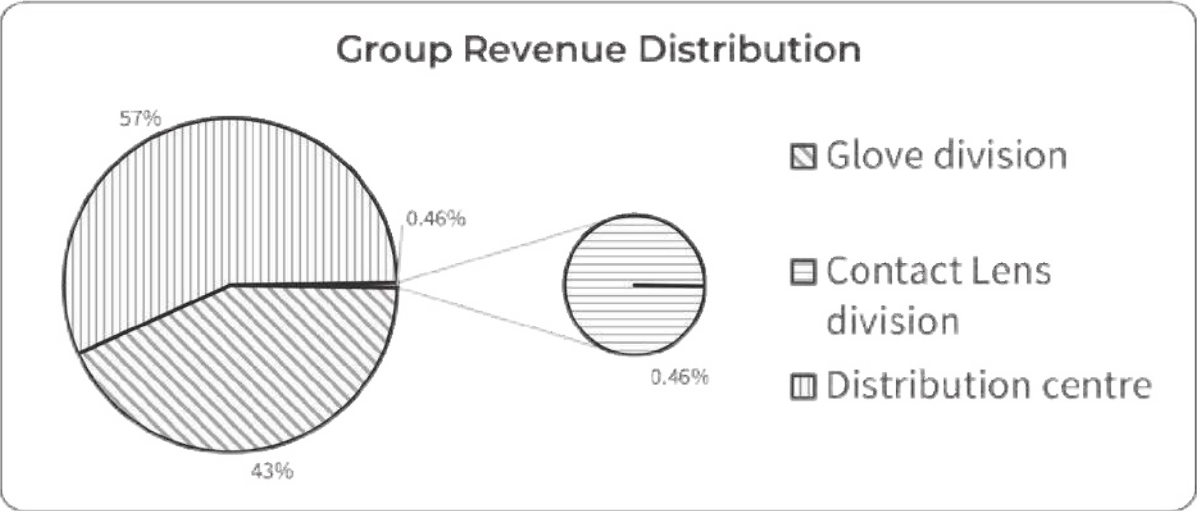
REPORTING SCOPE & BOUNDARIES

The information and data presented in this report encompass the entirety of Supermax Group's business activities and operations. It includes an evaluation of our non-financial performance and an analysis of opportunities, risks, and outcomes that are crucial for our stakeholders and contribute significantly to our value creation. This report specifically details our core operations in Malaysia, and we have expanded our scope and boundaries to include our operations in the United States, Brazil, Canada, Ireland, the United Kingdom, Hong Kong, Singapore, and Japan.

SUSTAINABILITY REPORT

Below is the list of entities within the scope of reporting in FY2024:

 Glove Division	 Contact lens	 Distribution Centre
Supermax Glove Manufacturing Sdn Bhd (Malaysia)	Supervision Optimax Sdn Bhd (Malaysia)	Supermax Healthcare Inc. (USA)
Maxter Glove Manufacturing Sdn Bhd (Malaysia)		Supermax Brasil Importadora S/A (Brazil)
Maxwell Glove Manufacturing Berhad (Malaysia)		Supermax Healthcare (Europe) Limited (Ireland)
		Supermax Healthcare Canada Inc. (Canada)
		Supermax Global (HK) Ltd. (Hong Kong)
		Supermax Healthcare Limited (UK)
		Maxter Healthcare Pte Ltd (Singapore)
		Aime Supermax KK (Japan)



SUSTAINABILITY REPORT

REPORTING FRAMEWORK

This marks Supermax's third annual standalone Sustainability Report, emphasizing our steadfast commitment to stakeholders and the significant progress made in sustainable development during the financial year ending 2024. The report refers to the updated Main Market Listing Requirements for sustainability reporting, as outlined in the 3rd edition of the Bursa Malaysia Sustainability Reporting Framework, adheres to Malaysian Code on Corporate Governance (MCCG) principles, and is prepared with reference to the Global Reporting Initiative (GRI) Standards. Additionally, we comply with the Task Force on Climate-related Financial Disclosures (TCFD), ensuring that our reporting is aligned with global best practices in climate-related financial disclosure.

Our report underscores the importance of transparent sustainability reporting and our alignment with the United Nations Sustainable Development Goals (UN SDGs). It provides comprehensive insights into our responsibilities and highlights the substantial contributions we've made towards shaping a sustainable future.

By enhancing transparency and disclosure in our reports, we aim to build trust and strengthen relationships with stakeholders, including employees, investors, customers, business partners, suppliers, and the communities where we operate. This report adheres to rigorous governance frameworks and reporting procedures to ensure accurate reporting of both financial and non-financial aspects. Currently, external assurance has not been obtained for this report, though we are considering it as our sustainability reporting evolves over time.

REPORTING PERIOD

This report spans from 1 July 2023 to 30 June 2024, aligning with our financial reporting period to present a comprehensive overview of our sustainability efforts during this timeframe. This financial year has seen restatements resulting from changes in measurement methodologies and an expansion of scope and boundaries to include our overseas operations. For detailed insights into corporate governance, internal operations, and business activities, please refer to the relevant sections in Supermax's Annual Report 2024 and associated documents.

Sustainability is a continual journey that requires ongoing improvement of our performance goals and accomplishments across all divisions and operations. Unless stated otherwise, the data in this report pertains to properties owned or managed by Supermax.

ASSURANCE STATEMENT

Although this report has not been externally assured, it has been carefully reviewed by our internal auditor, Senior Management within the Group, and the external consultants who helped in preparing the report. The report has also been approved by the Board. To further ensure the accuracy of our future reports, we may consider having an independent party review our sustainable disclosures.

IDENTIFICATION AND COMMUNICATION WITH STAKEHOLDERS

By actively engaging with stakeholders, the Group gains varied perspectives and identifies critical environmental, social, and governance issues. The Group remains committed to sustainable operations, prioritizing the interests of its diverse stakeholders, including shareholders, employees, customers, suppliers, subcontractors, regulatory authorities, and local communities. To facilitate dialogue, effective communication channels such as meetings, inquiries, interviews, and discussions are established across the Group's operational locations.

SUSTAINABILITY REPORT

FORWARD-LOOKING STATEMENTS

This report includes forward-looking statements that reflect Supermax management's current assumptions and expectations. These statements cover our ESG targets, goals, commitments, programs, as well as other business plans, initiatives, and objectives. Typically, these statements include words such as "aim," "hope," "believe," "forecast," "plan," "anticipate," or similar expressions. It is important to note that Supermax cannot guarantee that the results reflected or implied by any forward-looking statement will be achieved or, if achieved, will have the forecasted or expected consequences and effects. We do not commit to updating these forward-looking statements to reflect events or circumstances that may occur in the future.

FEEDBACK AND COMMENTS

A softcopy version of this report is available online at <http://www.supermax.com.my>. Readers are encouraged to share views on the approach to sustainability and suggest improvements for sustainability efforts and programs. Input is valued as efforts continue to enhance sustainability practices and initiatives.

Sustainability Committee

Supermax Corporation Berhad (199701004909 (420405-P))

Lot 38, Putra Industrial Park, Bukit Rahman Putra

47000 Sungai Buloh

Selangor Darul Ehsan, Malaysia

Tel: 603-6145 2328

Email: info@supermax.com.my / esg@supermax.com.my

SUSTAINABILITY REPORT

MESSAGE FROM OUR CHAIRMAN

At Supermax, our unwavering commitment to sustainability is a continuous journey of innovation and responsibility. We believe that sustainable practices are crucial not only for the well-being of our planet but also for future generations. It is through our consistent dedication and proactive measures that we aim to make a substantial impact.

Recognizing the urgency of addressing climate change, conserving resources, and promoting social well-being, we are dedicated to minimizing our ecological footprint.

Our focus on social responsibility remains paramount. We are committed to ensuring the health, safety, and positive working conditions of our employees, fostering a diverse and inclusive workplace, and contributing to the welfare of our communities. Through various initiatives, we strive to enrich lives, support education, and empower individuals for a better future.

Governance remains a cornerstone of our sustainability efforts. We emphasize integrity, transparency, and accountability in all business dealings, adhering to sound corporate governance practices. This includes responsible management, regulatory compliance, and upholding the highest ethical standards.

Sustainability is not just an obligation but a strategic imperative for Supermax. We firmly believe that integrating sustainable business practices is essential for long-term success and resilience in a rapidly evolving world. We will continue to innovate, collaborate, and lead by example, driving positive change within our industry and beyond.

Let us forge ahead on this sustainable path, embracing the principles of sustainability in every decision and business practice.

Together, we can create a brighter, more sustainable future.

Dato' Seri Stanley Thai

Group Executive Chairman

Supermax Corporation Berhad

SUSTAINABILITY REPORT

ABOUT SUPERMAX GROUP

Supermax Corporation Berhad, a leading global latex glove conglomerate listed on the Main Board of Bursa Malaysia Securities Berhad, is recognized internationally for manufacturing, distributing, and marketing high-quality medical gloves. The company exports to over 165 countries across America, Europe, the Middle East, Asia, and the South Pacific. As an own-brand manufacturer, Supermax has established successful brands, including Supermax, Aurelia, and Maxter, trusted by laboratories, hospitals, pharmacists, doctors, and surgeons globally.

Supermax Group's production capacity reaches up to 21 billion gloves annually at present, and this number will grow to meet the continuously rising global demand for latex examination gloves. Operating 10 state-of-the-art manufacturing plants in Malaysia with more to come including what will be the Group's most advanced mega manufacturing facility currently being built in the United States, Supermax is committed to advancing sustainability through research and development, driving innovation and promoting environmental stewardship.

Global Reach and Distribution

Supermax's global presence is supported by eight distribution centers and corporate offices located in the United States, Brazil, Canada, Ireland, the United Kingdom, Hong Kong, Singapore, and Japan. In addition, the company collaborates with over 1,200 independent distributors worldwide, ensuring its products reach a diverse and expansive customer base.

Historical Background

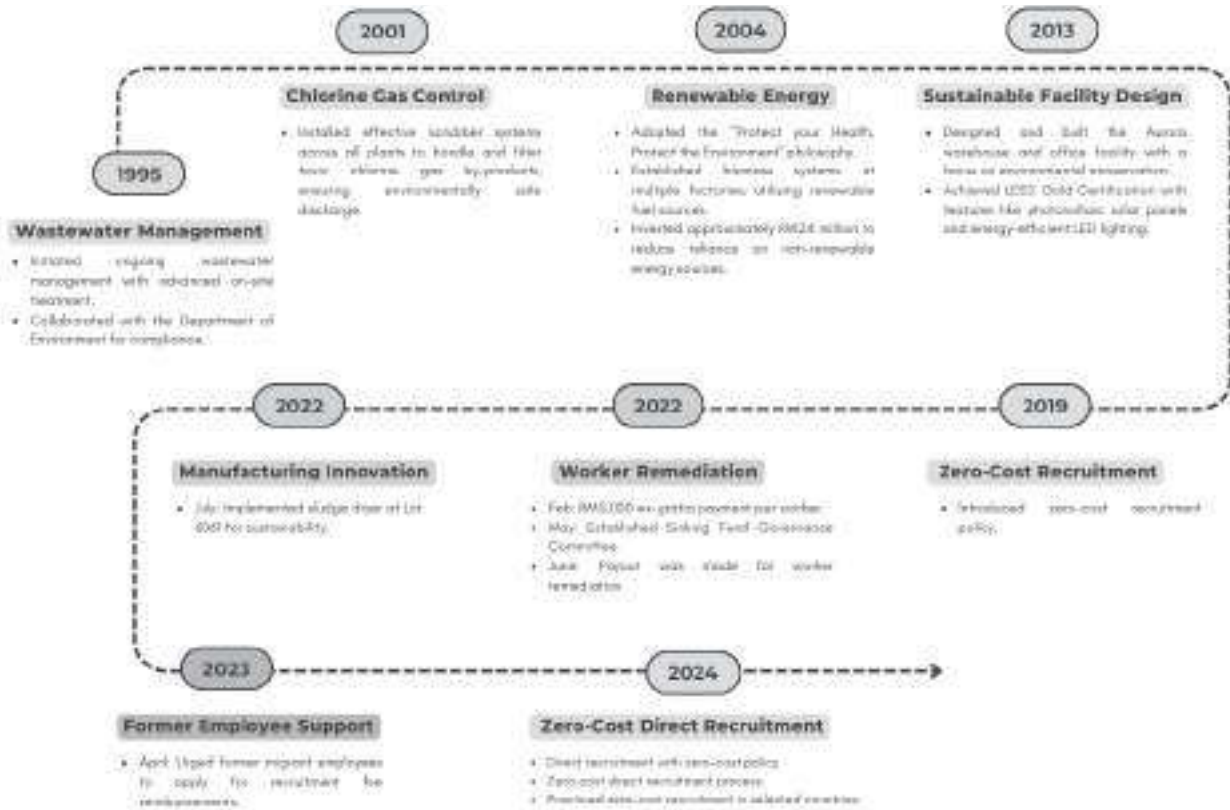
Supermax was founded in 1987 as a trading business distributing latex gloves. Driven by a vision to produce premium-quality products, the company established its first manufacturing facility in 1989. Pioneering the concept of own-brand manufacturing (OBM) in Malaysia, Supermax launched its first brand, 'Supermax,' setting a benchmark for quality in the glove industry.

Commitment to Quality and Innovation

Supermax has consistently focused on niche marketing and brand differentiation through superior quality control and continuous product innovation. The company's brands have become synonymous with excellence, earning a significant market share, particularly in the competitive dental market. This success underscores Supermax's dedication to research and development, as well as its relentless pursuit of quality and excellence.

SUSTAINABILITY REPORT

SUSTAINABILITY JOURNEY



SUSTAINABILITY HIGHLIGHTS



SUSTAINABILITY REPORT

OUR APPROACH TO SUSTAINABILITY

Sustainability Framework

Supermax has refined its sustainability framework to align seamlessly with our business strategy, guided by the Group's vision and mission. This framework aims to address stakeholder needs, minimize environmental impact, and positively contribute to the local communities where we operate. Our focus areas include Delivering Excellence, Responsible Supply Chain, Empowering Our People and the Community, and Caring for the Environment.

To achieve our objectives in each focus area, we address concerns related to our material matters and set targets for enhanced sustainability performance. We meticulously track our progress and ensure continuous improvement through a performance monitoring linked to these targets. This holistic approach enables us to integrate sustainability into our core operations, fostering long-term value creation and resilience.

Vision	Mission
To be the global market leader in the manufacture of Medical Gloves.	To be the global brand of choice among users of Medical Gloves.

FY2024 SUSTAINABILITY GOALS

Legend: Progress Tracking



Progress exceeds expectations



Progressing well





On track and progressing steadily




Progressing but aging, to review and revise targets (if necessary)

Goal 1 – Transition into a net-zero carbon business

Target	FY2024 Performance	Related Material Topics
1. To achieve a total reduction in energy consumption by 12% to 15% within the next 5 years.	 On track and progressing steadily	Climate Change and Energy
2. To reduce energy consumption by 5% in identified high-use areas by March 2025.	 On track and progressing steadily	Climate Change and Energy

Goal 2 – Enhance customer engagement and transparency


Target	FY2024 Performance	Related Material Topics
1. Achieve a minimum 65% customer satisfaction score on sustainability practices through feedback from customer surveys, focusing on continuous improvement by December 2025.	 On track and progressing steadily	Customer Satisfaction

Goal 3 – Achieve responsible water stewardship through efficient use and conservation.



Target	FY2024 Performance	Related Material Topics
1. Optimize water usage to achieve 100% efficiency in the manufacturing area.	 Progressing well	Water Management

SUSTAINABILITY REPORT

Goal 4 – Achieve a zero-incident workplace through proactive safety and health management.

Target	FY2024 Performance	Related Material Topics
1. Achieve a 75% employee satisfaction rate regarding safety briefings and implement at least 75% of actionable feedback within 6 months of each briefing to continuously enhance the effectiveness of safety communication.	 On track and progressing steadily	Occupational Health and Safety

Goal 5 – Transition to a fully sustainable and transparent supply chain.

Target	FY2024 Performance	Related Material Topics
1. Achieve a 60% return rate of completed sustainability assessment surveys distributed to stakeholders.	 On track and progressing steadily	Supply Chain Management
2. Ensure 80% of new suppliers are evaluated using the sustainability framework, and 90% of procurement team members are trained on the new sustainability criteria.	 On track and progressing steadily	Supply Chain Management

Stakeholder Group



SUSTAINABILITY REPORT

OUR CONTRIBUTION TO THE UN SDGS

Supermax has actively engaged in assessing and evaluating our performance in relation to the United Nations Sustainable Development Goals (SDGs). By meticulously tracking key indicators, we align our initiatives with the SDGs, aiming to make a significant impact on social, economic, and environmental challenges. Our commitment involves continuous monitoring and improvement as we contribute to the global sustainability agenda, ensuring that our efforts drive meaningful progress and support the realization of these critical goals.

3 GOOD HEALTH AND WELL-BEING



- Conducted Health, Safety, and Environment (HSE) Month campaign, including fire prevention programs, road safety talks, and chemical handling training to ensure workplace safety and employee well-being.
- Weekly internal firefighting training sessions and road safety awareness roadshows to enhance employee safety awareness

6 CLEAN WATER AND SANITATION



- Implemented robust water management practices across operations, including wastewater treatment using advanced processes like chemical flocculation and activated sludge.
- Assessing water recycling systems to reduce water consumption and enhance resource efficiency.

8 DECENT WORK AND ECONOMIC GROWTH



- Regular supplier performance evaluations and prioritizing sourcing from local suppliers to support local economies.
- Ensured safe and inclusive workplaces, provided employee training programs, and enhanced employee engagement through various activities.

12 RESPONSIBLE CONSUMPTION AND PRODUCTION



- Established waste management practices to minimize environmental impact, including recycling rubber waste and other materials.
- Conducted a supplier sustainability assessment to ensure responsible procurement practices.

13 CLIMATE ACTION



- Targeted a reduction in absolute greenhouse gas (GHG) emissions for Scope 1 and Scope 2 by 30% by 2030.
- Developing strategies to achieve carbon neutrality by 2030 and net-zero emissions by 2050.

16 PEACE, JUSTICE AND STRONG INSTITUTIONS



- Emphasized sound corporate governance practices, regulatory compliance, and upholding high ethical standards.
- Integrated sustainability governance structures into corporate governance frameworks to ensure alignment with sustainability goals.

SUSTAINABILITY REPORT

SUSTAINABILITY GOVERNANCE STRUCTURE

The Group has seamlessly integrated its sustainability governance structure into its corporate governance framework. As part of our commitment to embedding sustainability throughout the organization, the Board and its committees have expanded their responsibilities to include sustainability elements, as outlined in their respective terms of reference. The Board of Directors holds ultimate responsibility for defining the Group's sustainability strategic direction, supported by the Board Committees through delegation.

Sustainability Management Committee

Board of Directors

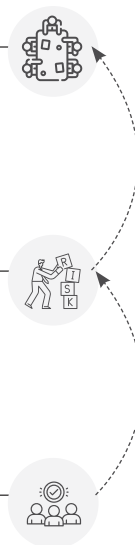
- Provide strategic guidance for sustainability initiatives.
- Monitor progress and oversee sustainability performance.
- Set long-term sustainability goals and targets.
- Ensure alignment of sustainability practices with the Group's overall strategy.

Board Risk Management & Environmental, Social, and Governance (ESG) Committee

- Lead sustainability initiatives and drive ESG performance.
- Develop and implement policies and frameworks for managing ESG-related risks.
- Monitor compliance with relevant regulations and standards.
- Offer recommendations and guidance on sustainability practices.

Working Committee Business & Operations Unit

- Seamlessly integrate sustainability considerations into day-to-day operations.
- Identify and implement sustainable practices and initiatives across business units.
- Monitor and report on sustainability performance indicators.
- Collaborate with stakeholders to ensure adherence to sustainability best practices.



Through these comprehensive governance structures and continuous capacity-building efforts, we ensure that sustainability remains at the core of our strategic decisions and operational practices, driving long-term value for our stakeholders and contributing to a sustainable future.

SUSTAINABILITY REPORT

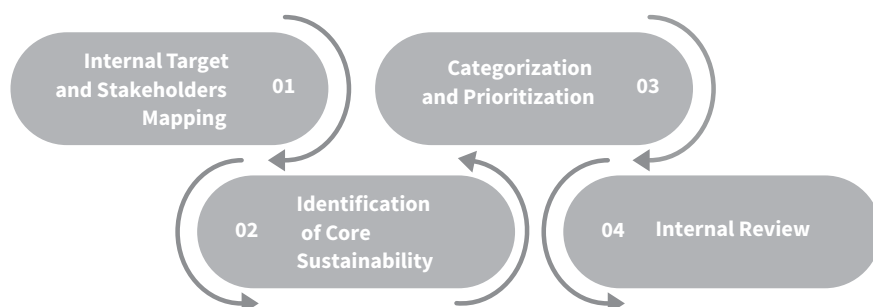
STAKEHOLDER ENGAGEMENT

Key Stakeholder Group	Key Areas of Concern	Methods of Engagement	Frequency of Engagement
Customers	<ul style="list-style-type: none"> Products and services quality Customer satisfaction On-time delivery Pricing and supplies 	<ul style="list-style-type: none"> Customer service Customer surveys 	<ul style="list-style-type: none"> Ad hoc Annually
Employees	<ul style="list-style-type: none"> Employee welfare and benefits Training and professional development Occupational health and workplace safety 	<ul style="list-style-type: none"> Employee surveys Meetings with management Employee engagement activities 	<ul style="list-style-type: none"> Annually Monthly / Ad hoc Bi-monthly
Government and Regulatory Authorities	<ul style="list-style-type: none"> Regulatory compliance Workplace safety Labour rights 	<ul style="list-style-type: none"> Emails/ letters Periodic meetings On-site inspections 	<ul style="list-style-type: none"> Ad hoc Monthly/ Quarterly Ad hoc
Local Communities and Public	<ul style="list-style-type: none"> Job creation Community development and enrichment Environment impact and compliance 	<ul style="list-style-type: none"> Local hiring Community programs 	<ul style="list-style-type: none"> Ad hoc Ad hoc
Shareholders and Investors	<ul style="list-style-type: none"> Company financial performance Ethics and integrity Compliance with regulations 	<ul style="list-style-type: none"> Quarterly and Annual reporting Announcements on Bursa Securities Investment conferences and analyst briefings Annual general meetings Corporate website and press release 	<ul style="list-style-type: none"> Quarterly/ Annually Ad hoc Ad hoc Annually Ad hoc
Suppliers	<ul style="list-style-type: none"> On-time payment Business continuity Procurement ethics Products and services quality 	<ul style="list-style-type: none"> Negotiations with suppliers/ business partners Periodic meetings Performance evaluation 	<ul style="list-style-type: none"> Ad hoc Ad hoc Annually

MATERIALITY ASSESSMENT

Supermax conducts an annual materiality assessment to identify and evaluate the most relevant and impactful ESG issues for the Group and its stakeholders. This assessment allows the Group to focus its efforts and resources on addressing these critical sustainability concerns. By effectively managing risks, setting strategic priorities, and creating value for stakeholders, Supermax advances its sustainability agenda.

The materiality assessment process undertaken by the Group follows a comprehensive four-step approach, as outlined below:

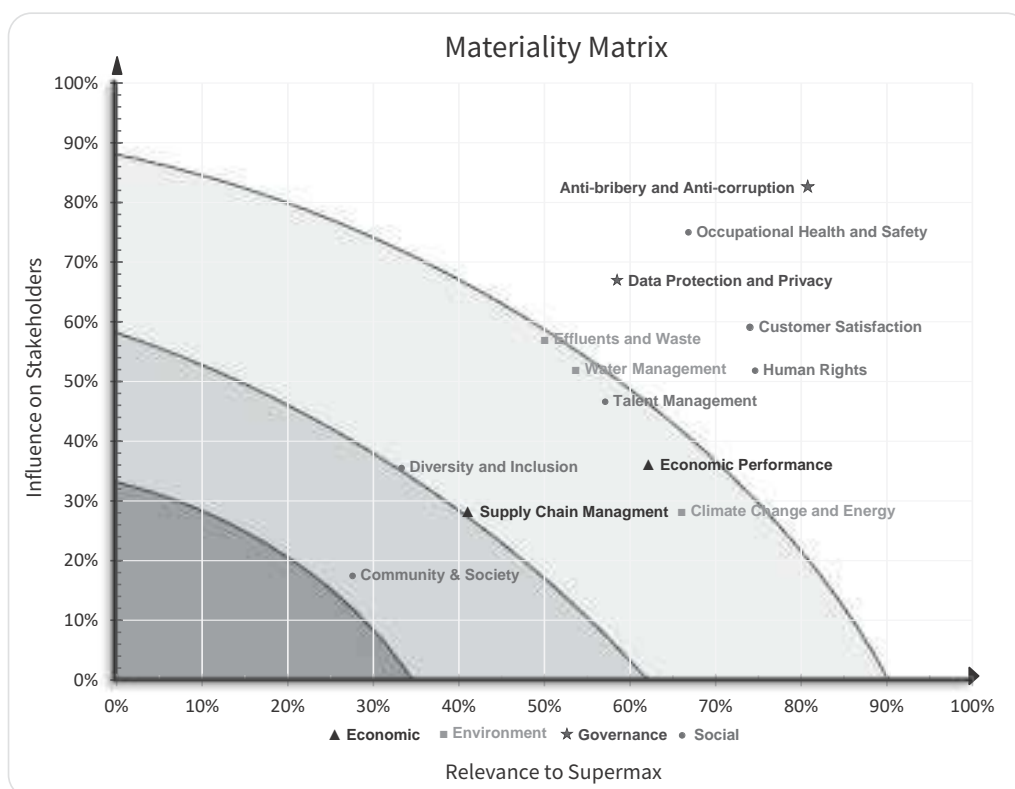


SUSTAINABILITY REPORT

MATERIALITY MATRIX

Supermax adopts a comprehensive approach to materiality assessment, incorporating the creation of a materiality matrix. This matrix is essential for identifying and prioritizing key ESG factors that are most important to both our stakeholders and our business. By leveraging insights from our materiality matrix, we strategically direct our sustainability initiatives to areas with the most significant impact, ensuring alignment with stakeholder needs and expectations while creating long-term value.

Our Sustainability Report for the financial year 2024 highlights key focus areas identified through our materiality matrix, which encompasses 13 significant sustainability matters. These priorities guide our commitment to responsible and sustainable practices, shaping our actions and reporting efforts for the year. This demonstrates our dedication to addressing the most relevant sustainability issues.



ECONOMIC PERFORMANCE

Why is this important?

Supermax's financial performance underpins the creation of long-term value and the advancement of our sustainability agenda. We are committed to fostering decent employment opportunities and stimulating economic development within local communities. Our primary objective is to ensure long-term resilience by optimizing our assets and distributing the generated wealth among our stakeholders, thereby driving sustainable growth and prosperity.

Our approach

Supermax sustains and achieves strong economic performance through the execution of our business strategy. This strategy includes staying informed about market trends, maintaining a healthy balance sheet and robust cash flow, advancing in technology, mitigating identified business risks, and expanding into new geographical markets to diversify our presence and opportunities. These efforts are fundamental to our strategy for long-term growth and resilience in a dynamic global marketplace, generated wealth among our stakeholders, thereby driving sustainable growth and prosperity.

SUSTAINABILITY REPORT

Our performance

Financial Year	2022 (RM'000)	2023 (RM'000)	2024 (RM'000)
Economic value generated (i.e., revenue and other income)	2,785,273	952,595	754,856
Economic value distributed:			
- Operating costs	1,548,320	987,428	798,774
- Employee wages and benefits	171,747	147,438	130,356
- Payment to providers of capital. (i.e., dividend and financing cost)	609,179	176,725	5,234
- Payment to government (i.e., tax)	302,379	(18,068)	3,625
Economic value retained	153,648	(340,928)	(183,133)

SUPPLY CHAIN MANAGEMENT

Why is this important?

Supermax is committed to promoting responsible procurement practices and enhancing the resilience of our supply chain by integrating sustainability throughout the procurement process. We actively support local businesses and aim to foster economic growth in our operational communities. To achieve this, we prioritize sourcing from local suppliers and provide business opportunities to small and medium enterprises (SMEs) and contractors, thereby bolstering their economic sustainability. Our sustainability standards also extend to our suppliers, including contractors, service providers, and consultants, ensuring responsible procurement practices are consistently maintained.

Our approach

The Group recognizes the importance of fostering strong supplier relationships through effective communication. Regular supplier performance evaluations are conducted, considering factors such as:

1. Price
2. Delivery lead time
3. Quality
4. Quantity
5. Responsiveness / reliability

Thorough inspections and background checks are undertaken for both existing and prospective suppliers to ensure compliance and reliability. By prioritizing these practices, the Group aims to establish and maintain long-term partnerships with suppliers based on trust and mutual benefit. Upon encountering issues, Supermax will raise a complaint to the supplier, initiating an investigation process. The supplier will respond with feedback and implement corrective and preventive actions accordingly.

Supermax is dedicated to nurturing a sustainable supply chain that promotes local job creation. By localizing our supply chain, we not only enhance cost optimization and efficiency, but also provide opportunities for local talent through job openings and collaborations with local suppliers. We strive to actively engage with our supply chain to promote adherence to robust environmental and social compliance practices.

Recognizing our operational requirements, we give priority to sourcing products and services from local suppliers as much as possible. This approach not only positively contributes to the local economy but also helps in reducing our carbon footprint.

SUSTAINABILITY REPORT

Our performance

Suppliers' assessment

Moving forward, we will take a significant step by launching our supplier sustainability assessment, starting with a survey of all existing suppliers. We will then expand this initiative to include new suppliers, ensuring alignment with the KPIs and targets that drive our sustainability goals.

Local suppliers'

In FY2024, we directed 92.64% of our procurement expenditure toward local suppliers. This strategic allocation underscores our commitment to supporting local businesses and fostering economic growth within our communities.

Financial Year	2022	2023	2024
Proportion of spending on local suppliers	94.79%	94.34%	92.64%

CLIMATE CHANGE AND ENERGY

Why is this important?

The Group recognizes that our energy consumption and GHG emissions contribute to climate change. As a responsible corporate citizen, we are committed to reducing our carbon footprint and seizing opportunities that emerge as we transition to a low-carbon economy.

Our approach

At Supermax, our objective is to minimize our environmental footprint and build operational resilience to deliver long-term value to our business, stakeholders, and communities. Our Environmental Policy guides our commitment to effectively manage and reduce the impacts of our operations.

In our fight against climate change, Supermax has set an ambitious target to achieve carbon neutrality by 2030, with the ultimate goal of reaching net-zero emissions by 2050. To support this transformative journey, we have developed a comprehensive strategy that aligns with our Environmental Policy. Our strategy is as follows:

- a. Upgraded lighting across our manufacturing plants to energy-efficient LED bulbs. These state-of-the-art bulbs incorporate advanced technology, yielding substantial energy savings and reducing greenhouse gas emissions.
- b. Installed separate meter at our worker hostels to optimize electricity usage and promote efficiency.

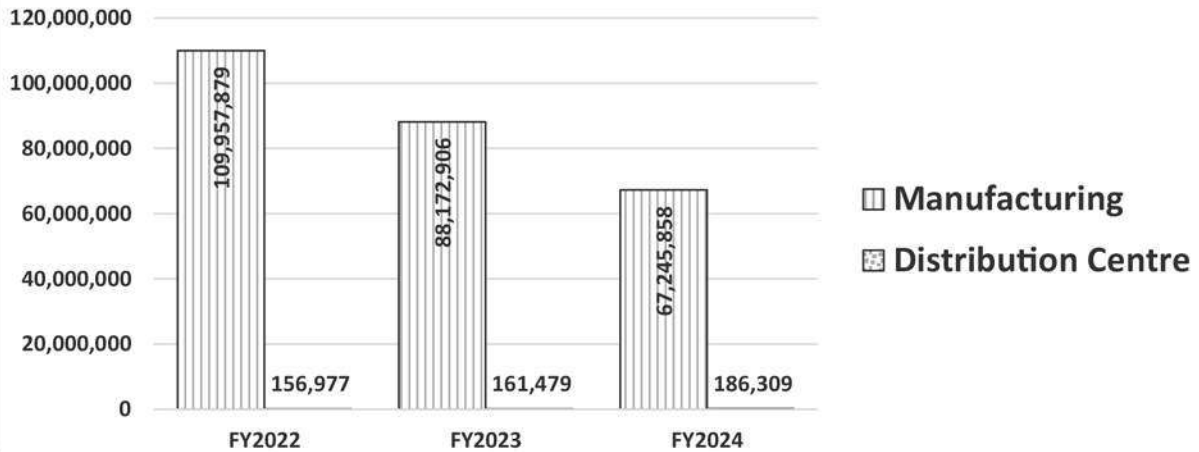
Our performance

Energy consumption

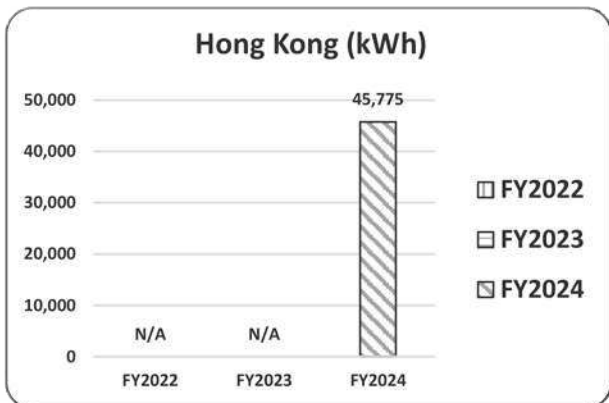
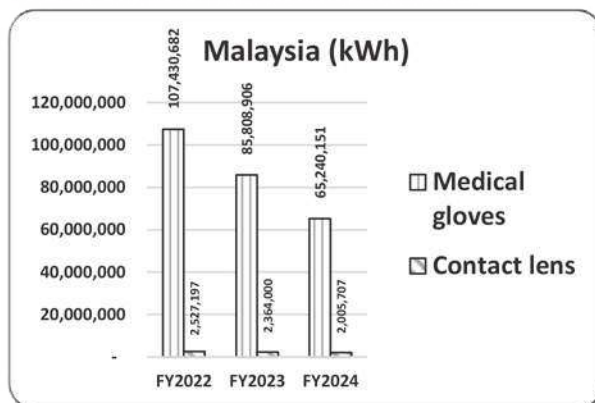
Our objective is to enhance energy efficiency by FY2030, using FY2022 as our baseline. This year, our total energy consumption reached 67,432,167 kWh, demonstrating a reduction compared to the previous year. This decrease in electricity consumption is primarily attributed to a reduction in production output and the consolidation of manufacturing operations, reflecting our commitment to more sustainable energy management practices.

SUSTAINABILITY REPORT

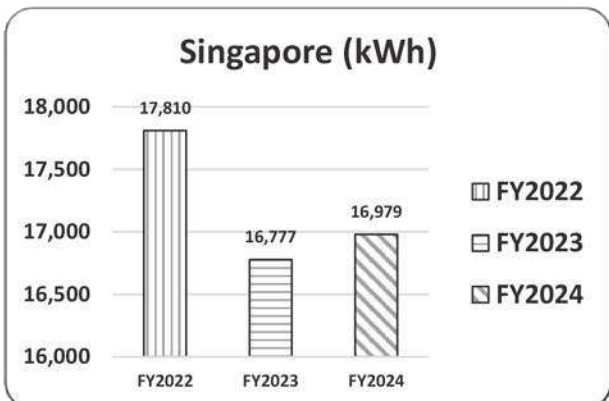
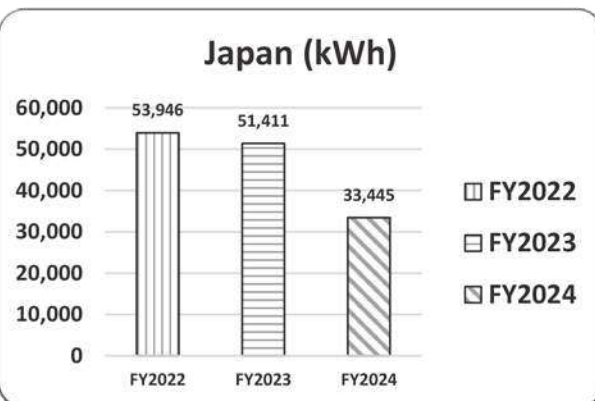
Electricity consumption by division (kWh)



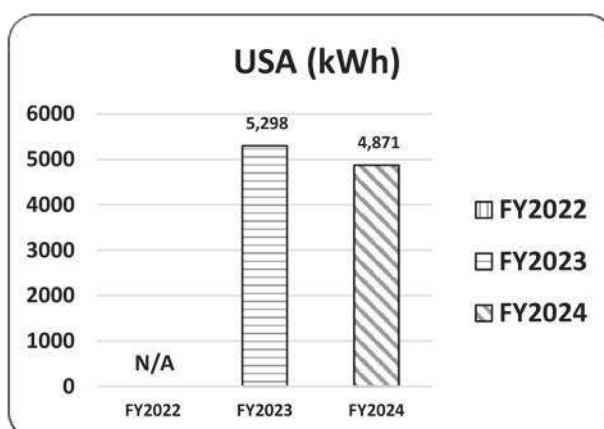
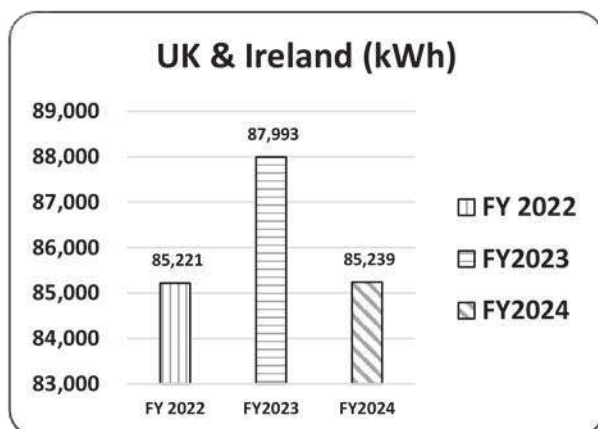
Electricity consumption (kWh) by country



Notes: Malaysia data presented includes the Glove Division, encompassing Supermax Glove Manufacturing Sdn Bhd, Maxter Glove Manufacturing Sdn Bhd, and Maxwell Glove Manufacturing Berhad. The Contact Lens Division encompasses Supervision Optimax Sdn Bhd.



SUSTAINABILITY REPORT



Electricity Consumption (kWh)				
Unit	FY2022	FY2023	FY2024	
Total electricity consumption	110,114,856	88,334,385	Main	67,245,858
			Added	186,309
Energy intensity ratio	0	12	Main	9
			Added	0
Supermax Glove Manufacturing Sdn Bhd	4,916,110	1,206,611	Main	1,346,904
Maxter Glove Manufacturing Sdn Bhd	87,715,991	77,956,198	Main	58,953,342
Maxwell Glove Manufacturing Berhad	14,798,581	6,646,097	Main	4,939,905
Supervision Optimax Sdn Bhd	2,527,197	2,364,000	Main	2,005,707
Supermax Healthcare (Europe) Limited	85,221	87,993	Added	85,239
Maxter Healthcare Pte Ltd	17,810	16,777	Added	16,979
Aime Supermax KK	53,946	51,411	Added	33,445
Supermax Healthcare Inc.	N/A	5,298	Added	4,871
Supermax Global (HK) Ltd.	N/A	N/A	Added	45,775
Supermax Brasil Importadora S/A	N/A	N/A	Added	N/A
Supermax Healthcare Canada Inc.	N/A	N/A	Added	N/A

Notes:

1. Supermax Global (HK) Ltd. is unable to provide data for FY2022 and FY2023 due to data retrieval limitations. Efforts are underway to address these gaps in future reports.
2. Supermax Brasil Importadora S/A, Supermax Healthcare Inc., and Supermax Healthcare Canada Inc. operate in leased buildings where electricity costs are included in the rental agreements. Therefore, electricity consumption data for FY2022, FY2023, and FY2024 are not separately available.
3. The data for electricity consumption has been restated to incorporate additional data from overseas entities.
4. The energy intensity ratio highlights our commitment to efficiency, calculated based on the energy consumption per 1,000 pieces produced per hour

Electricity consumption for the production of medical gloves in Malaysia decreased by approximately 23.7% from FY2022 to FY2024. This significant reduction is attributed to the Group's strategic decision to close certain plants and consolidate operations at a more efficient facility. The advanced technology and optimized processes at the new location have also played a crucial role in this decline, reinforcing the Group's commitment to resource optimization and sustainability.

In contrast, electricity consumption for contact lens production also experienced a decline of around 15% during the same period. This decrease reflects the broader operational adjustments following the consolidation, which aimed to enhance efficiency and meet current market demands.

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A decrease in electricity consumption in the US operations was attributed to the implementation of automatic climate control and lighting systems within the buildings, as well as the installation of solar panels, which helped offset electricity use. The building's LEED Gold certification further reinforces the energy efficiency measures in place, contributing to sustainable resource management.

The reduction in electricity usage at Aime Supermax KK & Supermax Healthcare (Europe) Limited from FY2022 to FY2024 can be attributed to enhanced operational efficiencies and effective energy management practices. The stable workforce size ensured consistent performance and productivity levels, contributing to minimized energy consumption without the need for overtime work. This approach not only optimized resource utilization but also aligned with our sustainability goals.

GHG emissions

In our dedication to transparent reporting, we utilize emission factors from the Department for Environment, Food & Rural Affairs (DEFRA) to calculate Scope 1, Scope 2, and Scope 3 emissions.

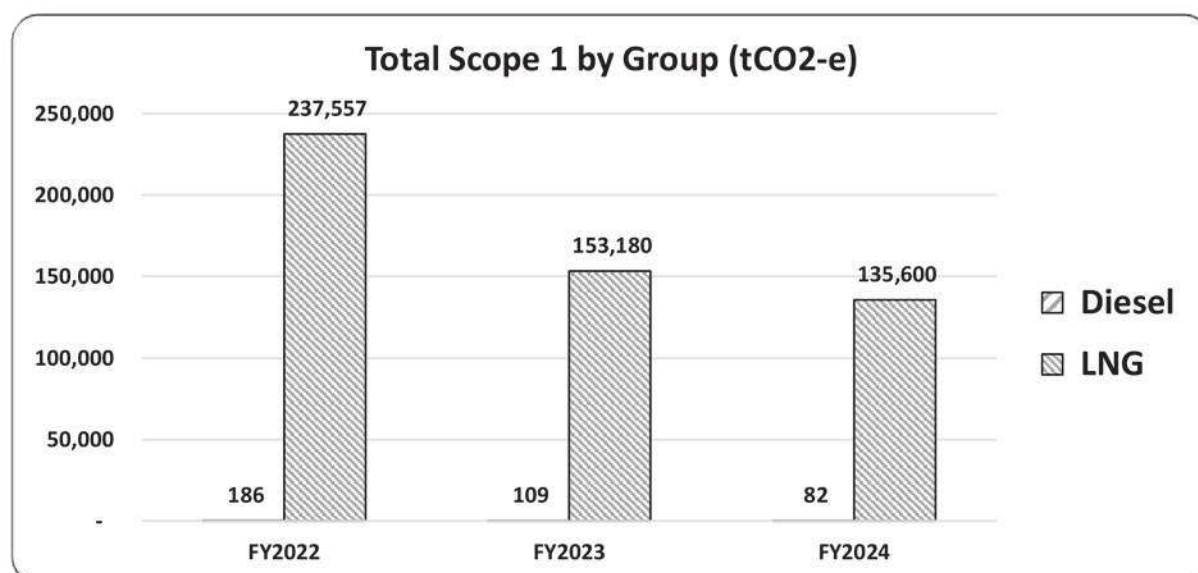
Supermax is committed to achieving a 30% reduction in absolute greenhouse gas (GHG) emissions for Scope 1 and Scope 2 by 2030. In 2024, our total emissions were 8,786,055.14 tCO₂-e for Scope 1 and 55,047 tCO₂-e for Scope 2, reflecting our ongoing efforts to minimize GHG emissions compared to the previous year.

Additionally, we have begun tracking and monitoring our Scope 3 emissions, particularly from business travel and employee commuting. This year, these emissions amounted to 21.66 tCO₂-e. As we continue to refine our emissions data across all our operations, we plan to establish a target for Scope 3 emissions in the near future.

Scope 1 – Direct GHG Emission

The significant 48.7% reduction in Scope 1 emissions from FY2022 to FY2024 results from the Group's strategic consolidation of operations at the more efficient manufacturing facilities at the Meru Plants, resulting in an emissions intensity of 50.17kg CO₂e per unit of product output. This reflects our commitment to improving production efficiency and reducing emissions relative to output.

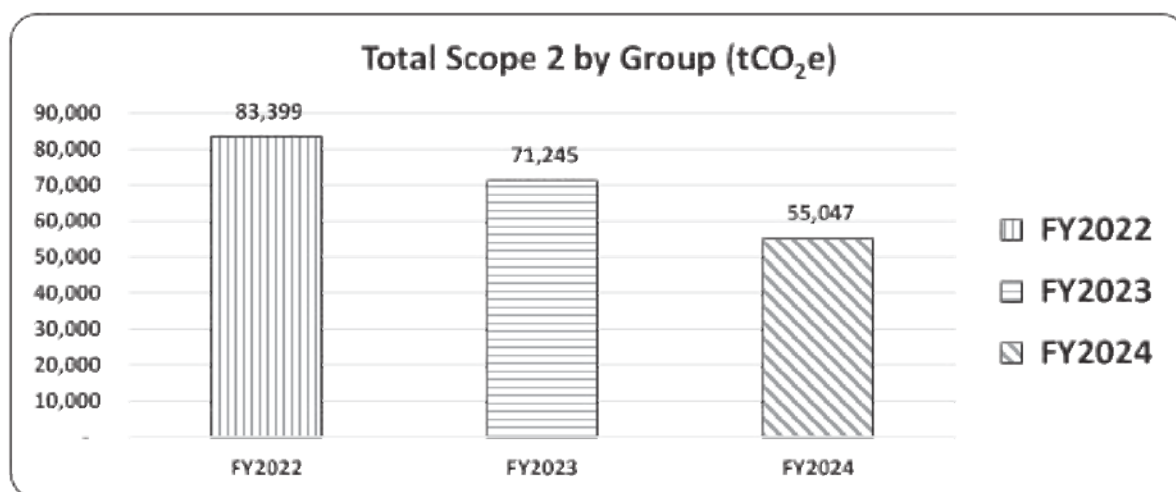
The advanced technology and optimized processes at this new facility have played a crucial role in reducing emissions by 38.2% from FY2022 to FY2023 and a further 17.1% from FY2023 to FY2024, underscoring the Group's commitment to resource optimization and sustainability.



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Scope 2 – Indirect GHG Emission

The significant 48.7% reduction in Scope 1 emissions from FY2022 to FY2024 results from the Group's strategic consolidation of operations at the more efficient manufacturing facilities at the Meru Plants, resulting in an emissions intensity of 50.17kg CO₂e per unit of product output. This reflects our commitment to improving production efficiency and reducing emissions relative to output.



Notes: The data for Scope 2 emission has been restated to incorporate additional data from overseas entities.

Scope 3 – Indirect GHG Emission

Staff Commuting

	FY2024
Malaysia	8,608,010.90
Brazil	19,708.55
Canada	13.35
Hong Kong	152,357.20
Japan	4,681.23
Singapore	41.97
UK & Ireland	28.52
USA	1,213.42
Total tCO₂e	8,786,055.14

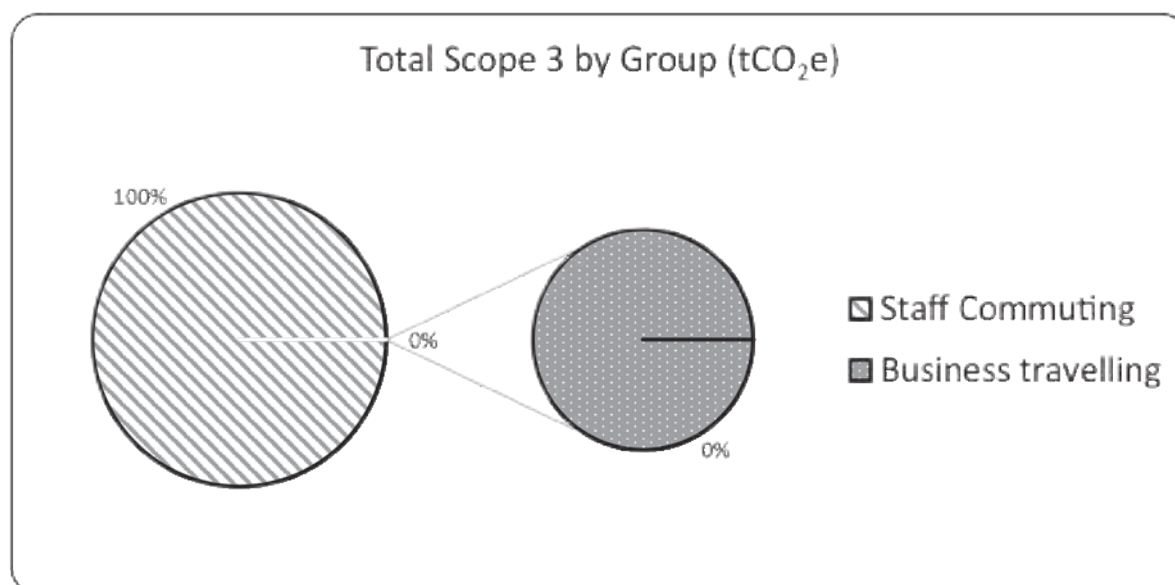
In our baseline assessment for Scope 3 emissions from staff commuting, Malaysia accounted for 8,608,010.90 tCO₂e, representing the largest contribution. Other significant contributors included Hong Kong with 152,357.20 tCO₂e, and Brazil with 19,708.55 tCO₂e. Lower emissions were recorded from all the other regions ie. Canada, Japan, Singapore, UK & Ireland and the US. The total emissions from staff commuting amounted to 8,786,055.14 tCO₂e. This baseline will serve as a reference point for setting future reduction targets and improving our sustainability initiatives.

Business Travelling

	FY2024
Malaysia	0.33
Brazil	1.09
Hong Kong	0.50
Japan	1.48
UK & Ireland	17.21
USA	1.05
Canada	NIL
Singapore	NIL
Total tCO₂e	21.66

In the baseline assessment for business travel activities in FY2024, the Group established a total carbon footprint of 21.66 tCO₂e. This figure reflects emissions from travel across various regions. The UK & Ireland recorded the highest emissions at 17.21 tCO₂e, accounting for approximately 79.5% of the total. Following this, Japan and Brazil contributed 1.48 tCO₂e (about 6.8%) and 1.09 tCO₂e (around 5%) respectively. Other regions, such as Malaysia (0.33 tCO₂e), Hong Kong (0.50 tCO₂e), and the US (1.05 tCO₂e), had lower emissions. Canada and Singapore report no emissions due to the lack of travel activities during the reporting period.

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Notes: Supermax Glove Manufacturing Sdn Bhd (Malaysia) and Maxter Glove Manufacturing Sdn Bhd (Malaysia) are unable to provide business travelling data for FY2024 due to data retrieval limitations. Efforts are underway to address these gaps in future reports.

TCFD EMISSION SCENARIO ANALYSIS

Context and Approach

As climate change evolves, Supermax Corporation Berhad's approach to risk management and strategic planning will be crucial in addressing future climate impacts. To navigate the uncertainties associated with climate change, it is essential to understand potential future scenarios. Our analysis incorporates three key climate projection frameworks:

- 1) Working Group III (WGIII) categories
- 2) Shared Socio-economic Pathways (SSPs)
- 3) Representative Concentration Pathways (RCPs)

Table below shows the commonly Adopted Future Climate Projection Frameworks Supermax has focused on SSP1-1.9, SSP1-2.6, SSP2-4.5, SSP3-7.0, SSP4-6.0 and SSP5-8.5 to assess the best-, mid-, and worst-case climate scenarios.

Shared Socio-economic Pathway (SSP)	WGIII Category	Representative Concentration Pathway (RCP)	Description
SSP1-1.9	C1	RCP1.9	Limit warming to 1.5 °C with no or limited overshoot (1.6 °C)
SSP1-2.6	C2	RCP2.6	Return warming to 1.5 °C after a high overshoot (1.6~1.8 °C)
SSP2-4.5	C6	RCP4.5	Limit warming to 3 °C
SSP3-7.0	C7	RCP7.0	Limit warming to 4 °C
SSP4-6.0	C8	RCP6.0	Limit warming to 4 °C with pronounced social and economic challenges
SSP5-8.5	C9	RCP8.5	Exceed warming of 4 °C

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Each scenario framework offers unique insights. When integrated, they provide a comprehensive perspective on potential future impacts:

- I. **SSPs (Shared Socioeconomic Pathways):** These frameworks assess how future socioeconomic developments might influence greenhouse gas emissions and climate policies. They range from SSP1, representing a sustainable and equitable world, to SSP5, depicting a future with high emissions and environmental challenges (IPCC AR6, 2022; O'Neill et al., 2017).
- II. **WGIII Category:** This framework evaluates the effectiveness of various climate strategies in achieving specific warming targets.
- III. **RCP (Representative Concentration Pathways):** This scientific framework analyzes the impact of greenhouse gas concentrations on atmospheric radiative forcing (W/m^2), indicating the potential severity of climate change effects.

Relevant Scenarios for Supermax Corporation Berhad.:

- 1) **SSP1-1.9 (C1): Sustainability (Low Challenges to Mitigation and Adaptation)**
This represents the most favourable outcome for Supermax Corporation Berhad. The SSP1-1.9 scenario envisions a world where significant progress is made towards sustainability. In this scenario, radiative forcing is controlled to 1.9 W/m^2 , and global mean surface temperatures rise by less than $1.5\text{--}1.6^\circ\text{C}$. This path emphasizes inclusive development, balanced economic growth, and substantial advancements in technology, including a strong shift towards sustainable energy sources.

Implications for Supermax Corporation Berhad:

- a) **Market Stability**
The favourable climate conditions lead to a stable and predictable market environment, benefiting the company's operations and financial performance.
- b) **Sustainable Supply Chains**
Improved access to sustainable raw materials and reduced operational disruptions.
- c) **Regulatory Compliance**
Easier alignment with stringent environmental regulations, potentially lowering compliance costs and enhancing brand reputation.

- 2) **SSP1-2.6 (C2): Early Action (Low to Medium Challenges to Mitigation and Adaptation)**
The SSP1-2.6 scenario represents a positive outcome, though with some transitional challenges. It aims to return global warming to 1.5°C after an initial period of higher temperatures (up to $1.6\text{--}1.8^\circ\text{C}$). This scenario involves early and significant climate action, focusing on achieving sustainability and enhancing energy efficiency.

Implications for Supermax Corporation Berhad

- a) **Transition Challenges**
Some adjustments in technology and operations may be necessary during the transition period.
- b) **Long-Term Benefits**
Over time, the scenario leads to reduced climate-related risks and greater market stability.
- c) **Innovation Opportunities**
Potential for investment in emerging green technologies and practices, providing competitive advantages.

SUSTAINABILITY REPORT

- 3) SSP2-4.5 (C6): Middle of the Road (**Medium Challenges to Mitigation and Adaptation**)
This scenario reflects a continuation of current trends with moderate efforts to mitigate climate change. It targets a warming limit of 3°C, balancing ongoing greenhouse gas emissions with incremental improvements in climate policies.

Implications for Supermax Corporation Berhad

- a) Moderate Impact
Increased costs for raw materials and energy due to higher emissions and less aggressive climate policies.
- b) Operational Adjustments
Some operational adjustments required to adapt to moderate climate impacts and regulatory changes.
- c) Risk Management
Necessity for robust risk management strategies to handle potential supply chain disruptions.

- 4) SSP3-7.0 (C7): Regional Rivalry (**High Challenges to Mitigation and Adaptation**)
The SSP3-7.0 scenario envisions a future with significant social and economic challenges. It targets a warming limit of 4°C and is characterized by high greenhouse gas emissions, geopolitical conflicts, and regional fragmentation.

Implications for Supermax Corporation Berhad:

- a) Disrupted Supply Chains
High risk of disruptions in the supply chain due to regional conflicts and instability.
- b) Increased Costs
Higher operational and raw material costs resulting from climate change impacts on infrastructure and resources.
- c) Regulatory Pressures
Potential for inconsistent and stringent regulations across different regions.

- 5) SSP4-6.0 (C8): Inequality (**High Challenges to Mitigation, Medium Challenges to Adaptation**)
This scenario focuses on a future marked by pronounced social and economic inequalities, targeting a warming limit of 4°C. It features significant disparities in wealth and resources, leading to high challenges in mitigating climate change and medium challenges in adapting to its effects.

Implications for Supermax Corporation Berhad

- a) Raw Material Availability
Variability in access to raw materials due to regional disparities and inequality.
- b) Market Instability
Increased market instability and potential shifts in demand patterns due to social and economic inequalities.
- c) Operational Risks
Higher risks related to regulatory variations and resource constraints across different regions.

- 6) SSP5-8.5 (C9): Fossil-Fuelled Development (**High Challenges to Mitigation, Low Challenges to Adaptation**)
Description: The SSP5-8.5 scenario projects a future dominated by rapid economic growth driven by heavy reliance on fossil fuels. It targets a warming level exceeding 4°C, resulting in severe climate impacts and extreme weather events.

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Implications for Supermax Corporation Berhad

- Severe Disruptions**
Major disruptions in supply chains due to extreme weather events and other climate-related impacts.
- Increased Operational Costs**
Significant increases in operational and raw material costs due to high climate change impacts.
- Regulatory Challenges**
Heightened regulatory and compliance challenges as governments implement stricter climate policies.

These scenarios help Supermax analyze, predict, and prepare for a range of climate impacts, guiding strategic planning and enhancing sustainability efforts.

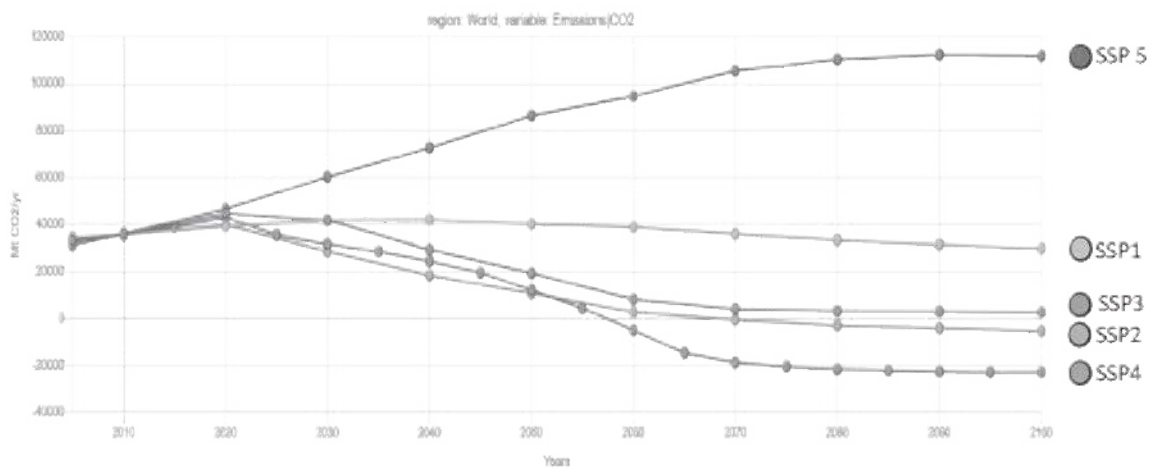


Figure 1: Table showing the CO2 emissions graph released every year under the five scenarios focused on by Supermax. The graph is plotted using data from IPCC (2023b) and the following models: IMAGE 3.2 (for SSP1), IMAGE 3.0.1 (for SSP2, SSP3, and SSP5), and GAM5.3 (for SSP4) (Byers et al., 2022).

Physical and Transitional Risks

As climate change unfolds, Supermax Corporation Berhad will encounter various physical and transition risks that could impact operations over time. To assess these potential impacts, the Group followed the TCFD Guidelines and conducted a scenario analysis. The first step was to define a timeline for the scenario analysis. According to the WEF Global Risk Report (2023), it is recommended that businesses adopt a short- (within the next 2 years), medium- (2 to 10 years), and long-term (more than 10 years) approach to identify potential issues. Based on this, the Group decided to adopt the following timeline:

- Short-term: 2024 to 2026
- Medium-term: 2026 to 2034
- Long-term: 2034 to 2050

This time horizon allows the Group to plan and identify all possible climate-related risks, impacts, and opportunities that Supermax might encounter under each climate scenario. These risks were categorized into acute physical, chronic physical, and transition risks, with detailed assessments provided in **Appendix A**.

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Acute Physical Risks: The most likely acute physical risks are severe weather events and heat waves. The impacts vary across different SSPs:

- SSP1-1.9: In the short term (2024-2026), mild impacts are expected, with minimal disruptions due to strong global cooperation and sustainability efforts.
- SSP2-4.5: By the medium term (2026-2034), moderate challenges may arise, with more frequent severe storms and weather events as climate change progresses at a moderate pace.
- SSP3-7.0: This scenario anticipates significant challenges, with regional rivalries leading to uneven responses to climate risks, resulting in increased acute physical risks over time, particularly in the medium and long terms.
- SSP4-6.0: High challenges are expected due to regional disparities, with some regions facing extreme weather events while others may experience relatively milder conditions. This is particularly relevant in the medium to long term.
- SSP5-8.5: Severe impacts are expected, especially in the medium to long term, with extreme weather events becoming more common and intense, causing significant disruptions.

Chronic Physical Risks: Chronic physical risks include changing rainfall patterns, soil conditions, and long-term climate trends:

- SSP1-1.9: Low chronic risks are anticipated throughout all terms, due to proactive adaptation measures and sustainable development practices.
- SSP2-4.5: Moderate chronic risks may emerge in the medium to long term, with some regions experiencing gradual shifts in climate patterns that could affect supply chains and water availability.
- SSP3-7.0: High chronic risks, particularly in the long term, due to significant regional variability, leading to challenges in raw material sourcing and long-term operational stability.
- SSP4-6.0: High risks related to regional inequalities are expected, affecting market stability and supply chain resilience, with certain areas facing severe droughts or floods, particularly in the medium to long term.
- SSP5-8.5: Severe long-term risks, with significant impacts on water resources, soil quality, and overall environmental stability, posing major challenges for operations.

Transitional Risks: Transitional risks involve financial impacts from changes in policy, technology, market demands, and reputation:

- SSP1-1.9: High short-term costs related to compliance and technology investments, but these are expected to lead to long-term market stability and growth.
- SSP2-4.5: Moderate financial impacts that rise steadily over the medium to long term, with a balance between adaptation costs and market opportunities.
- SSP3-7.0: Significant transitional risks due to regional rivalries and inconsistent policy responses, leading to higher costs and market instability, particularly in the medium to long term.
- SSP4-6.0: High financial risks due to disparities in regional development, with some markets facing stringent regulations and others lagging behind, causing financial strain, particularly in the medium to long term.
- SSP5-8.5: Low short-term impacts, but long-term costs surge due to delayed adaptation, regulatory challenges, and the need for rapid technological shifts.

This assessment enables Supermax to plan strategic opportunities that enhance resilience and sustainability. Possible actions include developing weather-resistant infrastructure, investing in adaptive infrastructure, adopting sustainability practices, and leveraging short-term revenues for critical transitions, ensuring Supermax's future competitiveness.

SUSTAINABILITY REPORT

Strategy	Action Plan	Status
Optimize Facility Operations	I. Standardize air conditioning temperatures between 24°C and 26°C, with blower settings adjusted to levels 1-3 for optimal efficiency. II. Decommission inefficient plants and shift operations to newer, energy-efficient facilities. III. Launch a campaign to promote electricity conservation across hostels, offices, and manufacturing areas.	Ongoing
Establish an energy team to monitor consumption, identify high-use areas, implement savings measures, and set reduction targets for continuous improvement.	I. Establish an assessment team, led by the energy manager, to monitor energy usage. II. Conduct assessments to identify high energy consumption areas, including manufacturing, office, and hostel facilities. III. Set energy reduction targets based on findings from the monitoring activities.	Ongoing

WATER MANAGEMENT

Why is this important?

The escalating concern of water scarcity, driven by factors such as climate change, inadequate water management, and contamination, poses a significant challenge. With water shortages and cuts becoming increasingly prevalent, we are committed to tackling this issue through the implementation of robust water management practices across our operations to mitigate the risk of water scarcity.

Our approach

As a Group, we adhere to our Environmental Policy and take a pragmatic approach to water management, striving to enhance water efficiency and advocate for water conservation. Our commitment reflects our ongoing efforts to optimize water usage, ensuring that we utilize water resources fully in alignment with our sustainability objectives.

Supermax upholds a strong commitment to water conservation and responsible water management practices, recognizing the importance of preserving this precious resource. We actively work towards reducing water usage in all aspects of our operations. To ensure responsible water management, the wastewater generated by all our manufacturing plants undergoes on-site treatment using advanced processes such as chemical flocculation, anaerobic digestion, and activated sludge. This treatment is carried out in effluent treatment plants that comply with stringent standards set by the Department of Environment (DOE). The Group regularly updates the DOE to ensure adherence to these standards and demonstrate our dedication to sustainable water management.

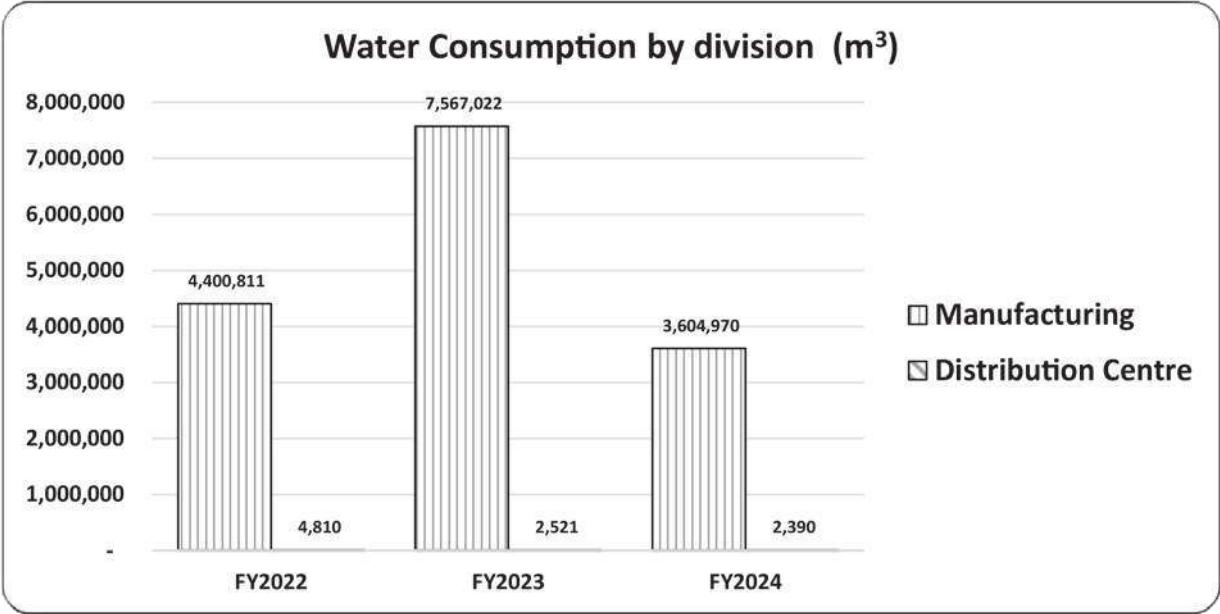
Additionally, we have proactively implemented comprehensive water consumption monitoring and conservation practices in our hostels, ensuring efficient use and minimizing waste. These measures not only help in reducing overall water usage but also promote sustainability and responsible resource management within our facilities. By prioritizing water conservation, Supermax aims to safeguard this essential resource for the benefit of future generations.

Our performance

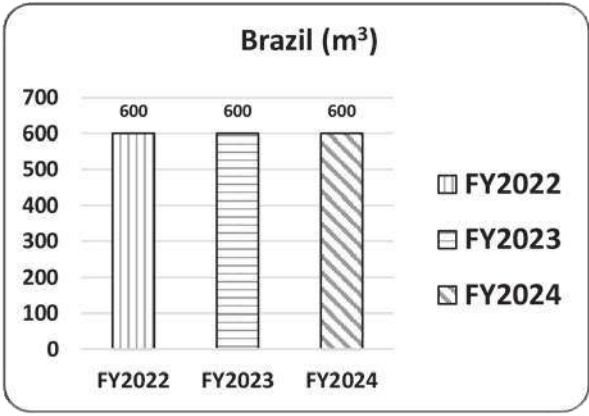
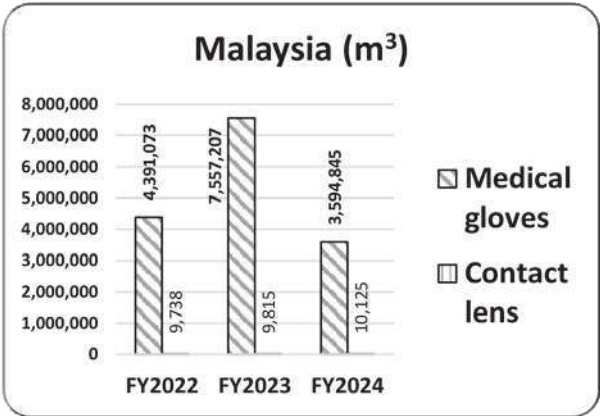
In FY2024, the Group's total water consumption amounted to 3,607,360 m³, reflecting a significant reduction of 28.72% from our FY2022 baseline. This achievement surpasses our previous efforts, and we are now focused on further improving our water management strategies for FY2025. The decrease in water consumption is attributed to a reduction in production output during the year, as well as the consolidation of manufacturing operations.

As part of its sustainability journey, Supermax is actively assessing a water recycling system at the US production plant to evaluate its effectiveness in optimizing water reuse. This system is being closely monitored to ensure its success in reducing water consumption and enhancing resource efficiency. Following positive results, the Group plans to implement a similar system in its Malaysian operations in a phased approach.

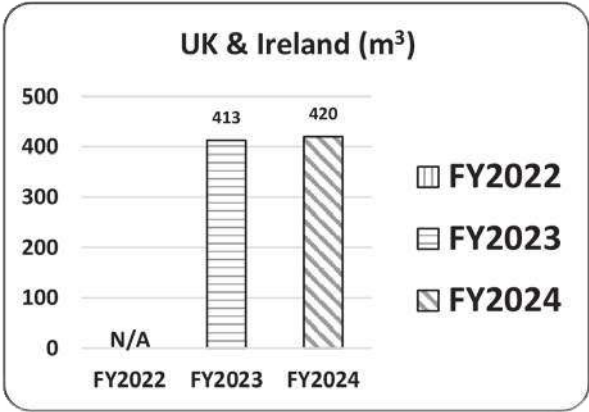
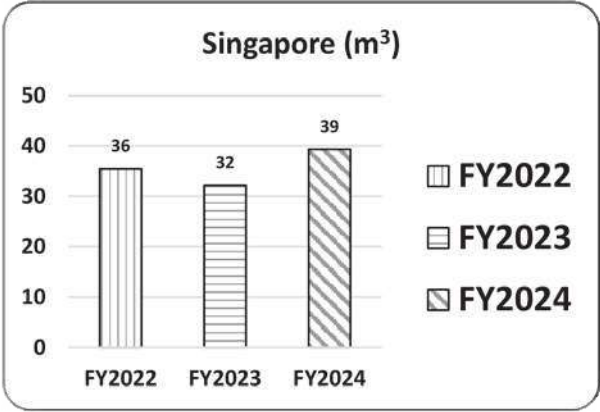
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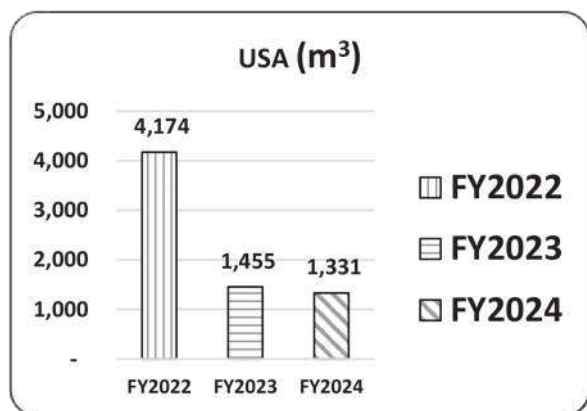
Water Consumption (m³) based on Country



Notes: Malaysia data presented includes the Glove Division, encompassing Supermax Glove Manufacturing Sdn Bhd, Maxter Glove Manufacturing Sdn Bhd, and Maxwell Glove Manufacturing Berhad. The Contact Lens Division encompasses Supervision Optimax Sdn Bhd.



SUSTAINABILITY REPORT



Water Consumption (m³)				
Unit	FY2022	FY2023	FY2024	
Total water usage	4,405,621	7,569,543	Main	3,604,970
			Added	2390
Supermax Glove Manufacturing Sdn Bhd	103,216	24,128	Main	12,288
Maxter Glove Manufacturing Sdn Bhd	3,545,084	7,239,025	Main	3,371,902
Maxwell Glove Manufacturing Berhad	742,773	294,054	Main	210,655
Supervision Optimax Sdn Bhd	9,738	9,815	Added	10,125
Supermax Healthcare Inc.	4,174	1,455	Added	1,331
Supermax Brasil Importada S/A	600	600	Added	600
Maxter Healthcare Pte Ltd	36	32	Added	39
Supermax Healthcare (Europe) Limited	N/A	413	Added	420
Aime Supermax KK	N/A	N/A	Added	N/A
Supermax Healthcare Canada Inc.	N/A	N/A	Added	N/A
Supermax Global (HK) Ltd.	N/A	N/A	Added	N/A

Notes:

1. Supermax Healthcare Limited and Supermax Healthcare (Europe) Limited is unable to provide water usage data for FY2022 due data retrieval limitations. Efforts are underway to address these gaps in future reports
2. Aime Supermax KK, Supermax Healthcare Canada Inc., Supermax Global (HK) Ltd. operate in leased buildings where water costs are included in the rental agreements. Therefore, water consumption data for FY2022, FY2023, and FY2024 are not separately available.
3. The data for water consumption has been restated to incorporate additional data from overseas entities.

Water consumption for medical glove production in Malaysia decreased by 18 % between FY2022 and FY2024. This reduction is attributable to the Group's strategic consolidation of operations at the more efficient manufacturing facilities at the Meru Plants'. The advanced technology and optimized processes at the new facility have also significantly contributed to this reduction, reinforcing the Group's commitment to resource optimization and sustainability.

In contrast, water consumption for contact lens production in Malaysia increased by 4% from FY2022 to FY2024, reflecting an expansion in production capacity to meet growing market demand, which remained unaffected by the operational consolidation.

Similarly, Supermax Healthcare Inc. achieved a substantial reduction in water usage of approximately 65% from FY2022 to FY2023, followed by a further decrease of about 5% in FY2024. These reductions collectively underscore the Group's and Supermax's commitment to LEED principles, promoting the efficient use of water resources to conserve freshwater supplies and mitigate overall demand on local water systems.

SUSTAINABILITY REPORT

EFFLUENTS AND WASTE

Why is this important?

At Supermax, we are deeply committed to responsible waste management practices that minimize environmental impact and benefit the surrounding communities, particularly in our medical glove and contact lens businesses. Our waste generation encompasses various types, including hazardous scheduled waste and non-hazardous waste such as domestic and recyclable materials. Effective waste management is essential to prevent adverse effects on air and water quality, soil contamination, and potential health risks to our employees and nearby communities. To tackle these challenges, we have proactively implemented comprehensive measures to ensure responsible waste management throughout our operations.

Our approach

Supermax places great importance on responsible waste management as a key aspect of our sustainability efforts. We have established robust waste management practices throughout our operations to minimize our environmental footprint and contribute to a circular economy. Our quality management system and meticulous process control are designed to maintain a product rejection rate below our target of 1.5%. Rejected gloves, along with rubber waste and lumps generated during production, are collected and sent to rubber recycling companies. These companies process the waste materials and convert them into reusable rubber, which is then reintegrated into the manufacturing process as raw materials. By implementing these waste management practices, Supermax aims to reduce waste, conserve resources, and promote sustainable practices.

In addition to the waste management practices for rubber waste, Supermax has also implemented measures within the contact lens division to manage wastage responsibly. This division handles polypropylene plastic waste, ensuring that these materials are properly collected and sent for recycling. Furthermore, paper waste generated in the production process is consistently recycled, contributing to the overall sustainability efforts of the company.

By incorporating these processes alongside the recycling of rejected gloves and rubber waste, Supermax continues to emphasize resource conservation and sustainable practices across all divisions.

Type of Waste	Collector	Agency	License No.	License Validity Period
Sludge/ Rubber Waste/ Rubber Lumps (SW321)	1. Nanotech Recovery Sdn Bhd	Pemerolehan Kembali Luar Tapak	003995	30/04/2025
	2. HSB Reclaimed Rubber Sdn Bhd	Pemerolehan Kembali Luar Tapak	003918/003920	30/4/2025
Used Diesel	1. Malik Family Resources Technology Sdn Bhd	Pemerolehan Kembali Luar Tapak	003173	30/4/2025
	2. Kualiti Alam Sdn Bhd	Pemerolehan Kembali Luar Tapak	003319	30/4/2025
Plastic Waste Recycling	1. YJ Global Industry Sdn Bhd	Pemerolehan Kembali Luar Tapak	U19012520100001	31/12/2024

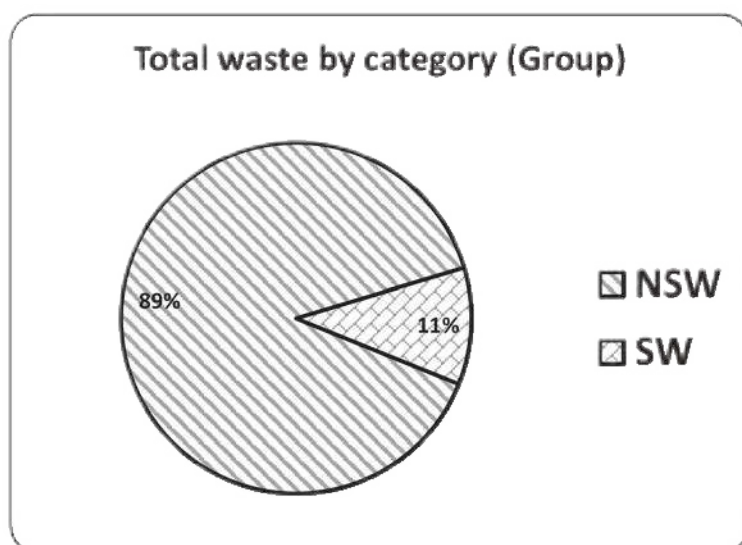
Our performance

In FY2024, Supermax generated a total of 8,755 metric tons (MT) of waste, which includes both Scheduled Waste (SW) and Non-Scheduled Waste (NSW). This total encompasses various categories, such as hazardous scheduled waste, domestic waste, and recyclable materials.

To ensure the achievement of this revised target, we will intensify our efforts by fostering collaboration among stakeholders and optimizing the efficiency of raw materials and resources used in our operations. Through enhanced engagement and participation of all relevant parties, we seek to address existing coordination gaps and implement innovative solutions wherever possible to promote sustainable waste management practices across the Group.

SUSTAINABILITY REPORT

Financial Year	2022		2023		2024	
	Manufacturing	Distribution Centres	Manufacturing	Distribution Centres	Manufacturing	Distribution Centres
Total waste generated (MT)	11,506	922	17,120	543	8,170	585



Notes:

1. The data for waste generated has been restated to incorporate additional data from overseas entities.
2. Maxwell Glove Manufacturing Berhad is unable to provide Schedule waste data for FY2022 and FY2023 due data retrieval limitations. Efforts are underway to address these gaps in future reports.

In the, US, Singapore, Japan, Canada, and Brazil entities, we reported zero wastage for FY2024, reflecting their roles as distributors, which inherently generate minimal waste. This reinforces our commitment to sustainability across all areas of our operations.

OCCUPATIONAL HEALTH AND SAFETY

Why is this important?

At Supermax, we prioritize the health and safety of our employees above all else in every aspect of our business operations and workplaces. Our commitment is to ensure a healthy, safe, and supportive work environment that prevents injuries and illnesses among our workforce. By doing so, we not only enhance efficiency and productivity but also foster a culture of well-being and resilience within our organization.

SUSTAINABILITY REPORT

Our approach

Supermax places a high priority on occupational health and safety in the workplace. The Group firmly believes that ensuring a safe and healthy work environment is essential for the well-being of employees and the overall success of the organization. Through rigorous health and safety programs, continuous training, and strict adherence to relevant regulations, including the Occupational Safety and Health Management Systems established by the Ministry of Human Resources Department of Occupational Safety and Health, Supermax strives to mitigate workplace hazards and effectively prevent accidents or injuries. Additionally, the Hazard Identification, Risk Assessment, and Risk Control (HIRARC) processes are reviewed annually to ensure that risks are properly managed and updated according to current practices.

Our performance

a. Health and safety trainings

In FY2024, 1,032 participants underwent various health and safety training sessions to uphold standards.

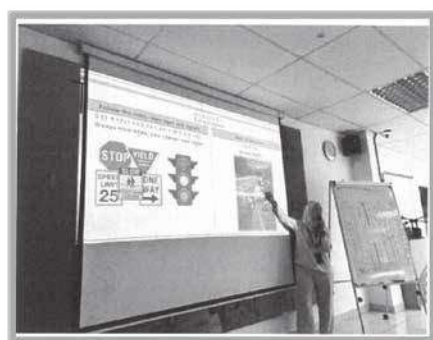
Financial Year	2022	2023	2024
Number of employees trained on health and safety standards.	680	1,236	1,032

i. Safety & health month campaign

In FY2024, our Malaysia entities conducted a comprehensive Health, Safety, and Environment (HSE) Month campaign, featuring a series of impactful activities aimed at promoting workplace safety and health. The campaign included a fire prevention program by BOMBA, a road safety talk by Malaysian Institute of Road Safety Research (MIROS), chemical handling training by Jabatan Keselamatan & Kesihatan Pekerjaan (JKKP), a talk on the dangers of drug abuse by the National Anti-Drugs Agency, dengue and Aedes prevention by Majlis Bandaraya Diraja Klang (MBDK), a blood donation drive in collaboration with Hospital Tengku Ampuan Rahimah Klang (HTAR), and a session on scheduled waste management by Department of Environment (DOE). Additionally, a gotong-royong activity was organized within our factories in Meru, Klang, to foster community spirit and cleanliness.

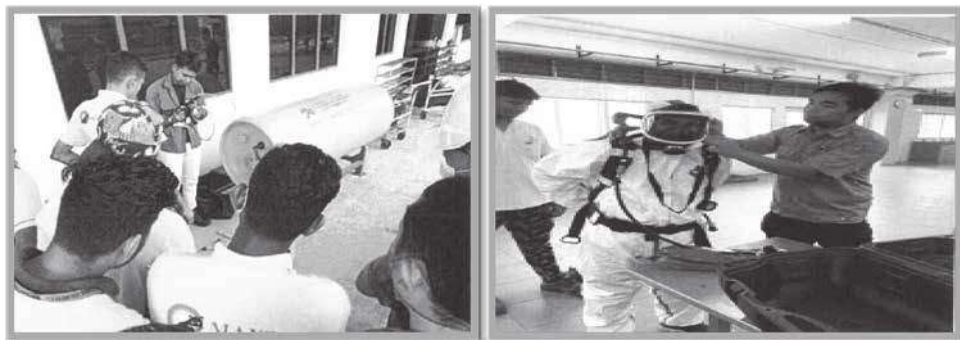
In addition to the HSE Month activities, we have also introduced a weekly internal firefighting training session, held every Wednesday from 3 pm to 4:30 pm. These sessions covered both theoretical and practical aspects of firefighting, ensuring employees are well-prepared for any emergencies.

To further enhance road safety awareness among workers, we have launched a road safety awareness roadshow from 02 October to 28 November 2023. This initiative aimed to increase awareness of road crossing safety, with a total of 409 workers participating in the roadshows. Through these comprehensive efforts, Supermax demonstrated its unwavering commitment to fostering a safe and health-conscious workplace environment.



SUSTAINABILITY REPORT

A total of 57 staff members participated in the chlorine safe handling training held on 23 November 2023 and 14 December 2023. The objective of the training was to educate participants on the safe and proper handling of chlorine to prevent accidents and promote a secure working environment. This training is crucial as chlorine is one of the main chemicals used in Maxter Malaysia plant and poses significant risks to health and the environment if proper safety precautions are not taken.



As part of the Group's commitment to promoting health and well-being, a talk and exhibition titled "The Danger of Drug Abuse" was held on 14 September 2023, with a total of 57 participants. The aim of this event is to raise awareness about the risks of drug abuse in the workplace and to provide an employer with appropriate strategies to effectively manage such issues.



Supermax is dedicated to ensuring a safe and healthy working environment through regular bi-monthly Health, Safety, and Environment (HSE) Committee Audits. These comprehensive audits are a cornerstone of our commitment to employee well-being, with a particular focus on identifying and mitigating ergonomic hazards.

Key Highlights:

- **Regular Audits:** Every two months, thorough HSE Committee Audits are conducted across all factory lots, underscoring our proactive approach to health and safety.
- **Comprehensive Checklist:** The audits encompass a wide array of safety topics, with a dedicated section on ergonomic hazards. This ensures that workstations, manual handling practices, and physical working conditions are rigorously evaluated.
- **Factory-wide Coverage:** Each factory lot undergoes these audits, promoting uniform safety standards and practices throughout our operations.

SUSTAINABILITY REPORT

ii. Promoting health and safety

Supermax prioritizes the identification of ergonomic risks through a focused audit checklist, allowing for the early detection of potential hazards. This proactive approach enables timely corrective actions, thereby minimizing the risk of work-related musculoskeletal disorders. By addressing ergonomic hazards, the Group enhances employee comfort and productivity, reflecting a broader commitment to fostering a healthy work environment. Insights gained from these audits drive continuous improvement in safety protocols, ensuring that Supermax not only meets but exceeds industry safety standards.

Supermax's bi-monthly Health, Safety, and Environment (HSE) Committee Audits demonstrate the Group's unwavering commitment to employee health and safety. By maintaining a rigorous audit schedule, Supermax actively promotes a culture of safety and well-being among its workforce. These audits are integral to the Group's broader sustainability initiatives, underscoring its dedication to creating a supportive and safe workplace.

b. Work-related injuries

Ensuring the safety of all workers is paramount at Supermax, with our primary goal being that every employee returns home safely at the end of each day. We are committed to preventing and minimizing workplace incidents, striving for zero-accident workplace.

In response to any accident, we implement comprehensive corrective and preventive actions, including Hazard Identification, Risk Assessment, Risk Control (HIRARC), and the creation or review of Standard Operating Procedures (SOPs). These measures are consistently updated following incidents. Additional training or refresher courses are provided as needed, and workers receive retraining when necessary.

Our annual and triennial training programs cover a wide range of activities, including fire safety training by Bomba, noise awareness refreshers, safe handling of forklifts, first aid training, chlorine safe handling training, and more. We are pleased to report that during FY2024, there were minimal major work-related accidents, and no fatalities were reported within the Group.

Malaysia

Financial Year	2022	2023	2024
Total number of hours worked	3,598,560	2,967,440	3,210,480
Number of fatalities as a result of work-related injury	0	0	0
Number of recordable work-related injuries (Including fatalities)	34	22	34
Number of fatalities as a result of work-related ill health	0	0	0
Number of cases of recordable work-related ill health	0	0	0
Lost time injury rate (LTIR)	9.45	7.41	10.59

USA

Financial Year	2022	2023	2024
Total number of hours worked	20,240	22,080	18,400
Number of fatalities as a result of work-related injury	0	0	0
Number of recordable work-related injuries (Including fatalities)	0	0	0
Number of fatalities as a result of work-related ill health	0	0	0
Number of cases of recordable work-related ill health	0	0	0
Lost time injury rate (LTIR)	0	0	0

SUSTAINABILITY REPORT

Brazil

Financial Year	2022	2023	2024
Total number of hours worked	94,752	93,248	95,504
Number of fatalities as a result of work-related injury	0	0	0
Number of recordable work-related injuries (Including fatalities)	0	0	0
Number of fatalities as a result of work-related ill health	0	0	0
Number of cases of recordable work-related ill health	0	0	0
Lost time injury rate (LTIR)	0	0	0

UK & Ireland

Financial Year	2022	2023	2024
Total number of hours worked	68,400	68,400	68,400
Number of fatalities as a result of work-related injury	0	0	0
Number of recordable work-related injuries (Including fatalities)	0	0	0
Number of fatalities as a result of work-related ill health	0	0	0
Number of cases of recordable work-related ill health	0	0	0
Lost time injury rate (LTIR)	0	0	0

Canada

Financial Year	2022	2023	2024
Total number of hours worked	45,120	43,240	26,320
Number of fatalities as a result of work-related injury	0	0	0
Number of recordable work-related injuries (Including fatalities)	0	0	0
Number of fatalities as a result of work-related ill health	0	0	0
Number of cases of recordable work-related ill health	0	0	0
Lost time injury rate (LTIR)	0	0	0

Hong Kong

Financial Year	2022	2023	2024
Total number of hours worked	11,808	11,808	15,744
Number of fatalities as a result of work-related injury	0	0	0
Number of recordable work-related injuries (Including fatalities)	0	0	0
Number of fatalities as a result of work-related ill health	0	0	0
Number of cases of recordable work-related ill health	0	0	0
Lost time injury rate (LTIR)	0	0	0

Singapore

Financial Year	2022	2023	2024
Total number of hours worked	6,630	6,630	6,681
Number of fatalities as a result of work-related injury	0	0	0
Number of recordable work-related injuries (Including fatalities)	0	0	0
Number of fatalities as a result of work-related ill health	0	0	0
Number of cases of recordable work-related ill health	0	0	0
Lost time injury rate (LTIR)	0	0	0

SUSTAINABILITY REPORT

Japan

Financial Year	2022	2023	2024
Total number of hours worked	60,000	60,000	60,000
Number of fatalities as a result of work-related injury	0	0	0
Number of recordable work-related injuries (Including fatalities)	0	0	0
Number of fatalities as a result of work-related ill health	0	0	0
Number of cases of recordable work-related ill health	0	0	0
Lost time injury rate (LTIR)	0	0	0

c. Occupational health services

Supermax is dedicated to safeguarding the health of its workforce in relation to their work environment. Meru Plant in Malaysia operates an in-house clinic and partners with selected panel clinics to provide accessible healthcare for employees. To ensure the well-being and compliance of foreign workers, Supermax actively conducts FOMEMA health screenings. Additionally, the Group implements audiometric screenings to monitor and protect employees' hearing, particularly in noisy work environments. These comprehensive health initiatives underscore Supermax's commitment to promoting employee well-being, enhancing workplace safety, and fostering a sustainable work culture. In FY2024, no incidents related to work-related ill health have been reported.

d. Workers covered by an occupational health and safety management system

The occupational health and safety management system at Supermax covers all employees, including those in manufacturing and office areas, as well as contract workers. This comprehensive approach ensures that every individual within the organization benefits from effective health and safety practices, promoting a safe and supportive work environment. To further reinforce these efforts, the entities in Malaysia conducts weekly briefings, circulates newsletters on the latest safety, health, and environmental issues, and holds monthly safety and health committee meetings to gather feedback and mitigate potential risks.

TALENT MANAGEMENT

At Supermax, we place immense value on our employees, recognizing them as our most crucial assets and the driving force behind our success and growth. We are committed to attracting, developing, and retaining high-performing individuals by providing an empowering and supportive work environment. We also invest significantly in development programs to ensure our employees remain competitive, progressive, and well-prepared for future challenges. This commitment underscores our belief that a skilled and motivated workforce is vital for the sustained prosperity of our organization.

Our approach

At Supermax, we understand that our people are the cornerstone of our success. Our approach to talent management is centered on attracting, developing, and retaining top talent to drive our business forward. We are committed to fostering a supportive and dynamic work environment that encourages continuous learning, professional growth, and personal development.

a. Attracting top talent

To build a strong and diverse workforce, we focus on:

- i. Recruitment excellence: We implement rigorous recruitment processes to ensure we attract the best talent. This includes leveraging advanced technology, collaborating with educational institutions, and participating in industry events.
- ii. Employer branding: We actively promote Supermax as an employer of choice by highlighting our values, culture, and opportunities for growth through various channels.

SUSTAINABILITY REPORT

b. Developing our people

We believe in the continuous development of our employees and offer a range of programs to enhance their skills and knowledge:

- i. Training and development: We provide comprehensive training programs, including on-the-job training, workshops, seminars, and e-learning platforms to equip our employees with the necessary skills to excel in their roles.
- ii. Leadership development: We identify high-potential employees and offer tailored leadership programs to prepare them for future leadership roles within the organization.
- iii. Career pathing: We offer clear career paths and opportunities for advancement, ensuring our employees can see their potential for growth within Supermax.

c. Retaining talent

Retaining our top talent is a priority, and we focus on creating a work environment that motivates and engages our employees:

- i. Employee engagement: We regularly seek feedback from our employees through surveys, focus groups, and open forums to understand their needs and improve their work experience.
- ii. Competitive compensation and benefits: We offer attractive compensation packages and benefits, including health and wellness programs, to ensure our employees feel valued and supported.
- iii. Work-Life balance: We promote a healthy work-life balance by offering flexible working arrangements, wellness initiatives, and family-friendly policies.
- iv. Measuring Success

We continuously monitor and evaluate the effectiveness of our talent management strategies through key performance indicators (KPIs) and regular assessments. Currently, 100% of our employees receive regular performance and career development reviews, enabling us to make data-driven decisions and continuously improve our approach.

By focusing on these key areas, Supermax aims to build a strong, skilled, and motivated workforce that is well-equipped to meet the challenges of today and the opportunities of tomorrow.

Our performance

a. Employee training hours

In FY2024, the Group dedicated a total of 3,690 hours to training, investing significantly in both internal and external learning and development initiatives. This substantial commitment highlights our dedication to nurturing talent and ensuring that our employees are equipped with the skills and knowledge necessary for their personal and professional growth.

Employee Category	Total hours of training		
	2022	2023	2024
Management	356	595	710
Executive	535	893	1065
Non-executive/ Technical Staff	890	1488	1776
General Workers	589	1377	139
Total	2370	4353	3690

SUSTAINABILITY REPORT

Training hours by Gender	Total %		
	2022	2023	2024
Male	48	49	45
Female	52	51	55

Training Areas	Training Sessions	Training Sessions	Training Hours
Functional	-	10.6	61
Leadership	-	1.7	-
Soft skills	-	-	1.9
Production Management	13.2	18.7	12.4
Safety, Security, Health and Environment	86.8	44.4	23.3
On Job Training	-	24.6	1.4

Financial Year	2022	2023	2024
Overall average training hours per employee (hours)	12.7	4.7	5.2

b. Engagement activities

To strengthen employee engagement and foster a positive workplace culture, the Group organized a sports event and a Chinese New Year luncheon. These activities provided opportunities for employees to connect outside the regular work environment, promoting teamwork and collaboration. The sports event focused on physical wellness and friendly competition, while the Chinese New Year luncheon celebrated cultural diversity and inclusivity. These initiatives played a crucial role in boosting morale, reinforcing a sense of belonging, and contributing to a more cohesive and motivated workforce.



In the UK & Ireland, the Group organized a variety of events to engage both staff and customers. The Anniversary Day served as a celebration for both employees and customers, fostering strong relationships and community ties. For staff, several events were held, including the Staff Christmas Party, which provided an opportunity to celebrate the festive season together, the Summer Family Day, which encouraged family involvement and strengthened bonds among employees, and a series of After Work events such as Laser Quest and Bowling, aimed at promoting team building and relaxation outside of the workplace.

In Canada and the US, the Group focused on fostering a sense of community and celebration among employees through various events. Employee birthdays were celebrated by sharing a birthday cake with everyone, creating a warm and inclusive atmosphere. Additionally, a Christmas dinner was held at a restaurant, featuring small activities and dancing, providing a festive occasion for employees to connect and enjoy the holiday season together.

These engagement initiatives reflect our ongoing commitment to creating a positive and inclusive workplace environment, aligning with our broader goals of enhancing employee satisfaction and well-being.

SUSTAINABILITY REPORT

DIVERSITY AND INCLUSION

Why is this important?

We acknowledge the competitive advantage that diversity and inclusivity bring to our workplace, providing access to a rich spectrum of knowledge, perspectives, and ideas. To foster equal employment opportunities and prevent discrimination, we actively promote diversity across gender, race, religion, age, and nationality.

Our approach

At Supermax, fostering a culture of diversity and inclusion is a cornerstone of our values. We firmly believe that embracing diversity not only enhances innovation and creativity but also strengthens our decision-making processes. Our commitment extends to creating an inclusive and equitable workplace where every employee is valued, respected, and empowered with equal opportunities for growth.

We uphold rigorous fair employment practices and continually review our recruitment procedures to ensure equality, aligning closely with our Recruitment Policy. Inclusivity is paramount, and we actively support employees with disabilities by providing necessary accommodations such as designated parking, ramps, and lift services. Gender equality is fundamental at Supermax, where all employees receive competitive compensation based on performance and merit. Career progression, recognition, and rewards are administered impartially and transparently, reflecting our dedication to fairness in every aspect of our operations.

The Group remains committed to promoting gender diversity and fostering equitable participation in the workforce. As of FY2024, the Group's workforce comprised 318 women and 1,306 men. Efforts to address the gender imbalance have been strengthened through targeted recruitment initiatives, with a focus on increasing local female representation in office roles. Conversely, due to the physically demanding nature of the tasks at our production sites, our workforce predominantly consists of male workers.

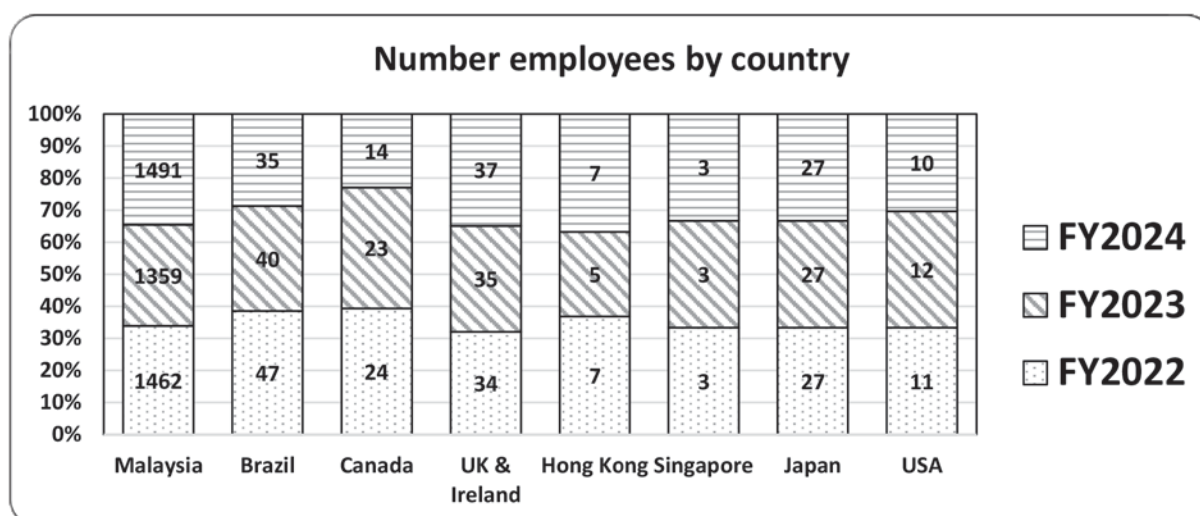
Additionally, a significant portion of our employees are aged between 21 and 30, which underscores our focus on nurturing a vibrant and energetic new generation. We encourage these younger employees to challenge conventional practices, apply their skills, and pursue continuous improvement opportunities.

Our performance



Notes: The data for total employees generated has been restated to incorporate additional data from overseas entities

SUSTAINABILITY REPORT

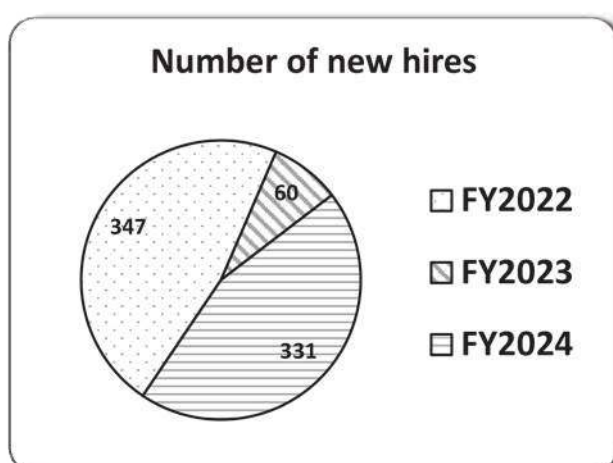


Notes: The data for number of employees by country generated has been restated to incorporate additional data from overseas entities

In FY2024, the Group's workforce showed mixed trends across regions. In Malaysia, the number of employees increased from 1,359 in FY2023 to 1,491, representing an 10% growth. This rise is attributed to the operation of a new plant following June 2023, indicating a strengthening of operations and potential new hiring initiatives.

In contrast, Brazil experienced a decrease in employee count from 40 in FY2023 to 35 in FY2024, reflecting a reduction of 12.5%. This adjustment was primarily influenced by the decision to prioritize hiring only when essential, aligned with current market conditions and strategic measures implemented within the segment in the country.

Canada experienced a more significant drop in employee count from 23 in FY2023 to 14 in FY2024, marking a 39.1% decrease. This decline may reflect strategic restructuring efforts aimed at optimizing operational efficiency. The employee headcounts across the UK & Ireland, Hong Kong, Singapore, Japan, and the United States remained relatively stable with minor fluctuations during FY2023 and FY2024.



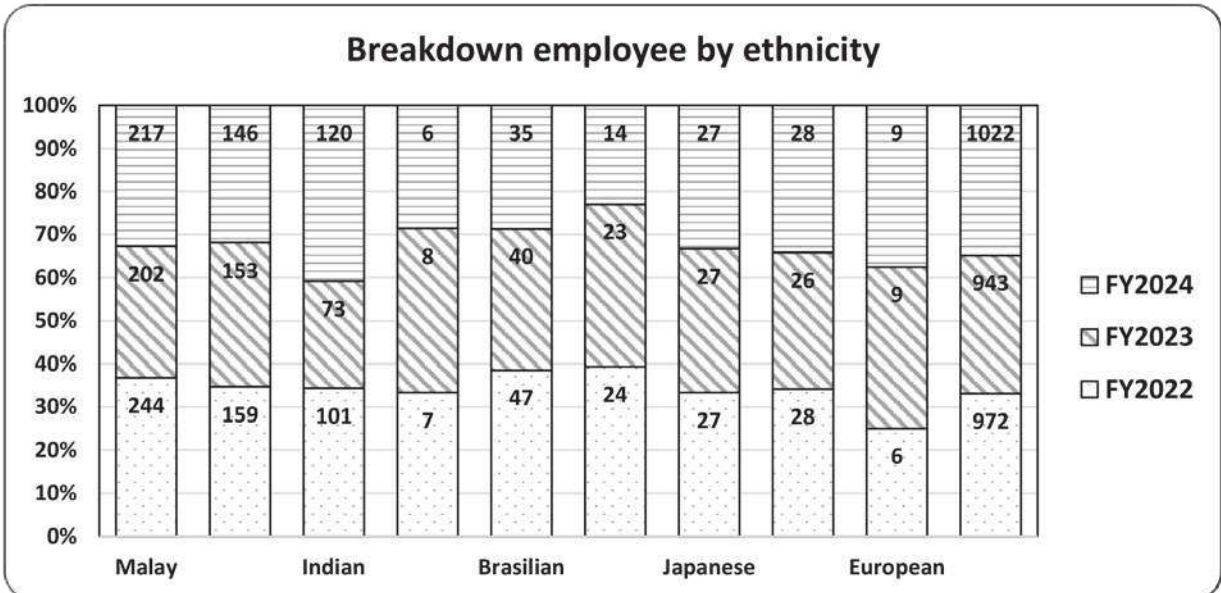
Notes: The data for total number of new hires generated has been restated to incorporate additional data from overseas entities.

	FY2022	FY2023	FY2024
Malaysia	312	29	311
Brazil	26	22	11
Canada	3	1	2
UK & Ireland	3	5	3
Hong Kong	0	1	3
Singapore	0	1	0
Japan	0	0	0
USA	3	1	1

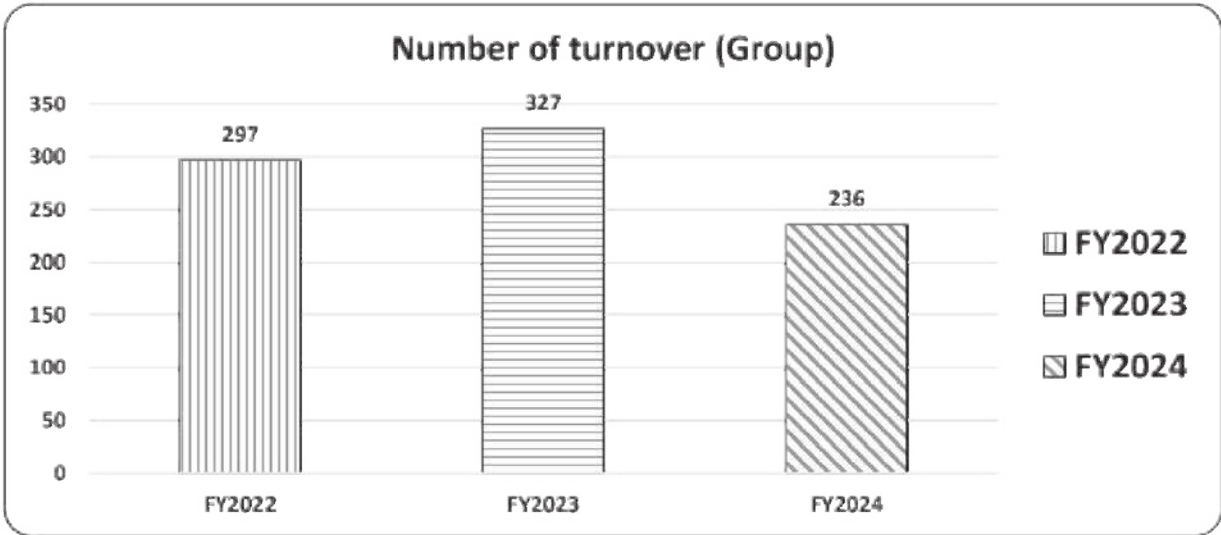
In FY2024, the Group's new hires exhibited notable regional variations. Malaysia experienced a significant increase in new hires, rising from 29 in FY2023 to 311 in FY2024, representing a substantial growth. This increase is attributed to the operation of a new plant following June 2023, indicating a strengthening of operations. Brazil, on the other hand, experienced a decrease in new hires, falling from 22 in FY2023 to 11 in FY2024, a 50% reduction. This adjustment reflects a strategic decision to pause hiring and realign resources for future growth.

SUSTAINABILITY REPORT

The other regions exhibited more stable trends, with no significant fluctuations in new hire numbers.



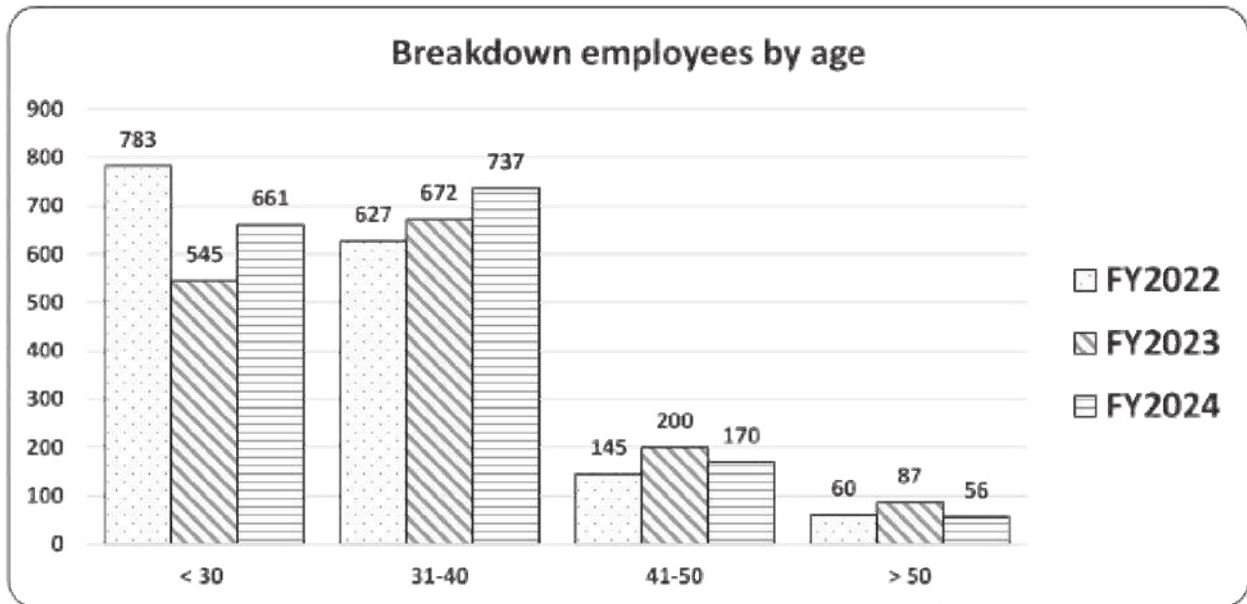
Notes: The data for breakdown of employee by ethnicity generated has been restated to incorporate additional data from overseas entities.



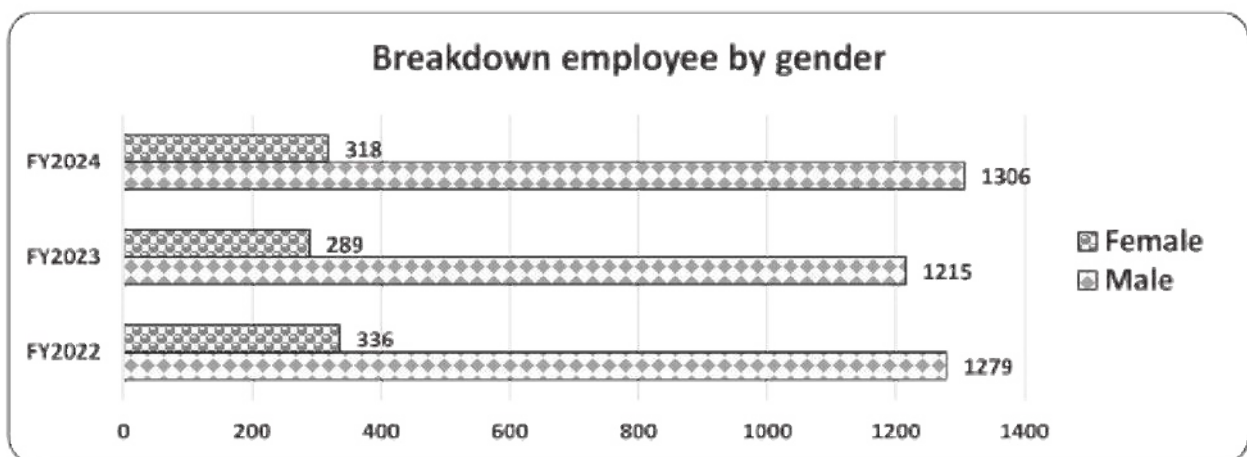
Notes: The data for total number of turnover generated has been restated to incorporate additional data from overseas entities.

In FY2024, the Group recorded a total turnover of 236 employees, representing a 28% reduction compared to 327 in FY2023. This decrease reflects the Group’s commitment to improving employee retention across the Group.

SUSTAINABILITY REPORT



Notes: The data for total breakdown of employee by age (group) generated has been restated to incorporate additional data from overseas entities.



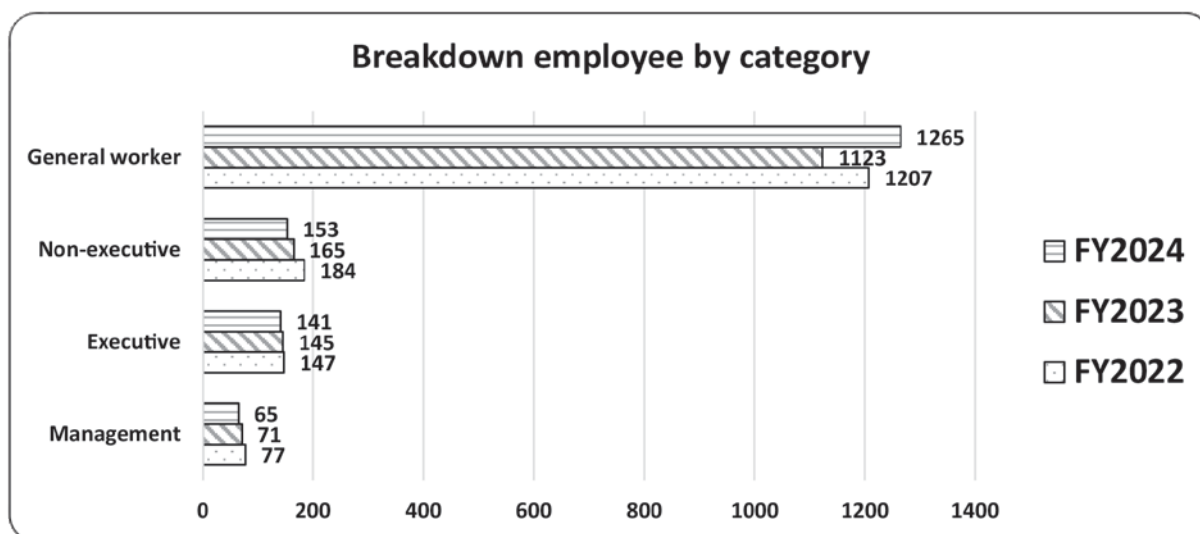
Notes: The data for breakdown of employee by age and gender generated has been restated to incorporate additional data from overseas entities.

In FY2024, the Group's gender distribution among employees showed notable changes. The number of male employees increased from 1,215 in FY2023 to 1,306 in FY2024, representing a 7% rise. This increase reflects the ongoing need to hire for physically demanding roles at our production sites, such as production and forklift operations, which typically require a higher proportion of male employees.

Female employees saw an increase from 289 in FY2023 to 318 in FY2024, a 10% growth. This rise indicates a positive trend towards greater female representation within the workforce.

Overall, the Group's gender distribution highlights an increase in both male and female employees, with a significant number of male hires attributed to the demands of physically intensive roles in production and logistics. The growth in female employees suggests ongoing efforts to enhance gender diversity within the workforce.

SUSTAINABILITY REPORT



Notes: The data for breakdown of employees by category generated has been restated to incorporate additional data from overseas entities

Category: Management**FY2022****FY2023****FY2024**

Malaysia	50	46	42
Brazil	2	2	2
Canada	3	3	3
UK & Ireland	4	4	2
Hong Kong	9	7	7
Singapore	5	5	5
Japan	0	0	0
USA	4	4	4

Category: Executive**FY2022****FY2023****FY2024**

Malaysia	112	109	106
Brazil	0	0	0
Canada	0	0	0
UK & Ireland	8	8	6
Hong Kong	10	12	13
Singapore	6	6	6
Japan	7	5	7
USA	4	5	3

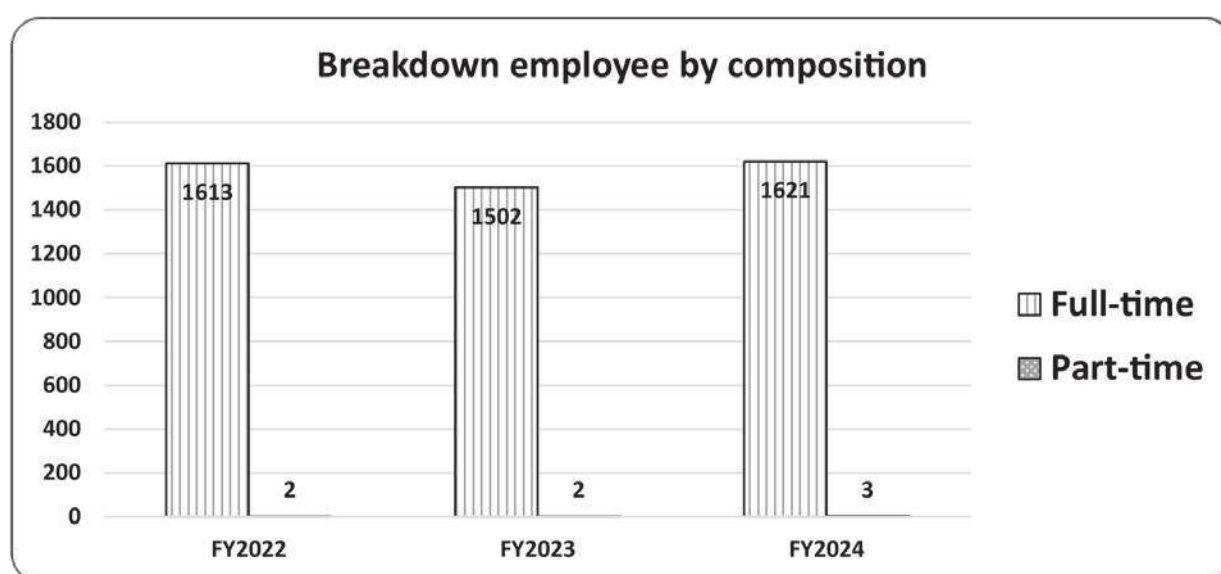
Category: Non-Executive**FY2022****FY2023****FY2024**

Malaysia	105	94	89
Brazil	1	1	1
Canada	44	37	32
UK & Ireland	7	6	3
Hong Kong	8	8	9
Singapore	16	16	16
Japan	0	0	0
USA	3	3	3

SUSTAINABILITY REPORT

Category: General Workers

	FY2022	FY2023	FY2024
Malaysia	1195	1110	1254
Brazil	0	0	0
Canada	0	0	0
UK & Ireland	5	5	3
Hong Kong	7	8	8
Singapore	0	0	0
Japan	0	0	0
USA	0	0	0



Notes: The data for total breakdown of employees by composition generated has been restated to incorporate additional data from overseas entities.

In FY2024, the Group's employee composition showed distinct trends. The number of full-time employees increased from 1,502 in FY2023 to 1,621 in FY2024, reflecting a 8% growth. This rise indicates a focus on expanding the full-time workforce, likely driven by the need for stable, long-term staffing solutions to support operational growth and continuity. Conversely, there were only minor changes in the number of part-time employees during the same period.

In addition, Supermax engaged a total number of 143 contract employees through outsourced agencies for roles such as packers, security personnel, and other operational functions. These outsourced employees play a key role in supporting the company's production and operational needs. The company relies on the agencies to ensure that these employees are treated fairly, receive competitive wages, and work under safe conditions in line with applicable labor regulations and company policies

CUSTOMER SATISFACTION

Why is this important?

The Group places utmost importance on customer satisfaction and loyalty, integral to our long-term success and reputation as a leading medical glove and contact lens provider. We are dedicated to enhancing customer satisfaction by actively listening to their feedback and consistently delivering the highest quality standards across all our products and services.

SUSTAINABILITY REPORT

Our approach

We are committed to enhancing our customers' experience through proactive engagement across various channels, including regular feedback collection and our annual Customer Satisfaction Survey ("CSS"). These efforts provide invaluable insights into our customers' needs and expectations, guiding the continuous improvement of our products and services. The CSS covers a broad spectrum of topics:

- Customer-Centricity: Placing our customers at the forefront of all decisions to ensure their needs steer our actions.
- Quality Assurance: Upholding stringent standards across our processes to consistently exceed customer expectations.
- Feedback Loop: Actively seeking and attentively listening to customer feedback to understand concerns, preferences, and suggestions for enhancement.
- Continuous Improvement: Implementing iterative improvements and innovations based on customer insights to elevate our offerings and overall customer experience.
- Transparency and Communication: Maintaining transparent communication channels to keep customers well-informed and engaged.
- Relationship Building: Cultivating long-term relationships built on trust, reliability, and mutual respect.

In essence, our holistic approach to customer satisfaction centers on ongoing engagement, rigorous quality control, responsive feedback integration, transparent communication, and nurturing enduring customer relationships. These pillars underscore our steadfast commitment to delivering exceptional value and ensuring that every interaction with our customers is meaningful and rewarding.

Our performance

Customer satisfaction survey

At Supermax, our annual objective is to maintain a minimum average CSS score of 80%. We are pleased to report that our average score has increased to 90.57% in 2024, marking an improvement from 89.29% in FY2023. This achievement underscores our dedication to elevating customer satisfaction and continually pursuing excellence in our products and services.

Manufacturing (Glove Division)

Financial Year	2022	2023	2024
Number percentage (%) of customer satisfaction	92.14%	89.29%	90.57%

Manufacturing (Contact Lens Division)

Financial Year	2022	2023	2024
Number percentage (%) of customer satisfaction	87.50%	90.95%	89.05%

Supermax has recently embarked on a significant journey to enhance its Environmental, Social, and Governance (ESG) practices. This initiative represents a crucial step in the company's commitment to sustainability and responsible business practices. As this journey begins, the focus is on developing and implementing comprehensive strategies that will drive positive change and create long-term value for stakeholders. The commitment to environmental stewardship, social responsibility, and robust governance will guide Supermax in meeting and exceeding the expectations of customers and communities.

This commitment is further supported by the recent customer sustainability survey, which indicates a strong recognition of the importance of ESG practices. Specifically, 96% of respondents find environmental sustainability efforts either very important or important, 87% value social responsibility initiatives, and 57% consider governance practices to be influential in their perception of the company. These responses reflect a growing awareness and appreciation of ESG factors, which will guide Supermax in aligning its strategies with stakeholder values and expectations.

SUSTAINABILITY REPORT

COMMUNITY AND SOCIETY

Why is this important?

Community investment plays a pivotal role for Supermax by demonstrating social responsibility, enhancing reputation, and fostering long-term sustainability. By investing in local economies, infrastructure, education, healthcare, and environmental initiatives, Supermax not only contributes positively to society but also engages employees and mitigates risks. This proactive approach aligns Supermax's business objectives with community needs, spurring innovation, collaboration, and economic growth while building trust among stakeholders and ensuring a more resilient and inclusive future.

Our approach

Supermax demonstrates its commitment to supporting local communities through our Community Investment Guideline, which outlines the principles guiding our community-related investment decisions. Our primary aim is to foster mutually beneficial outcomes for both Supermax and the communities we serve through strategic community programs.

Recognizing the value of employee volunteerism, Supermax encourages and supports our employees' active participation in driving the success of our community impact initiatives. To support this, we provide various opportunities and resources for our employees to engage in volunteer work, ranging from organizing community events to participating in local outreach programs. By fostering a culture of volunteerism, we not only enhance our community programs but also cultivate a sense of purpose and fulfillment among our employees. This commitment to volunteerism reflects our dedication to making a meaningful difference in the communities we serve, while also promoting teamwork, empathy, and social responsibility within our workforce. At Supermax, we believe that the collective efforts of our employees can drive significant and lasting positive change in our society.

Our performance

Key highlights of Supermax contributions for year 2024 are as follows:

a. Blood Donation collaborate with Hospital Tengku Ampuan Rahimah Klang (HTAR)

During Maxter's Safety & Health Month 2023, a blood donation program was organized with the participation of 54 local staff and foreign workers. The purpose of this program was to increase the quantity of blood for the public blood bank, which is essential for helping patients survive surgeries, cancer treatment, chronic illnesses, and traumatic injuries. Donors also experience several benefits from donating blood, such as revealing potential health problems, reducing harmful iron stores, lowering the risk of developing cancer, promoting liver health, and stabilizing mental state. As a result of this event, 24,300 ml of blood was donated to the blood bank.



b. Little Miracles (Children's Charity)

In support of our commitment to social responsibility, we hosted an event dedicated to Little Miracles, a charity focused on improving the lives of children in need. The event included presentations showcasing the charity's impactful work, a fundraising dinner, and various activities aimed at generating support. Through these efforts, we raised significant funds to assist in enhancing the well-being and opportunities for children supported by Little Miracles, reinforcing our dedication to community welfare.

SUSTAINABILITY REPORT

c. McMillan Cancer Charity

As part of our sustainability initiatives, we organized an event to benefit McMillan Cancer Charity, which provides essential support to individuals affected by cancer. This event featured detailed presentations on the charity’s work, a formal dinner, and engaging fundraising activities, including a silent auction. The contributions from this event are directed towards advancing cancer support services, aligning with our goal to support health and well-being in the communities we serve.

HUMAN RIGHTS

Why is this important?

As a responsible organization, Supermax prioritizes and respects human rights across all our operations. We firmly believe that promoting robust human rights practices is essential for fostering productivity and cultivating a healthy, inclusive working culture. By upholding these principles, we ensure that every employee feels valued, safe, and empowered, which in turn drives our overall success and contributes to a positive and ethical work environment.

Our approach

We endorse the United Nations Global Compact ("UNGC") Ten Principles and uphold the Universal Declaration of Human Rights. Our commitment extends to compliance with relevant laws and regulations in all countries where we operate, including Malaysia's Employment Act 1955, the US's Fair Labor Standards Act, Brazil's Consolidation of Labor Laws, Ireland's Employment Equality Act, Canada's Employment Equity Act, Hong Kong's Employment Ordinance, the UK's Employment Rights Act, Singapore's Employment Act, and Japan's Labour Standards Act.

Our Code of Business Ethics is integral to our human rights commitment. It guides our business conduct and ensures we operate with integrity, fairness, and respect for all individuals. At Supermax, we respect the human rights of our employees, recognizing that they are entitled to be treated with respect, fairness, and dignity. We value diversity and the unique differences among our employees, making employment decisions based on merit, qualifications, and required skills without regard to non-job-related criteria such as race, color, gender, sexual orientation, age, or religion. Our commitment is to maintain a conducive work environment enriched by diversity and characterized by fair treatment and respect for all. This dedication ensures that our workplace is inclusive, equitable, and supportive of the well-being and professional growth of every employee. Code of Business Ethics policy is accessible on our corporate website.

In our dedication to human rights, we adhere to both local and international standards, including Malaysian labour laws, the UN Guiding Principles on Business and Human Rights, and the International Labour Organization's (ILO) 11 Indicators of Forced Labour. These frameworks guide our commitment to promoting and protecting the rights of our workers, ensuring their well-being and dignity are preserved at all times.

Our performance

Financial Year	2022	2023	2024
Number of substantiated complaints concerning human right violations	0	0	0

LABOR PRACTICE & DECENT WORK

Why is this important?

Supermax is committed to maintaining high labor standards and providing decent work conditions, which are essential for protecting our reputation, ensuring regulatory compliance, and enhancing operational efficiency. By fostering a motivated and skilled workforce, we support our sustainability goals, attract and retain talent, and maintain our competitive edge in key international markets, thereby ensuring long-term value creation for the company and its stakeholders.

SUSTAINABILITY REPORT

Our Approach

At Supermax, our approach to labor practices is rooted in a commitment to creating a safe, supportive, and fair working environment. We prioritize compliance with international labor standards, ensuring that our operations align with the Ethical Trading Initiative (ETI) Code and the International Labour Organization (ILO) guidelines. Our efforts include preventing forced labor, child labor, and discrimination, while ensuring fair wages, reasonable working hours, and the freedom for employees to associate and bargain collectively. These practices are integral to our sustainability strategy and are designed to protect our reputation, enhance operational efficiency, and meet stakeholder expectations.

Our performance

On 13 May 2024, the recent Internal Audit (IA) Social Compliance Audit conducted by International Associates at Supermax Healthcare UK confirmed that the company has made significant progress in enhancing labor standards and fulfilling its social responsibility commitments. The audit highlighted notable improvements in infrastructure, including hostels, canteens, kitchens, and clinics, underscoring our dedication to providing a safe and healthy workplace for our employees. Importantly, the audit reaffirmed Supermax's strict policies against child labor and forced labor, ensuring that all labor practices comply with ethical standards and legal requirements.

This commitment to continuous improvement in health and safety management not only strengthens Supermax Healthcare UK's sustainability practices but also positively impacts the well-being of our workforce, thereby maintaining our competitive edge in the global market. Our dedication to excellence in labor practices aligns seamlessly with our broader sustainability and social responsibility goals.

Supermax Corporation Berhad continues to strengthen its commitment to a supportive work environment through the "Suara Kami" grievance box initiative. This confidential and accessible channel for employees to raise concerns has proven effective. Data from the past three fiscal years shows a significant improvement; after recording 11 substantiated complaints in FY2022, the number dropped to 1 in FY2023 following the enhanced use of the grievance box. Although there was a slight increase to 2 complaints in FY2024, it is important to note that all complaints have been promptly and effectively resolved. This reflects the grievance box's ongoing role in enhancing our ability to address and resolve issues efficiently, thereby supporting a positive work environment.

In addition, Supermax has adopted a zero-cost physical recruitment strategy by conducting recruitment sessions in specific countries, which aligns with our commitment to sustainability and cost-efficiency. This approach eliminates the need for candidates to incur travel and accommodation costs, making the process more accessible for a wider range of applicants. By engaging directly with potential candidates in their own locations, we enhance our outreach and attract a more diverse talent pool. Furthermore, these targeted recruitment sessions streamline the hiring process, allowing us to fill positions more quickly while maintaining high standards of candidate assessment. This innovative strategy reinforces our dedication to sustainable practices while supporting our overall workforce development goals.

ANTI-BRIBERY AND ANTI-CORRUPTION

Why is this important?

Supermax is dedicated to upholding stringent standards of business ethics and compliance throughout the Group, deeply rooted in our core values of Honesty, Integrity, and Operational Excellence. This steadfast commitment is essential for safeguarding the interests of our business and stakeholders, building and maintaining trust, and enhancing confidence in our operations. By rigorously adhering to these principles, we ensure that every action we take reflects our dedication to ethical conduct and operational excellence, thereby solidifying our reputation as a responsible and trustworthy organization.

SUSTAINABILITY REPORT

Our approach

At Supermax, the Board and senior management are unwavering in their commitment to maintaining the highest standards of business integrity, as articulated in our Code of Conduct (CoC). This Code outlines our core principles and provides detailed guidelines for all employees, including Directors, to address ethical issues and fulfil their responsibilities with diligence. Our Group enforces a strict zero-tolerance policy towards corruption, as specified in our Anti-Bribery and Corruption (ABAC) Policy, which is continuously reviewed to ensure compliance with the Malaysian Anti-Corruption Commission (MACC) Act 2009.

New employees undergo a comprehensive induction program designed to familiarize them with the CoC, ABAC Policy, and other relevant policies and procedures, ensuring they are well-versed in our ethical standards from the beginning of their tenure.

Suppliers are equally required to adhere to our ethical and anti-bribery standards, as outlined in the CoC for Third Parties and the ABAC Policy. Prior to forming business relationships with Supermax, suppliers must sign a declaration affirming their commitment to our ethical guidelines and policies.

To promote transparency and accountability, Supermax has established a dedicated whistleblowing channel in line with our Whistleblowing Policy. This channel allows both employees and external stakeholders to confidentially report any misconduct or concerns via email or mail. Additionally, to enhance accessibility, our CoC, ABAC Policy, and Whistleblowing Policy are available on our company website for review by all stakeholders.

Our performance

a. Corruption incidents

Over the past three years, the Group has reported no known cases of corruption across its operations. This record highlights our ongoing dedication to maintaining high ethical standards.

Financial Year	2022	2023	2024
Number of confirmed corruption incidents	0	0	0

b. Corruption-related training

For FY2024, the Group successfully conducted its Anti-Bribery and Corruption (ABAC) training, achieving an attendance rate of 77.87% of the total staff, focusing on Malaysia entities. This initiative underscores the organization's commitment to fostering a culture of integrity and ethical conduct, enhancing the foundation for sustainable practices and building trust with stakeholders.

Currently, none of the overseas entities have received anti-bribery and corruption training. Moving forward, Supermax is dedicated to strengthening its global anti-corruption efforts by implementing comprehensive training across all overseas entities, ensuring a robust framework to prevent and address any potential issues.

DATA PRIVACY AND SECURITY

Why is this important?

In recent years, the rapid advancement of trends such as remote working, e-commerce, and automation has driven widespread adoption of digital technologies and infrastructure. However, this increased digitalization has also heightened the vulnerability of data to cybersecurity risks. As a result, Supermax is fully committed to managing the escalating threat of cyber-attacks, with a primary focus on safeguarding our customers' sensitive information. We prioritize robust cybersecurity measures to prevent any breaches, threats, or loss of customer data, ensuring the highest level of data protection and trust in our digital operations.

SUSTAINABILITY REPORT

Our approach

At Supermax, ensuring the security and privacy of our customers' data is paramount to our operations. We have established a comprehensive approach to data privacy and security that adheres to stringent industry standards and best practices. Our commitment begins with a steadfast pledge to protect personally identifiable information through strict policies that prohibit unauthorized sharing or exploitation of customer data with third parties. This commitment is enshrined in our robust privacy policy, which not only complies with data protection laws but also outlines clear guidelines for the collection, use, and retention of personal information. We continuously review and enhance these policies to stay ahead of evolving regulatory requirements and technological advancements, ensuring that data handling practices remain secure, transparent, and respectful of individual privacy rights.

By fostering a culture of vigilance and accountability in data protection, we uphold customer trust and confidence in our commitment to maintaining the highest standards of data privacy and security. This holistic approach not only safeguards sensitive information but also reinforces Supermax's reputation as a responsible steward of customer data in an increasingly digital landscape.

Our performance

As of FY2024, Supermax reported zero substantiated complaints related to breaches in customer privacy or data loss across the Group. This consistent result underscores the Group's steadfast commitment to maintaining stringent data protection measures. It also reflects our dedication to upholding the trust our customers place in us to secure their personal information.

SUSTAINABILITY REPORT

GRI STANDARDS CONTENT INDEX

Statement of Use	2022 Supermax Corporation Berhad has reported with reference to GRI Standards for the period from 1 July 2022 to 30 June 2024.
GRI 1 Used	GRI 1: Foundation 2021

GENERAL DISCLOSURES		
GRI Standard	Disclosure	Page No
GRI 2 - General Disclosures 2021	2-1 Organizational details	21
	2-2 Entities included in the organization's sustainability reporting	17
	2-3 Reporting period, frequency and contact point	18
	2-4 Restatements of information	18
	2-5 External assurance	18
	2-29 Approach to stakeholder engagement	18
GRI 3 – Materials Topics 2021	3-1 Process to determine material topics	27-28
	3-2 List of material topics	27-28
	3-3 Management of material topics	27-28
GRI 201 – Economic Performance 2016	201-1 Direct economic value generated and distributed	28-29
GRI 204 – Procurement Practices 2016	204-1 Proportion of spending on local suppliers	29-30
GRI 205 – Anti Corruption 2016	205-1 Operations assessed for risks related to corruption	61-62
	205-2 Communication and training about anti-corruption policies and procedures	62
	205-3 Confirmed incidents of corruption and actions taken	62
GRI 302 – Energy 2016	302-1 Energy consumption within the organization	30-33
	302-4 Reduction of energy consumption	30-33
GRI 303 – Water and Effluents 2018	303-5 Water consumption	40-42
GRI 305 -Emission 2016	305-1 Direct (Scope 1) GHG emissions	33
	305-2 Energy indirect (Scope 2) GHG emissions	34
	305-3 Other indirect (Scope 3) GHG emissions	34
	305-4 GHG emissions intensity	33-34
	305-5 Reduction of GHG emissions	33-34
GRI 306 – Waste 2020	306-3 Waste generated	43-44
	306-5 Waste directed to disposal	43-44
GRI 403 – Occupational Health and Safety 2018	403-1 Occupational health and safety management system	44-49
	403-2 Hazard identification, risk assessment, and incident investigation	45
	403-3 Occupational health services	49
	403-4 Worker participation, consultation, and communication on occupational health and safety	44-49
	403-5 Worker training on occupational health and safety	45-46
	403-6 Promotion of worker health	47
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	44
	403-8 Workers covered by an occupational health and safety management system	49
	403-9 Work-related injuries	47
	403-10 Work-related ill health	47

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GENERAL DISCLOSURES		
GRI Standard	Disclosure	Page No
GRI 404 – Training and Education 2016	404-1 Average hours of training per year per employee	50
	404-2 Programs for upgrading employee skills and transition assistance programs	51
	404-3 Percentage of employees receiving regular performance and career development reviews	49-50
GRI 405 – Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	52-57
GRI 406 – Non-discrimination 2016	406-1 Incidents of discrimination and corrective actions taken	60
GRI 408 – Child Labor 2016	408-1 Operations and suppliers at significant risk for incidents of child labor	60-61
GRI 409 – Forced or Compulsory Labor 2016	409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor	61
GRI 413 – Local Communities 2016	413-1 Operations with local community engagement, impact assessment, and development programs	58-59
GRI 418 – Customer Privacy 2016	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	63

SUSTAINABILITY REPORT

APPENDIX A: CLIMATE SCENARIO ANALYSIS FOR SUPERMAX CORPORATION BERHAD

The detailed financial impacts and opportunities for Supermax Corporation Berhad in the short-term (2024–2030), medium-term (2030–2040), and long-term (2040–2050) across SSP1, SSP2, SSP3, SSP4, and SSP5.

1. Acute Physical Risks: Severe Weather Events				
Scenario		Short-Term (2Years)	Medium-Term (8 Years)	Long-Term (14Years)
Risk Description		Across all SSP scenarios, Supermax will face increasingly frequent severe rainfall and flooding. In the short-term, SSP1 will experience minor impacts with more frequent but manageable rainfall. SSP2 will see moderate challenges with occasional flooding events, and SSP5 will encounter frequent and intense rainfall disrupting operations.	These risks will escalate, with SSP1 facing mild disruptions due to proactive green investments, SSP2 dealing with recurring floods impacting production, and SSP5 struggling with severe weather events frequently disrupting manufacturing and supply chains.	Long-term impacts become more critical. SSP1 benefits from sustained mitigation efforts, SSP2 experiences chronic flooding issues, and SSP5 sees extreme, persistent weather conditions, severely impacting operational viability.
Extreme rainfall and flooding	SSP1-1.9	<ul style="list-style-type: none"> i. Minor operational disruptions from rainfall ii. Moderate insurance premiums iii. OPEX rises slightly due to small-scale repairs caused by weather impacts. 	<ul style="list-style-type: none"> i. Reduced impact due to proactive measures ii. Slight increase in OPEX due to infrequent disruptions iii. Insurance premiums stabilize 	<ul style="list-style-type: none"> i. Continued investments in green infrastructure reduce long-term OPEX ii. Sustainable practices maintain lower insurance costs
	SSP2-4.5	<ul style="list-style-type: none"> i. Moderate increase in operational disruptions from flooding ii. Increased OPEX due to infrequent weather events iii. Medium rise in insurance premiums 	<ul style="list-style-type: none"> i. Moderate increase in operational disruptions from flooding ii. Increased OPEX due to infrequent weather events iii. Medium rise in insurance premiums 	<ul style="list-style-type: none"> i. Moderate increase in operational disruptions from flooding ii. Increased OPEX due to infrequent weather events iii. Medium rise in insurance premiums
	SSP3-7.0	<ul style="list-style-type: none"> i. Increased pressure on operational capacity from resource constraints ii. Medium OPEX increase due to production interruptions 	<ul style="list-style-type: none"> i. Increased pressure on operational capacity from resource constraints ii. Medium OPEX increase due to production interruption 	<ul style="list-style-type: none"> i. Increased pressure on operational capacity from resource constraints ii. Medium OPEX increase due to production interruptions

SUSTAINABILITY REPORT

	SSP4-6.0	<ul style="list-style-type: none"> i. Disparities in infrastructure lead to increased operational risks ii. Slight OPEX rise from unexpected disruptions 	<ul style="list-style-type: none"> i. Disparities in infrastructure lead to increased operational risks ii. Slight OPEX rise from unexpected disruptions 	<ul style="list-style-type: none"> i. Disparities in infrastructure lead to increased operational risks ii. Slight OPEX rise from unexpected disruptions
	SSP5-8.5	<ul style="list-style-type: none"> i. High operational disruptions from frequent severe weather ii. Substantial increases in OPEX due to emergency repairs iii. Sharp rise in insurance premiums 	<ul style="list-style-type: none"> i. High operational disruptions from frequent severe weather ii. Substantial increases in OPEX due to emergency repairs iii. Sharp rise in insurance premiums 	<ul style="list-style-type: none"> i. High operational disruptions from frequent severe weather ii. Substantial increases in OPEX due to emergency repairs iii. Sharp rise in insurance premiums
Opportunities: Supermax Corporation Berhad can leverage several key opportunities to manage and mitigate the risks associated with climate change				
Infrastructure Investments		Focus on enhancing the resilience of manufacturing facilities to withstand severe weather events.		
Sustainable Practices		Continue integrating sustainable practices that reduce OPEX and insurance costs over time.		
Partnerships for Innovation		Collaborate with technology providers for innovative solutions to improve operational efficiency and minimize weather-related disruption		
Insurance Strategy		Develop strategies with insurers to adapt policies that reflect proactive climate measures, potentially reducing costs.		
Heat Wave; Operational Risk	SSP1-1.9	<ul style="list-style-type: none"> i. Increased energy consumption for cooling leading to elevated operational costs. ii. Potential disruptions in production schedules if cooling systems fail. 	<ul style="list-style-type: none"> i. Long-term adjustments may be needed for facility design to improve heat resistance and energy efficiency. ii. Increased maintenance costs for HVAC systems. 	<ul style="list-style-type: none"> i. Substantial capital investments required for long-term upgrades to facilities to ensure efficient operation under extreme heat.
	SSP2-4.5	<ul style="list-style-type: none"> i. Moderate increase in energy costs may impact profit margins due to higher demand for cooling systems. ii. Limited production efficiency during heatwaves. 	<ul style="list-style-type: none"> i. Investments in heat-resistant materials and technologies may be required for facility upgrades. ii. Employee productivity may decline during extreme heat events. 	<ul style="list-style-type: none"> i. Higher operational costs necessitating a re-evaluation of pricing strategies and cost management.
	SSP3-7.0	<ul style="list-style-type: none"> i. Immediate operational challenges related to unpreparedness for extreme heat events. ii. Need for emergency protocols to ensure worker safety. 	<ul style="list-style-type: none"> i. Persistent heatwaves may require shifts in operational schedules to avoid peak heat hours. ii. Enhanced employee training on heat safety practices may be necessary. 	<ul style="list-style-type: none"> i. Long-term redesign of production processes to minimize heat exposure risks.

SUSTAINABILITY REPORT

	SSP4-6.0	<ul style="list-style-type: none"> i. Increased reliance on external cooling solutions may strain resources. ii. Risk of lost sales if products are unavailable due to production delays. 	<ul style="list-style-type: none"> i. Supply chain adjustments may be needed to mitigate risks of heat-related disruptions. ii. Pressure to adopt alternative cooling technologies 	<ul style="list-style-type: none"> i. Long-term partnerships with energy providers may be necessary for sustainable energy solutions.
	SSP5-8.5	<ul style="list-style-type: none"> i. Urgent need for investment in adaptive technologies to cope with heat stress. ii. Immediate impact on health and safety protocols for workers. 	<ul style="list-style-type: none"> i. Ongoing assessments of facilities to ensure compliance with emerging sustainability standards. ii. Increased health insurance costs due to heat-related illnesses. 	<ul style="list-style-type: none"> i. Comprehensive workforce strategies needed to adapt to changing labor dynamics and health risks associated with heatwaves.

2. Chronic Physical Risks: Changing Climate Patterns

Scenario		Short-Term (2Years)	Medium-Term (8 Years)	Long-Term (14Years)
Risk Description		<ul style="list-style-type: none"> i. Gradual increases in average temperatures affecting product quality ii. Initial increases in energy costs due to cooling needs iii. Minimal supply chain disruptions 	<ul style="list-style-type: none"> i. Gradual increases in average temperatures affecting product quality ii. Initial increases in energy costs due to cooling needs iii. Minimal supply chain disruptions 	<ul style="list-style-type: none"> i. Gradual increases in average temperatures affecting product quality ii. Initial increases in energy costs due to cooling needs iii. Minimal supply chain disruptions
Changing Climate Patterns	SSP1-1.9	<ul style="list-style-type: none"> i. Proactive investments in energy efficiency mitigate some cost increases ii. Gradual transition to sustainable energy sources 	<ul style="list-style-type: none"> i. Steady OPEX due to sustained investments in green technology ii. Increasing reliance on sustainable practices aids cost management 	<ul style="list-style-type: none"> i. Long-term benefits from early adaptation strategies ii. Reduced OPEX as energy efficiency measures prove effective
	SSP2-4.5	<ul style="list-style-type: none"> i. Increased variability in production quality due to temperature changes ii. Moderate rise in CAPEX for upgrading facilities 	<ul style="list-style-type: none"> i. Operational adjustments necessary for changing climate conditions ii. Rising costs due to inefficiencies in adapting to climate impacts 	<ul style="list-style-type: none"> i. Significant investment required for infrastructure to handle persistent climate impacts ii. Long-term financial strain from operational adjustments
	SSP3-7.0	<ul style="list-style-type: none"> i. Competing manufacturers may face similar climate-related challenges ii. Initial CAPEX for adaptations becomes necessary 	<ul style="list-style-type: none"> i. Strain on resources leads to increased operational costs ii. Need for robust strategies to maintain competitiveness 	<ul style="list-style-type: none"> iii. Long-term reliance on adaptive practices needed for survival iv. High financial costs from resource scarcity and competition

SUSTAINABILITY REPORT

	SSP4-6.0	i. Disparities in infrastructure lead to higher operational risks ii. Initial adjustments to cope with changing climate conditions	i. Significant CAPEX needed to bridge infrastructure gaps ii. Rising operational costs due to lack of equitable adaptation measures	i. Continued financial strain from adapting to changing climate patterns ii. Critical need for infrastructure improvements to ensure sustainability
	SSP5-8.5	i. High vulnerability to climate impacts with limited adaptability ii. Sharp increases in operational costs due to energy inefficiencies	i. Severe operational challenges with rising temperatures affecting production quality ii. Exorbitant CAPEX needed for retrofitting facilities	i. Unsustainable operational practices lead to long-term viability threats ii. Massive CAPEX for adaptation and sustainability initiatives
Opportunities: Supermax Corporation Berhad can capitalize on several key opportunities to address chronic physical risks due to changing climate patterns				
Energy Transition	Invest in renewable energy solutions to mitigate rising energy costs associated with climate change.			
Infrastructure Modernization	Upgrade facilities to enhance resilience to changing climate patterns and improve overall efficiency.			
Supply Chain Diversification	Develop a more flexible supply chain to adapt to shifting climate conditions and minimize disruptions.			
Long-term Strategic Planning	Implement strategic initiatives focused on sustainability and adaptability to position the company favorably in a changing climate landscape.			

3. Transitional Risks: Policy, Technology, and Market Shifts

Scenario	Short-Term (2Years)	Medium-Term (8 Years)	Long-Term (14Years)
Risk Description	i. Initial implementation of stricter environmental regulations may lead to increased compliance costs ii. Moderate pressure to adopt greener technologies and practices	i. Higher operational costs associated with compliance and adaptation to evolving regulations ii. Significant CAPEX for technological upgrades to meet new standards	i. Continued regulatory pressure to improve sustainability practices ii. High costs of late adaptation if regulations become more stringent iii. Competitive disadvantage if technology is not up to date

SUSTAINABILITY REPORT

Policy, Technology, and Market Shifts	SSP1-1.9	<ul style="list-style-type: none"> i. Opportunities to enhance reputation through early compliance ii. Low initial CAPEX for green technology adoption 	<ul style="list-style-type: none"> i. Enhanced market positioning through sustainability initiatives ii. Ongoing investments in clean technology help mitigate costs 	<ul style="list-style-type: none"> i. Long-term savings from energy efficiency ii. Competitive advantage in markets increasingly favouring sustainable practices
	SSP2-4.5	<ul style="list-style-type: none"> i. Moderate costs associated with policy changes ii. Gradual adoption of cleaner technologies 	<ul style="list-style-type: none"> i. Need for substantial investment in new technologies ii. Increased competition for sustainable products may drive up costs 	<ul style="list-style-type: none"> i. Competitive pressure increases for market leaders ii. Continuous adaptation to market changes becomes essential
	SSP3-7.0	<ul style="list-style-type: none"> i. Increased competition due to shifting policies ii. Need for rapid adaptation to remain viable 	<ul style="list-style-type: none"> i. Significant operational shifts required to maintain competitiveness ii. Higher CAPEX for compliance with regulations 	<ul style="list-style-type: none"> i. Long-term viability tied to ability to adapt and innovate ii. Substantial CAPEX necessary to stay competitive in an evolving market.
	SSP4-6.0	<ul style="list-style-type: none"> i. Regulatory frameworks may disproportionately impact lower-capacity entities ii. Moderate CAPEX for compliance 	<ul style="list-style-type: none"> i. Rising costs due to inequalities in policy enforcement ii. Need for investment to bridge gaps in compliance and technology 	<ul style="list-style-type: none"> i. Sustained pressure to improve practices to align with market expectations ii. Continuous financial strain from compliance investments
	SSP5-8.5	<ul style="list-style-type: none"> i. High vulnerability to policy shifts favouring sustainable practices ii. Significant operational costs if slow to adapt. 	<ul style="list-style-type: none"> i. Strain on operations as market shifts towards sustainable products ii. Major CAPEX required to meet regulatory demands. 	<ul style="list-style-type: none"> i. Major challenges in sustaining operations if late to adopt new technologies ii. Risk of being left behind in a rapidly changing market
Opportunities: Supermax Corporation Berhad can explore several key opportunities related to transitional risks from policy, technology, and market shifts				
Proactive Compliance		Early adoption of environmental regulations can enhance market positioning and brand reputation.		
Investment in Clean Technology		Investing in clean technologies can yield long-term cost savings and improved efficiency.		
Market Expansion		Transitioning towards sustainable practices opens new markets and enhances competitiveness.		
Strategic Partnerships		Collaborating with technology providers can accelerate the adoption of innovative solutions and mitigate transitional risks		

SUSTAINABILITY REPORT

SUSTAINABILITY REPORTING STANDARDS & DISCLOSURES

Bursa Malaysia Common Sustainability Matters and Indicators

Indicator	Measurement Unit	2024
Bursa (Anti-corruption)		
Bursa C1(a) Percentage of employees who have received training on anti-corruption by employee category		
Total Staff	Percentage	77.87
Bursa C1(b) Percentage of operations assessed for corruption-related risks	Percentage	0.00
Bursa C1(c) Confirmed incidents of corruption and action taken	Number	0
Bursa (Community/Society)		
Bursa C2(a) Total amount invested in the community where the target beneficiaries are external to the listed issuer	MYR	10,000.00
Bursa C2(b) Total number of beneficiaries of the investment in communities	Number	3
Bursa (Diversity)		
Bursa C3(a) Percentage of employees by gender and age group, for each employee category		
Age Group by Employee Category		
Total (Group) Under 30	Percentage	40.70
Total (Group) Between 30-50	Percentage	
Total (Group) Above 50	Percentage	
Gender Group by Employee Category		
Total (Group) Male	Percentage	80.42
Total (Group) Female	Percentage	
Bursa C3(b) Percentage of directors by gender and age group		
Male	Percentage	77.78
Female	Percentage	22.22
Under 30	Percentage	0.00
Between 30-50	Percentage	11.11
Above 50	Percentage	88.89
Bursa (Energy management)		
Bursa C4(a) Total energy consumption	Megawatt	67,432.17
Bursa (Health and safety)		
Bursa C5(a) Number of work-related fatalities	Number	0
Bursa C5(b) Lost time incident rate ("LTIR")	Rate	10.59
Bursa C5(c) Number of employees trained on health and safety standards	Number	1,032
Bursa (Labour practices and standards)		
Bursa C6(a) Total hours of training by employee category		
Management	Hours	710
Executive	Hours	1,065
Non-executive/Technical Staff	Hours	1,776
General Workers	Hours	139
Bursa C6(b) Percentage of employees that are contractors or temporary staff	Percentage	0.00
Bursa C6(c) Total number of employee turnover by employee category		
Total (Group)	Number	236
Bursa C6(d) Number of substantiated complaints concerning human rights violations	Number	0
Bursa (Supply chain management)		
Bursa C7(a) Proportion of spending on local suppliers	Percentage	92.64
Bursa (Data privacy and security)		
Bursa C8(a) Number of substantiated complaints concerning breaches of customer privacy and losses of customer data	Number	0
Bursa (Water)		
Bursa C9(a) Total volume of water used	Megalitres	3,607.360000

Internal assurance

External assurance

No assurance

(†) Restated

AUDIT COMMITTEE REPORT

TERMS OF REFERENCE OF AUDIT COMMITTEE

The function of the Audit Committee is to assist the Board in fulfilling its oversight responsibilities. The Committee will review the Supermax Group's financial reporting process, the system of internal controls and management of enterprise risk, the audit process, and the Group's process of monitoring compliance with law and regulations and its own code of business conduct, and any other matters, which may specifically be delegated to the Committee by the Board, from time to time.

The Terms of Reference of the Audit Committee, which sets out its objectives, duties and responsibilities is accessible via the Company's website - <http://www.supermax.com.my>.

The Board is pleased to present the Audit Committee report for the financial year ended 30 June 2024.

Composition

- (1) The Audit Committee is composed of 3 non-executive directors, all of whom are independent directors;

Albert Saychuan Cheok

Chairman of Committee

Gan Kim Khoon

Member of Audit Committee

Rozita Binti Abdul Rahman

Member of Audit Committee

- (2) All the Audit Committee members are financially literate, and at least one member meets the following requirements:
- (i) must be a member of the Malaysian Institute of Accountants; or
 - (ii) if he is not a member of the Malaysian Institute of Accountants, he must have at least 3 years' working experience and –
 - (a) he must have passed the examinations specified in Part I of the First Schedule of the Accountants Act 1967; or
 - (b) he must be a member of one of the associations of accountants specified in Part II of the First Schedule of the Accountants Act 1967; or
 - (iii) fulfils such other requirements as prescribed or approved by the Exchange.
- (3) No alternate director has been appointed as a member of the Audit Committee.
- (4) The members of the Audit Committee have elected from among themselves an Independent Director to be the Chairman, i.e. Albert Saychuan Cheok. The Chairman together with the other committee members have engaged on a continuous basis with Senior Management, the Head of Internal Audit and the external auditors to be kept informed of matters affecting the company.
- (5) All members of the Audit Committee, including the Chairman, have held office only so long as they served as Directors of the Company. The Board is to review the term of office and performance of the Audit Committee and each of its members annually to determine whether the Audit Committee has carried out its duties in accordance with its terms of reference.

AUDIT COMMITTEE REPORT

Duties and Responsibilities

The Audit Committee shall review and report to the Board on the following key matters, inter-alia: -

1. To review and establish policies and procedures to assess the suitability, objectivity and independence of the external auditors to safeguard the quality and reliability of audited financial statements.
2. To review the appointment, resignation, conduct, audit plans of Internal and External Auditors and Auditor's reports therein.
3. To review the quarterly results and annual financial statements of the Group, prior to submission to the Board for consideration and approval.
4. To review any related party transaction and conflict of interest situations that may arise within the Company or Group including any transaction, procedure or course of conduct that raises questions of management integrity.
5. To oversee the Company's internal control structure to ensure operational effectiveness and efficiency, reduce risk of inaccurate financial reporting, protect the Company's assets from misappropriation and encourage legal and regulatory compliance.
6. To review the Audit Committee Report and Statement of Risk Management and Internal Control, before recommending to the Board for inclusion in the Annual Report.

Attendance of Meetings

The Audit Committee held seven (7) meetings during the financial year ended 30 June 2024.

Name	Attendance	Percentage
Albert Saychuan Cheok	7/7	100%
Gan Kim Khoon	3/3	100%
Rozita Binti Abdul Rahman	5/5	100%
Wong Phait Lee	2/2	100%
Tan Poh Chan	4/4	100%

- Mr Gan Kim Khoon and Ms Wong Phait Lee were both appointed to the Audit Committee on 2 January 2024. This following the resignation of Pn. Rozita binti Abdul Rahman on the same day, as a member of Audit Committee & the retirement of Ms Tan Poh Chan upon the end of the 26th Annual General Meeting held on 8 December 2023.
- Ms Wong Phait Lee was subsequently appointed as an Executive Director on 8 May 2024 and on the same day, resigned as a member of the Audit Committee.
- Pn. Rozita binti Abdul Rahman was re-appointed member of Audit Committee on 8 May 2024, following the resignation of Ms Wong Phait Lee as a member of the Audit Committee.

Summary of work of the Audit Committee

The following is the summary of the work carried out by the Audit Committee during the financial year as set out in its Terms of Reference:

1. Reviewed and recommended the quarterly and year-end unaudited financial results and statements to the Board for approval.
2. Reviewed the annual audited financial statements and principal matters arising from the audit thereon with the External Auditors and recommended the same to the Board for approval.

AUDIT COMMITTEE REPORT

3. Reviewed and deliberated on the internal and external auditors' audit plans, audit fees, audit reports and the progress and outcomes of audits conducted including issues raised and remedial actions taken.
4. Reviewed and assessed the suitability and independence of the external auditors.
5. Reviewed the Statement of Risk Management & Internal Control and the Audit Committee Report for recommendation to the Board for inclusion in the Annual Report; and
6. The Audit Committee discharged its duties and responsibilities in accordance with its Terms of Reference.

Internal Audit Function

The internal audit function is performed in-house by the Internal Audit Department ("IAD") which reports directly to the Audit Committee and is guided by the Internal Audit Charter. The IAD performed audits based on the annual internal audit plan approved by the Audit Committee. The IAD functions by providing an independent and objective assurance, designed to conduct reviews on systems of controls and effectiveness of the processes which the Management has in place to conduct business within the Group.

The total costs incurred for the Internal Audit function for the financial year ended 30 June 2024 amounted to RM394,000 (financial year ended 30 June 2023: RM390,000).

During the financial year ended 30 June 2024, the following were the activities carried out by the Internal Audit Department:

1. Carried out its duties as guided by the Internal Audit Charter and in accordance with the approved annual Audit Plan.
2. Conduct independent reviews and evaluated the risk exposures relating to the Group's operations:
 - Effectiveness and efficiency of operations.
 - Safeguarding of assets.
 - Compliance with legislation, regulations, policies and procedures; and
 - Identification of opportunities to improve the operations and processes.
3. Discussed audit findings and proposed remedial actions with the Management for resolution and the required actions to be taken.
4. Presented the internal audit reports at the Audit Committee meetings for deliberation by the Audit Committee members.

Review of the Audit Committee

The Audit Committee is satisfied that matters reported by it to the Board have been satisfactorily resolved and there are no material matters that warrant reporting to Bursa Malaysia Securities Berhad.

Evaluation of the Audit Committee

The Nomination and Remuneration Committee reviews the term of office and performance of the Audit Committee and each of its members through an annual effectiveness evaluation. The Nomination and Remuneration Committee is satisfied that the Audit Committee members have carried out their duties in accordance with their Terms of Reference.

The Audit Committee Report has been reviewed by the Audit Committee and approved by the Board on 11 October 2024.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

The Board of Directors of Supermax is committed to uphold the highest standards of Corporate Governance (“CG”) principles and best practices throughout the Group, and to ensure compliance with the provisions of the Main Market Listing Requirements (“MMLR”) of the Bursa Malaysia Securities Berhad (“Bursa Securities”), Companies Act 2016 (“Act”) and laws that are applicable to our Group.

Set out below is an overview of how the Group has applied the Principles of the Malaysian Code on Corporate Governance 2011 (“Code”) and how the Board of Directors (“Board”) has complied with the best practices set out in the Code. The detailed application for each practice is set out in the Corporate Governance Report (“CG Report”) which is available on Supermax’s website: www.supermax.com.my.



PRINCIPLE A: BOARD LEADERSHIP & EFFECTIVENESS

Board responsibilities

The Board of Directors has overall responsibility for the proper conduct of the Company’s business and assumes responsibility of effective stewardship and control of the Company. The Board of Director abides by the Company’s Charter, which outlines the duties, responsibilities and functions of the Board in accordance with the principles and practices of good corporate governance.

Led by the Board Chairman and the CEO, the role of the Board of Directors is to provide leadership and direction to management, establish the corporate objectives and set strategies, that set the activities to promote long term growth and sustainable business.

The responsibilities of the Board of Directors of the Company include, amongst others:

- Review and adopt a strategic plan for the Company, which will enhance the future growth of the Company. The Executive Directors discuss the Company’s business plans and strategic directions with the Board to seek their insights and feedback before adoption. The Executive Directors then focus on implementing the business plans and strategies and updates the Board on the progress and status periodically.
- Oversee the conduct of the Company’s business to evaluate whether the business is being properly managed. The Board receives feedback from the Management and is also briefed by the Audit Committee (“AC”). The AC receives reports and feedback from the Internal Audit Department, which performs independent audits of the Group’s operations.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

- Identify principal risks of the business and ensure the implementation of appropriate systems to manage these risks.
- Review the adequacy and the integrity of the Company's internal control systems and management information systems, including systems for compliance with applicable laws, regulations, rules, directives and guidelines.
- Review and oversee the sustainability risks and opportunities in an integrated and strategic manner to support its long-term strategy and success.

Company Secretaries

Company Secretaries advise the Board on its roles and responsibilities, facilitate the orientation of new Directors and assist in Directors' training and development, advise the Board on corporate disclosures, and compliance with applicable company and securities regulations and listing requirements.

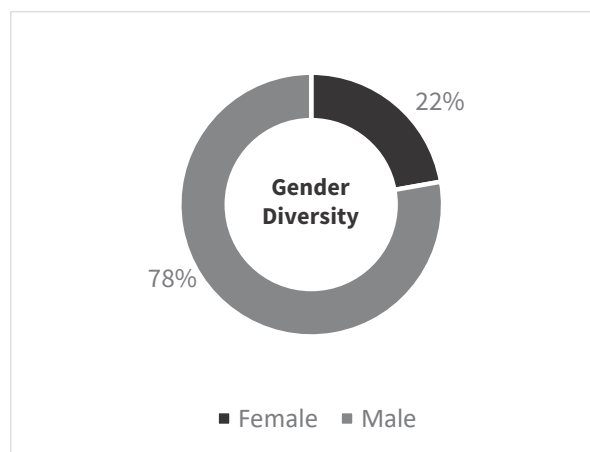
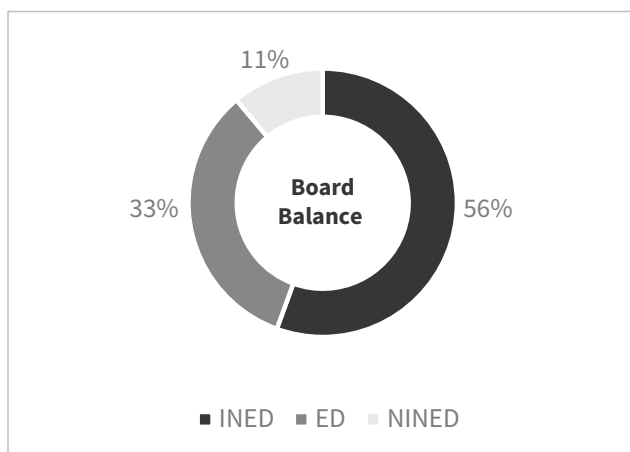
The Company Secretaries, who are qualified under Section 236 of the Act, play an advisory role to the Board in relation to the Company's constitution, Board's policies and procedures, and compliance with the relevant regulatory requirements, codes or guidance and legislations.

The role of the Company Secretary includes:

- Ensuring compliance with regulatory requirements;
- Updating the Board on changes to the MMLR;
- Providing support to the Board in ensuring adherence to board policies and procedures, rules, relevant laws and best practices on corporate governance; and
- Ensuring that deliberations at the Board meetings are recorded in the minutes, minutes are well documented, following up on matters arising, maintaining a secure retrieval system of the meeting papers, minutes of the board meetings and the relevant statutory records.

Board Composition, Balance and Diversity

The board composition influences the ability of the Board to fulfil its oversight responsibilities. Currently, the Board comprises Directors with diverse mix of skills, knowledge, experience and professional background. The current Board of Directors provides sufficient diversity and independence as well as differing point of views in the decision-making process.



CORPORATE GOVERNANCE OVERVIEW STATEMENT

Board Balance and Composition

The Board currently comprises 9 members - an Executive Chairman who is a Non-Independent Executive Director, 2 Executive Directors, 1 Non-Independent Non-Executive Director and 5 Independent Non-Executive Directors ("INED"). During the year, the Board of Directors saw the retirement of 1 director, another resigned while 4 new directors were added. The Board composition meets Paragraph 15.02 of MMLR and Practice 5.2 of the Code which respectively require one third and a majority of the Board to comprise Independent Directors.

During the financial year, Executive Director Tan Chee Keong was redesignated as CEO and Senior Executive Director while Dato' Seri Stanley Thai remained as the Executive Chairman. This is in compliance with the Code which requires the separation of the positions of the Chairman and CEO in order to promote accountability and facilitate the division of responsibilities between them.

The Board is supported by 3 committees, namely Audit Committee, Nomination and Remuneration Committee and Risk Management & ESG Committee. The Executive Chairman does not sit on any of the Board Committees. All Board Committees are chaired by different Board members who are Independent Non-Executive Directors.

Board Diversity

The Board is committed in maintaining diversity and inclusion in its composition and decision-making process. In this regard, the Board considers diversity from different aspects, including gender, age, cultural and educational background, nationality, professional experience, skills, knowledge and length of service.

It is the target of the Company to maintain at least 30% female representation on the Board. However, Board appointments are based on merit and contribution as well as the values that an individual may bring to the Board. Arising from not meeting the threshold set by the Code, the Company endeavours to identify experienced, qualified and fit-for-purpose candidates through external sources and independent human resources advisors.

Independence of Directors

All the INEDs are independent of Management and are free from any business or other relationships that could materially interfere with the exercise of their independent judgment. They uphold integrity and stewardship to ensure the strategies proposed by the Management are fully deliberated and examined in the long-term interest of the Group, shareholders, employees and customers.

The Nomination and Remuneration Committee has conducted its annual assessment of all Directors and concluded that each of the Directors possesses and continues to gain and develop the necessary experience and core competencies to discharge his/her duties as Directors individually, as a collective Board and within the relevant committees in which he/she serves. All Directors have also devoted sufficient time to carry out their duties and responsibilities and to further their knowledge and skills required.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

Attendance of Board meetings

During the financial year ended 30 June 2024, six (6) board meetings were held. Details of the Directors' attendance at these meetings are as follows:-

Name	Meetings Attended	No. of Meetings Held
1. Dato' Seri Stanley Thai	6	6
2. Tan Chee Keong	6	6
3. Wong Phait Lee*	3	3
4. Dato' Ting Heng Peng	6	6
5. Albert Saychuan Cheok	6	6
6. Rozita Binti Abdul Rahman	6	6
7. Ng Keng Lim, Eisen	6	6
8. Gan Kim Khoon	3	3
9. Yip Kit Weng	3	3
10. Tan Poh Chan**	3	3
11. Dr. Yap Ling Ling**	2	2

* Redesignated from INED to Executive Director on 8 May 2024

** Tan Poh Chan retired as INED on 8 December 2023, whilst Dr Yap Ling Ling resigned as INED on 8 May 2024.

The Board meets at least four (4) times in each financial year to review the quarterly financial performances reserved for its approval, prior to the announcement to the Bursa Securities. Additional meetings may be convened as special Board meetings, as and when necessary. In the intervals between Board meetings, any matters requiring Board's decisions or approvals, virtual or physical meetings may be convened or will be sought via circulation of written resolutions with supported information and detailed explanations to enable the Board to make an informed decision. The same practice also applies to the Board Committees.

The full set of Board papers (including qualitative information) for considerations are distributed within a reasonable time before each meeting of the Board and Committees to ensure that the Directors have sufficient time to review and be properly prepared for deliberation and decision-making. The minutes of the Board meetings are maintained by the Company Secretary.

All Directors of the Company whether in full Board or in their individual capacity, have access to all information within the Company, and can seek independent professional advice where necessary and appropriate.

Nomination and Remuneration Committee

New Appointment and re-election of Directors

The Nomination & Remuneration Committee ("NRC") was established to support and advise the Board in ensuring the Board comprised the right group of people, with an appropriate mix of skills, knowledge, experience and independency that fit the Company's objectives and strategic goals.

For any new appointment and/or re-election of directors, the NRC conducts a rigorous selection process by applying established criteria which included the assessment of essential skill sets such as relevant industry experience and experience in developing corporate growth strategies, knowledge on legal and regulatory requirements, ability to read, analyse and interpret financial statements and also working knowledge and experience in business development; before recommending the appointment and/or re-election to the Board for approval.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

The Terms of Reference of the NRC, which sets out its objectives, duties and responsibilities is accessible via the Company's website www.supermax.com.my.

Composition

The NRC shall consist of no less than two (2) members, comprising exclusively Non-Executive Directors and majority of whom shall be Independent Non-Executive Directors.

Name	Designation	Directorship
Ng Keng Lim, Eisen	Chairman	Independent Non-Executive Director
Dato' Ting Heng Peng	Member	Non-Independent Non-Executive Director
Rozita Binti Abdul Rahman	Member	Independent Non-Executive Director

The composition of the committee complies with the requirements of Rules 15.08A(1) of the MMLR of Bursa Securities, whereby the NRC comprises exclusively of non-executive directors, a majority of whom must be independent. The committee also complies with Practice 5.8 of the Code where the committee is chaired by an independent director.

In the course of identifying experienced, qualified and fit-for-purpose candidates for the newly elected INEDS, the NRC relied on both external sources like human resource advisors and recommendation from current Directors to assess each of the candidate suitability and time commitment prior to their appointment.

Attendance of Meetings

The NRC held four (4) meetings during the financial year ended 30 June 2024. The meetings were fully attended by all the members and matters considered included the performance and effectiveness of the Directors as a whole, as sub-committees and individually, the Directors' training needs, the appointment of new Directors, the re-designation of Directors and the Directors' remuneration.

Name	Attendance	Percentage
Ng Keng Lim, Eisen	4/4	100%
Dato' Ting Heng Peng	4/4	100%
Rozita Binti Abdul Rahman	4/4	100%

Summary of work of the nomination related matters

- Assessed and recommended to the Board, the nomination of candidates for appointment of Board members. In making its recommendation, the NRC has taken into consideration the candidates' skills, knowledge, expertise, fit and properness, professionalism, time commitment to effectively discharge his/ her role as director, and ability to understand financial statements, amongst others;
- The Directors are required to complete their Performance Evaluation Forms on an annual basis and submit to the NRC for assessment. The Directors are also required to declare any conflict of interest in the Company as well as their directorship in other public companies and other listed issuers. In addition, the Directors are required to confirm if there is any sanction or penalty imposed onto them by relevant regulatory bodies during the financial year or offenses convicted within the past 5 years;
- Reviewed annually, the term of office and performance of the Board Committees and each of their members, and determined whether the Board Committees and members have carried out their duties in accordance with their respective Terms of Reference;

CORPORATE GOVERNANCE OVERVIEW STATEMENT

- (d) Reviewed annually and assessed the effectiveness and performance of the Board of Directors, Board Committees and contribution/ performance of each individual Director including the Executive Director and Chief Executive Officer, and subsequently recommended the outcome of the annual assessment to the Board of Directors concerning the areas for continuous improvement, if any;

- (e) Reviewed and recommended to the Board of Directors, the re-election of Directors who retire by rotation.

Each Director must retire from office at least once in every three (3) years and can offer himself/herself for re-election. Directors who are appointed by the Board are subject to election by the shareholders at the next Annual General Meeting ("AGM") held following their appointment. In the forthcoming AGM, the NRC has recommended for Dato' Ting Heng Peng for re-election by shareholders. On the other hand, Ng Keng Lim, Eisen will be retiring as Director and will not seek re-election.

- (f) Reviewed and assessed the remuneration package of the Executive Directors, with or without other independent professional advice or other outside advice;
- (g) Reviewed and ensured the levels of remuneration be sufficiently attractive and be able to retain Directors needed for the Company; and
- (h) Reviewed the training needs of the Directors and ensured the training programmes attended must be relevant for the Directors to discharge their duties and keep abreast with the developments in the industry and regulator changes.

Directors' Continuing Education Programme

All the Directors of the Company have attended the Mandatory Accreditation Program ("MAP") prescribed by Bursa Securities for directors of public listed companies. Six (6) of the nine (9) Directors have also attended MAP II. The remaining Directors will complete their MAP II training within the stipulated timeline.

Ongoing trainings in business and industry-related topics as well as regulatory updates are provided to the Board.

Training attended by Directors during the Financial Year Ended 30 June 2024

Director	Programmes
Dato' Seri Thai Kim Sim, Stanley	<ul style="list-style-type: none"> ▶ 2023 Board and Audit Committee Priorities; organised by KPMG Board Leadership Centre ▶ Management of Cyber Risk; organised by Bursa Malaysia and Ernst & Young ("EY") ▶ Navigating AI Governance and ESG Reporting for the Future; organised by KPMG Board Leadership Centre
Mr Tan Chee Keong	<ul style="list-style-type: none"> ▶ 2023 Board and Audit Committee Priorities; organised by KPMG Board Leadership Centre ▶ Navigating AI Governance and ESG Reporting for the Future; organised by KPMG Board Leadership Centre ▶ Malaysia Budget 2024: Tax Overview – Impact and Implications on Corporate and Personal Taxes; organised by Boardroom Limited ▶ Achieve Manufacturing Efficiency with Modern Technologies; organised by Acumatica ▶ The Outlook for Global Tax Policy and Controversy in 2024; organised by EY

CORPORATE GOVERNANCE OVERVIEW STATEMENT

Mr Albert Cheok	<ul style="list-style-type: none"> ▶ 2023 Board and Audit Committee Priorities; organised by KPMG Board Leadership Centre ▶ ICDM Power Talk: Generative AI – An Opportunity or Risk; organised by Institute of Corporate Directors Malaysia ▶ Management of Cyber Risk; organised by Bursa Malaysia and EY ▶ Spotting Key Red Flags in Financial Statements; organised by Malaysian Institute of Accountants ▶ Navigating AI Governance and ESG Reporting for the Future; organised by KPMG Board Leadership Centre ▶ Singapore Exchange Training on IFRS Standards; organised by Singapore Stock Exchange ▶ Audit Oversight Board Conversation with Audit Committees; organised by Securities Commission Malaysia ▶ Bursa's Sustainability Reporting Requirements – Recent Developments Affecting Your Business; organised by Boardroom Limited
Dato' Ting Heng Peng	<ul style="list-style-type: none"> ▶ 2023 Board and Audit Committee Priorities; organised by KPMG Board Leadership Centre ▶ Bursa Academy: Conflict of Interest and Governance of Conflict of Interest; organised by Iclif @Asia School of Business ▶ Navigating AI Governance and ESG Reporting for the Future; organised by KPMG Board Leadership Centre ▶ Navigating Recent Tax Changes in Malaysia: A Guide for Employers and Directors; organised by Boardroom Limited ▶ The Outlook for Global Tax Policy and Controversy in 2024; organised by EY
Mr Ng Keng Lim. Eisen	<ul style="list-style-type: none"> ▶ Management of Cyber Risk; organised by Bursa Malaysia and EY ▶ Malaysia Budget 2024: Tax Overview – Impact and Implications on Corporate and Personal Taxes; organised by Boardroom Limited ▶ Bursa's Sustainability Reporting Requirements – Recent Developments Affecting Your Business; organised by Boardroom Limited
Puan Rozita Binti Abdul Rahman	<ul style="list-style-type: none"> ▶ 2023 Board and Audit Committee Priorities; organised by KPMG Board Leadership Centre ▶ Management of Cyber Risk; organised by Bursa Malaysia and EY ▶ Navigating AI Governance and ESG Reporting for the Future; organised by KPMG Board Leadership Centre ▶ Audit Oversight Board Conversation with Audit Committees; organised by Securities Commission Malaysia ▶ Navigating Recent Tax Changes in Malaysia: A Guide for Employers and Directors; organised by Boardroom Limited ▶ Navigating the ESG Reporting Landscape in Asia Pacific; organised by KPMG ▶ What you need to know about the Bursa's Amended Listing Requirements on Conflict of Interest; organised by KPMG Board Leadership Centre ▶ The Outlook for Global Tax Policy and Controversy in 2024; organised by EY

CORPORATE GOVERNANCE OVERVIEW STATEMENT

Mr Gan Kim Khoon	<ul style="list-style-type: none"> ▶ Navigating the ESG Reporting Landscape in Asia Pacific; organised by KPMG ▶ What you need to know about the Bursa's Amended Listing Requirements on Conflict of Interest; organised by KPMG Board Leadership Centre ▶ Bursa's Sustainability Reporting Requirements – Recent Developments Affecting Your Business; organised by Boardroom Limited ▶ Malaysia Corporate Day - Welcoming the Dragon; organised by CGS International Securities Malaysia Sdn Bhd ▶ Sustainable Sustainability - Why ESG is Not Enough; organised by Asia School of Business
Ms Wong Phait Lee	<ul style="list-style-type: none"> ▶ Navigating Recent Tax Changes in Malaysia: A Guide for Employers and Directors; organised by Boardroom Limited ▶ Decoding the TCFD Reporting Framework; organised by Malaysian Institute of Accountants ▶ Implementation of E-Invoicing; organised by LumenTax ▶ Navigating the Updates on International Valuation Standards: Transforming Valuation Practices; organised by Malaysian Institute of Accountants
Mr Yip Kit Weng	<ul style="list-style-type: none"> ▶ The Future of Payments Landscape; organised by Finastra & Imocha ▶ Chairman's Dialogue Series (An Evening with Tan Sri Dato' Tan Boon Seng @ Krishnan): Leadership Insights from Corporate Leaders - Governance, Challenges and Strategies; organised by Koperasi Usahawan Inklusif Malaysia Bhd (KUIMB) ▶ Dialogue with Senior Officers of IRB: E-invoicing, Voluntary Disclosure Programme 2.0 and Other Tax Policies; organised by CPA Australia ▶ Leading with Impact: Uniting, Empowering and Igniting; organised by Asia School of Business ▶ Navigating Fixed Income Markets: The Role of Credit Research in Investment Success; organised by Principal Asset Management Bhd ▶ The Future of Thailand's Market: What Investors Need to Know; organised by CGS CIMB Securities Bhd ▶ Tan Sri Azman Mokhtar: Trespassings, Leadership Lessons from 77 Trains Before Covid and Other Journeys; organised by Asia School of Business ▶ Advocacy Session for Directors & CEOs of Main Market Listed Issuers; organised by Bursa Malaysia Securities Bhd ▶ Underground Economy in Malaysia: How bad is it?; organised by Malaysian Economic Association, University of Malaya ▶ What Amounts to a Conflict of Interest by Directors; organised by Asia School of Business ▶ Corporate Venture Capital Programme – Getting the Board on Board; organised by Capital Markets Malaysia (CM2) ▶ CPA Congress 2023: Flex Forward; organised by CPA Australia ▶ Legal Perspective on Managing Employer and Employee Relationships; organised by Malaysian Institute of Accountants ▶ Unclaimed Monies Act, 1965; organised by Malaysian Institute of Accountants ▶ The AI Effect on Accountants: For Better or Worse; organised by Malaysian Institute of Accountants

CORPORATE GOVERNANCE OVERVIEW STATEMENT

- ▶ 2024 Financial Reporting Update; organised by Nexia Australia
- ▶ Asia Undercurrent Series, “Space, The Next Frontier: The New Era of Development, Competition and Cooperation; organised by Nikkei Forum
- ▶ Sustainability for Corporate Directors: A Prerequisite; organised by Global Connect Intelligence Sdn Bhd
- ▶ 29th Nikkei Forum - Future of Asia; organised by Nikkei Forum
- ▶ Bursa’s Sustainability Reporting Requirements – Recent Developments Affecting Your Business; organised by Boardroom Limited

Remuneration Framework

The remuneration of the non-executive Directors is determined in accordance with their experience and level of responsibilities assumed. Non-executive Directors are remunerated in the form of directors’ fees as approved by the shareholders.

The aggregate Directors’ remuneration paid or payable or otherwise made available to all Directors of the Company during the financial year are as follows:

Category	GROUP			COMPANY		
	Fees (RM)	Salaries & other emoluments (RM)	Benefit In Kind (RM)	Fees (RM)	Salaries & other emoluments (RM)	Benefit In Kind (RM)
Executive Directors						
Dato' Seri Thai Kim Sim, Stanley	156,000	7,908,388	-	156,000	3,000	-
Tan Chee Keong	120,000	2,370,114	-	120,000	3,000	-
Wong Phait Lee*	54,544	54,014	-	54,544	2,000	-
Non-Executive Directors						
Dato' Ting Heng Peng	219,000	3,000	-	135,000	3,000	-
Albert Saychuan Cheok	125,000	6,000	-	125,000	6,000	-
Ng Keng Lim, Eisen	107,000	3,000	-	107,000	3,000	-
Rozita Binti Abdul Rahman	113,456	5,500	-	113,456	5,500	-
Gan Kim Khoon	56,000	2,500	-	56,000	2,500	-
Yip Kit Weng	56,000	1,500	-	56,000	1,500	-
Tan Poh Chan**	53,375	3,500	-	53,375	3,500	-
Dr Yap Ling Ling**	39,692	1,300	-	39,692	1,300	-

* Redesignated from INED to Executive Director on 8 May 2024

** Tan Poh Chan retired as INED on 8 December 2023, whilst Dr Yap Ling Ling resigned as INED on 8 May 2024

Code of Business Ethics

The Directors observe a code of ethics in accordance with the code of conduct expected of Directors in the Company Directors’ Code of Ethics established by the Companies Commission of Malaysia.

The Board of Directors has formalised a Code of Business Ethics that outlines the standards of conduct expected of all Directors and staff of the Group with the objective of ensuring proper behaviour and ethical conduct within the Group. This is in line with the Board’s commitment towards upholding the spirit of accountability and responsibility within the Group. The document can be viewed from the Group’s website www.supermax.com.my.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

Whistle-blowing Policy

Supermax Group's whistle blowing policy is aimed at protecting the integrity, transparency, impartiality and accountability in all business operations conducted by the Supermax Group. The policy provides a structured reporting channel and guidance to all employees as well as external parties to whistle-blow without fear of victimisation.

The Group's Whistle-blowing Policy has been posted on its website www.supermax.com.my for easy accessibility.

Anti-Bribery & Corruption Policy

The Supermax Group is fully committed to conducting its business and operations in an honest and ethical manner and being compliant with the law and regulatory provisions to control and prevent bribery and corrupt practices. The Group has zero-tolerance towards and does not condone any acts of bribery and corruption, which are criminal acts in nature as well as indictable offences. Towards achieving the objective of creating a bribery and corruption-free environment, the Group is fully committed towards implementing and enforcing effective systems and procedures that include:

- Working closely with employees, stakeholders and other interested parties to encourage and enforce a bribery and corruption free culture and mind-set
- Requiring employees to sign-off written expressions of agreement to the Group's policies including the Anti-Bribery & Corruption Policy
- Encouraging staff to raise their concerns via the Group's established whistleblowing channels
- The Group's Anti-Bribery & Corruption Policy has been posted on its website www.supermax.com.my for easy accessibility.

PRINCIPLE B: EFFECTIVE AUDIT & RISK MANAGEMENT

Directors' Responsibility Statements

The Directors are required by the Act to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Company and the Group as at the end of the financial year.

The Directors consider that in preparing the financial statements, the Group has used appropriate accounting policies, consistently applied and supported by reasonable and prudent judgments and estimates, and that all applicable accounting standards have been followed.

The Directors have responsibility for ensuring that the Company and the Group keep accounting records which disclose with reasonable accuracy the financial position of the Company and the Group and which enable them to ensure that the financial statements comply with the Act.

The Directors have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Company and the Group and to prevent and detect fraud and other irregularities.

Financial Reporting

The Directors are responsible for the preparation of the annual audited financial statements and ensure that the accounts and other financial reports of the Company are prepared in accordance with Approved Accounting Standards and present a balanced and comprehensive assessment of the Company's position and prospects, to all the shareholders.

The Company's Annual Report and quarterly announcements of results give an updated financial performance of the Company periodically.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

Audit Committee

The Audit Committee comprises three (3) Independent Non-Executive Directors with Albert Saychuan Cheok as the Chairman of the Committee. The composition is presented in the Audit Committee Report and Terms of Reference of the Audit Committee are available on the Company's website www.supermax.com.my.

The Audit Committee has explicit authority from the Board to investigate any matter and is given full responsibility within its Terms of Reference and necessary resources which it needs to do so and full access to information. During the financial year ended 30 June 2024, the Audit Committee had also met with the External Auditors without the presence of the Executive Board members on 2 occasions.

Risk Management and Internal Control Framework

The Board of Directors is responsible for the Company's risk management and internal control systems. The Company has a combined Risk Management and ESG Committee, which comprises mainly Independent Directors, to oversee the Company's risk management and framework policies.

Internal Control

The Statement of Risk Management & Internal Control furnished on pages 87 to 90 of the annual report provides an overview of the internal controls within the Group.

Internal Audit

The Company set up its Internal Audit Department ("IAD") on 8 December 2003. The IAD adopts a risk-based approach in the planning and conduct of its audits and focuses on the key areas of business risk. Annually, the IAD presents to the Audit Committee the internal audit planning and scope of work, for Audit Committee's approval.

The main responsibilities of the IAD are to:-

- (a) Assist in reviewing the adequacy, integrity and effectiveness of the Company's internal control system for the Board to make an accurate Statement on Internal Control in the annual report;
- (b) Support the Audit Committee in evaluating the effectiveness of the existing internal control system, identify future requirements and co-develop a prioritised action plan to further enhance the internal control system; and
- (c) Perform a risk assessment of the Company to identify the business processes within the Company that internal audit should focus on.

Relationship with External Auditors

The re-appointment, resignation or dismissal of the external auditor comes under the Audit Committee's purview. Based on the Audit Committee's recommendation, the Company is seeking shareholders' approval at the forthcoming AGM for the re-appointment of Messrs HLB Ler Lum Chew PLT, as external auditors in accordance with Section 271(4) of the Act

CORPORATE GOVERNANCE OVERVIEW STATEMENT

PRINCIPLE C: REPORTING & RELATIONSHIP WITH STAKEHOLDERS

Dialogue with investors and stakeholders

The AGM is the principal forum for dialogue with shareholders. At the AGM, the Board can highlight the progress and performance of the business and encourages the active participation of shareholders in question-and-answer sessions.

Communication with various stakeholders is also achieved through the following means:

- (a) Investor relations function via engagements with analysts and investors and press releases;
- (b) Corporate announcements; and
- (c) In-person engagement through established conferences and events organised by various government bodies, financial institutions, professional bodies, as well as the industry's association.

OTHER INFORMATION REQUIRED BY THE MMLR OF BURSA SECURITIES

Audit and Non-Audit Fees

For the financial year ended 30 June 2024, audit fees and non-audit fees paid/payable to the External Auditors are detailed in the table below.

Type of Fee	Group (RM)	Company (RM)
Audit fees	842,703	105,000
Non-audit fees	5,000	5,000
Total	847,703	110,000

Material contracts

During the year under review, the Company and its subsidiaries did not enter into any material contracts involving Directors' and major shareholders' interest.

Contract relating to loans

There were no contracts relating to loans entered into by the Company involving Directors' and major shareholders' interest.

Related Party Transactions

A list of the significant related party transactions between the Company and its subsidiaries, and between the Group and other related parties including relevant Key Management personnel for the financial year ended 30 June 2024 is set out on page 149 of the Annual Report.

Revaluation of landed properties

The Company does not have a revaluation policy on landed properties.

Employee Share Scheme

The Company does not have any existing employee share scheme.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

INTRODUCTION

This Statement on Risk Management and Internal Control is made pursuant to paragraph 15.26(b) of the Main Market Listing Requirements (“MMLR”) of the Bursa Malaysia Securities Berhad (“Bursa Securities”), which require listed issuers to include in its Annual Report a statement detailing the state of risk management and internal control of the Company and its subsidiaries. The Malaysian Code on Corporate Governance 2021 (“Code”) requires listed companies to maintain a sound system of risk management and internal control to safeguard the shareholders’ investments and the companies’ assets.

The Board of Directors of Supermax is committed to maintain a sound system of risk management and internal control within the Group. Set out below is the Board of Directors’ “Statement on Risk Management and Internal Control” which has been prepared in accordance with the Statement on Risk Management and Internal Control: Guidance for Directors of Listed Issuers, a publication of Bursa Securities.

RESPONSIBILITY OF THE BOARD

The Board of Directors (“Board”) is responsible for the adequacy and effectiveness of the Supermax Group’s risk management and internal control system. The Board manages the Group’s key areas of risk within an acceptable risk profile to increase the likelihood that the Group’s policies, business objectives and strategies will be achieved. The Board continually reviews the system to ensure it provides a reasonable but not absolute assurance against material misstatement of management & financial information and records or against financial losses or fraud.

The Board has established an ongoing process for identifying, evaluating, and managing the significant risks faced by the Group and this process includes enhancing the risk management and internal control system as and when there are changes to the business environment or regulatory guidelines.

The Board through the Risk Management & Environment, Social and Governance Committee (“RMESGC”) and Audit Committee (“AC”) maintains overall responsibility for risk oversight within the Group. Pursuant to the Code’s requirements, the RMESGC is made up of a majority of Independent Non-Executive Directors, whilst the AC comprises three Independent Non-Executive Directors.

Management assists the Board in the implementation of the Board’s policies and procedures on risk and control by identifying and assessing the risks faced, and in the design, operation, and monitoring of suitable internal controls to mitigate and control these risks.

The Board is of the view that the risk management and internal control system in place for the year under review and up to the date of issuance of the financial statements is adequate and effective to safeguard the shareholders’ investment, the interests of customers, regulators and employees, and the Group’s assets.

The following outlines the nature and scope of risk management and internal control of the Group.

RISK MANAGEMENT

The Board regards risk management as an integral part of all business operations. Hence the Board explicitly assumes the responsibility of identifying principal risks and ensures the implementation of a dynamic system to manage risk exposure within the acceptable level of tolerance and in line with the risk management policy, describing the Group’s commitment to embedding risk management into its processes and structure to create and maintain an environment that enables the Group to meet performance objectives.

To fulfill its oversight responsibility, the Board through delegation to the RMESGC reviews the adequacy and integrity of the Group’s risk management system which encapsulates the key processes of risk identification, assessment, treatment, monitoring and reporting. Whilst the Risk Working Committee (“RWC”) which reports to the RMESGC, serves as the driving force behind the routine risk management activity to facilitate the Group-wide risk management initiatives from an operational perspective.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

The RWC is headed by the Chief Operations Officer and comprises heads of departments or support functions, who are risk owners themselves, as members.

The Board has established a risk management framework for identifying, monitoring, reviewing and continually improving risk management. The risk management framework is being adopted as a standardised approach in implementing risk management in the Group for timely identification, reporting and management of principal risks. The implementation of the risk management framework promotes an effective risk culture.

The key features of the risk management framework provide a risk control environment that includes:

- A Governance and Risk Organisation Structure identifying the Board in retaining the overall risk management responsibility and the delegation of authority and responsibility of the management and reporting mechanism;
- A Risk Register containing risk profiles of the business operation within the Group which have been developed and communicated to the Board. The development of such risk profiles involved identification of key risks faced by the Group's core business units, potential impact and likelihood of those risks occurring, the control effectiveness and the action plans being taken to manage those risks to the desired level;
- Establishment of the RMESGC to provide assurance concerning the Group's risk management. The RMESGC is represented by members of the Board and is tasked with overall responsibility for establishing a strategic approach to implementing risk management within the Group.

At the Group level, inherent risk factors arising from business operation are continually identified. These identified risk factors are incorporated into the risk register and individually rated. The rating process is guided by a matrix of "probability of occurrence" and the associated "severity", of which both financial and non-financial consequences are duly considered. Thereafter, owners of these risk factors will drive the implementation of risk mitigation measures towards achieving a residual risk that is within the acceptable tolerance.

In terms of sustainability, the overall role of the RMESGC is to aid the Board in fulfilling its oversight responsibilities on sustainability governance, including setting strategies, priorities and targets and implementing initiatives to address ESG matters and material sustainability risks and opportunities within the Group. The Group considers the integration of ESG factors as a component of the Board's fiduciary responsibility, and accountable therefore to the oversight and management of sustainability.

INTERNAL CONTROL

The Board is aware that a sound system of internal control should be embedded in the operations of the Group and form part of its culture. This system should be capable of responding quickly to evolving risks to the business arising from factors within the Group and changes in the business environment. It should include procedure for reporting immediately to appropriate levels of management any significant control failings or weaknesses that are identified together with details of corrective action being taken.

The key processes in reviewing the adequacy and effectiveness of the risk management and internal control system includes the following:

- a) The AC, assisted by the RMESGC and the Internal Audit Department, performs the duty of reviewing and evaluating the adequacy and effectiveness of the Group's system of risk management and internal control;

The RMESGC has been established by the Board to provide assurance concerning the Group's risk management. The RMESGC performs periodic review of risk management processes and oversees the development of appropriate guidelines and policies for implementation.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

- b) The Group has in place an on-going process for identifying, monitoring and managing significant risks that may affect the achievement of business objectives. Management is continually reviewing potential risk areas through discussions held at monthly staff meetings. Where a particular risk is identified, it will be monitored with counter measures taken to mitigate the risk wherever possible;
- c) The in-house Internal Audit Department was established in 2003. The Internal Auditors review the internal controls on the key activities of the Group based on a detailed annual internal audit plan. A risk-based approach is used to establish the annual internal audit plan which is reviewed and approved by the AC. The internal audit functions are carried out to minimise the Group's exposure to risks and problems.

For the financial year ended 30 June 2024, the Internal Audit Department performed financial and operational audits of business and operations activities for the Supermax Group. This covered key risk areas ranging from procurements and payments, production and packing productivity efficiency and effectiveness and including human capital management and resources.

Internal audit reports were issued and tabled to the AC regularly at the AC meetings.

The Internal Auditors will continue to come up with proactive measures or corrective actions to manage and mitigate potential business and operational risks noted while carrying out their duties. Continuous testing and assessments on the adequacy and effectiveness of the risk management, internal control and governance processes are carried out, to provide reasonable assurance that such systems continue to operate efficiently and effectively.

The External Auditor provides further assurance to the Audit Committee in the form of annual statutory audit of the financial statements. Areas of concern identified during the course of external audit examination will be brought up to the attention of the Audit Committee.

OTHER KEY ELEMENTS OF RISK MANAGEMENT AND INTERNAL CONTROL

Apart from the above, the other key elements of the Group's internal control systems are as follows: -

- (a) Clearly documented internal policies and procedures including those that adhere to ISO 9001:2015, EN ISO 13485:2016 and MDSAP compliant management systems, are in place and regularly updated to reflect changing risk and are reviewed annually for their effectiveness,
- (b) Regular and comprehensive information provided to Management for monitoring of performance against strategic plan, covering all key financial and operational indicators,
- (c) Whistle Blowing policy to provide an avenue for whistleblowing report and promote good corporate governance,
- (d) On quarterly basis, the Board reviews all issues covering strategy and performance of the Group.

CONCLUSION

The overall system of risk management and internal control was satisfactory and has not resulted in any material losses, contingencies or uncertainties that would require public disclosure.

The Board is dedicated to operating a sound system of risk management and internal control, and remains committed towards keeping abreast with the ever-changing business environment in order to support the Group's business and size of operations. During the financial year ended 30 June 2024, the Board is of the view that there have been no significant weaknesses identified in the risk management and internal control system. The Chief Executive Officer ("CEO") and the Executive Director ("ED") in-charge of the Financial Management have given the assurance to the Board that the risk management and internal control system currently in place is adequate and effective for the Group.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

REVIEW OF THE STATEMENT BY EXTERNAL AUDITORS

Pursuant to Paragraph 15.23 of the MMLR of the Bursa Securities, the External Auditors have reviewed this Statement. The External Auditors have performed limited assurance procedures on this Statement in accordance with Malaysian Approved Standard on Assurance Engagement ISAE 3000 (Revised), Assurance Engagement Other Than Audits or Reviews of Historical Financial Information and Audit and Assurance Practice Guide 3 (“AAPG 3”) – Guidance for Auditors on Engagement to Report on the Statement on Risk Management and Internal Control included in the Annual Report as issued by the Malaysia Institute of Accountants. AAPG 3 does not require the external auditors to form an opinion on the adequacy and effectiveness of the risk management and internal control systems of the Group.

The External Auditor reported to the Board that nothing has come to their attention that caused them to believe that this Statement is not prepared, in all material respects, in accordance with the disclosures required by Paragraph 41 and 42 of the Statement on Risk Management and Internal Control: Guidelines for Directors of Listed Issuers to be set out, nor is factually inaccurate.

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CORPORATE INFORMATION

Board of Directors	: Dato' Seri Thai Kim Sim Albert Saychuan Cheok Tan Chee Keong Dato' Ting Heng Peng Ng Keng Lim @ Ngooi Keng Lim Rozita Binti Abdul Rahman Yip Kit Weng Wong Phait Lee Gan Kim Khoon
Company Secretary	: Tan Tong Lang (MAICSA 7045482) Lau Hooi Pin (MAICSA 7081620)
Registered Office	: B-21-1, Level 21, Tower B Northpoint Mid Valley City No.1, Medan Syed Putra Utara 59200 Kuala Lumpur
Principal Place of Business	: Lot 38, Putra Industrial Park Bukit Rahman Putra 40160 Sungai Buloh Selangor Darul Ehsan
Auditors	: HLB Ler Lum Chew PLT (201906002362 & AF0276) A-23-1, Level 23, Hampshire Place Office 157 Hampshire No.1 Jalan Mayang Sari Off Jalan Tun Razak 50450 Kuala Lumpur, Malaysia
Corporate Counsel	: Shearn Delamore & Co (50601-K) 7th Floor, Wisma Hamzah-Kwong Hing No.1, Leboh Ampang 50100 Kuala Lumpur Wilayah Persekutuan, Malaysia
Principal Banks	: OCBC Bank (Malaysia) Berhad Citibank Berhad Malayan Banking Berhad HSBC Bank Malaysia Berhad RHB Berhad

DIRECTORS' REPORT

DIRECTORS' REPORT

The directors hereby submit their report together with the audited financial statements of the Group and of the Company for the financial year ended 30 June 2024.

PRINCIPAL ACTIVITIES

The principal activity of the Company is investment holding.

The principal activities and other information of the subsidiaries are set out in Note 9 to the financial statements.

FINANCIAL RESULTS

	GROUP RM	COMPANY RM
Net (loss)/profit for the financial year	(183,133,039)	100,308,328
Attributable to :		
Owners of the parent	(175,618,607)	100,308,328
Non-controlling interests	(7,514,432)	-
	(183,133,039)	100,308,328

In the opinion of the directors, the financial results of the Group and of the Company during the financial year have not been substantially affected by any item, transaction or event of a material and unusual nature.

DIVIDENDS

The dividends on ordinary shares paid or declared by the Company since the end of the previous financial year were as follows:

	RM
In respect of the financial year ended 30 June 2023:	
- Interim single-tier dividend of 3.5 sen per ordinary share, declared on 23 June 2023 and paid on 18 July 2023	90,164,313

The directors do not recommend any final dividend in respect of the financial year ended 30 June 2024.

RESERVES AND PROVISIONS

There were no material transfers to or from reserves or provisions during the financial year, other than as disclosed in the financial statements.

ISSUE OF SHARES AND DEBENTURES

The Company did not issue any new shares or debentures during the financial year.

DIRECTORS' REPORT

TREASURY SHARES

During the financial year, the shareholders of the Company, by an ordinary resolution passed in the Annual General Meeting held on 8 December 2023, approved the Company's plan to purchase its own shares up to a maximum of 10% of the total number of issued shares of the Company. The directors of the Company are committed towards the enhancement of the value of the Company to its shareholders and believe that the repurchase plan can be applied in the best interest of the Company and its shareholders.

During the financial year, the Company purchased 13,500,000 of its ordinary shares from the open market on Bursa Malaysia Securities Berhad ("Bursa Malaysia") for RM11,826,290. The average price paid for the shares purchased was approximately RM0.8760 per share. Details of the treasury shares are set out in Note 19 to the financial statements. The shares repurchased are being held as treasury shares in accordance with Section 127 of the Companies Act 2016 in Malaysia.

As at 30 June 2024, the Company held a total of 158,000,000 ordinary shares of its 2,720,619,520 issued ordinary shares as treasury shares. Such treasury shares were held at a carrying amount of RM157,361,315.

Further details are disclosed in Note 19 to the financial statements.

OPTIONS GRANTED OVER UNISSUED SHARES

No options were granted to any person to take up unissued ordinary shares of the Company during the financial year.

DIRECTORS

The directors who served on the Board of the Company during the financial year until the date of this report are:-

Dato' Seri Thai Kim Sim	
Albert Saychuan Cheok	
Tan Chee Keong	
Dato' Ting Heng Peng	
Ng Keng Lim @ Ngooi Keng Lim	
Rozita Binti Abdul Rahman	
Yip Kit Weng	(Appointed on 2 January 2024)
Wong Phait Lee	(Appointed on 2 January 2024)
Gan Kim Khoon	(Appointed on 2 January 2024)
Tan Poh Chan	(Appointed on 1 July 2023; Retired on 8 December 2023)
Yap Lang Ling	(Appointed on 2 January 2024; Resigned on 8 May 2024)

DIRECTORS OF SUBSIDIARIES

The following is a list of directors of the subsidiaries (excluding directors who are also directors of the Company) in office during the financial year until the date of this report:-

Aurelia Joie Thai	Jonathan James Judge
Masakazu Niwa	Iain Robert Crawford
Andrew Lim See Meng	Sylvain Bergeron
Alban Lee Sin Tet	Tay Chiew Yi
Chye Mun Kain	Yasuto Nakajima
Datuk Wira Tan Bee Geok	Hideyuki Sekimoto
(ceased on 6 September 2024)	

DIRECTORS' REPORT

DIRECTORS (CONT'D)

During and at the end of the financial year, the Company was not a party to any arrangement whose object is to enable the directors to acquire benefits through the acquisition of shares in, or debentures of, the Company or any other body corporate.

The directors holding office at the end of the financial year and their beneficial interests in the ordinary shares of the Company and of its related corporations during the financial year ended 30 June 2024 as recorded in the Register of Directors' Shareholdings kept by the Company under Section 59 of the Companies Act 2016 in Malaysia, were as follows:

THE COMPANY	At 1.7.2023/ Date of appointment	Number of ordinary shares		At 30.6.2024
		Acquired	(Disposed)	
Direct interest				
Albert Saychuan Cheok	173,279	-	-	173,279
Tan Chee Keong	963,341	-	-	963,341
Dato' Ting Heng Peng	12,677,834	-	-	12,677,834
Rozita Binti Abdul Rahman	285,670	3,000	-	288,670
Yip Kit Weng	62,000	-	-	62,000
Indirect interest				
Dato' Seri Thai Kim Sim*	1,038,016,687	-	-	1,038,016,687

* Indirect interest through Supermax Holdings Sdn. Bhd., a company controlled by Dato' Seri Thai Kim Sim and his spouse.

Dato' Seri Thai Kim Sim, by virtue of his interest in the ordinary shares in the Company, is also deemed to have interest in the ordinary shares of all the subsidiaries to the extent that the Company has an interest.

Since the end of the previous financial year, no director has received or become entitled to receive any benefit (other than a benefit included in the aggregate amount of remuneration received or due and receivable by directors shown in the notes to the financial statements or the fixed salary of a full time employee of the Company or of related corporations) by reason of a contract made by the Company or a related corporation with a director or with a firm of which a director is a member or with a company in which the director has a substantial financial interest.

DIRECTORS' REMUNERATION

The amounts of remunerations received or receivable by the directors of the Company during the financial year are as follows:

	GROUP RM	COMPANY RM
Directors' fees	1,100,067	1,016,067
Other emoluments	10,358,816	34,300
	11,458,883	1,050,367

DIRECTORS' REPORT

INDEMNIFYING DIRECTORS, OFFICERS AND AUDITORS

The Company effected directors' liability insurance during the financial year to protect the directors of the Group and the Company against potential costs and liabilities arising from claims brought against the directors. The amount of insurance premium paid by the Company during the financial year 2024 was RM34,980.

There were no indemnity given to or insurance effected for the auditors of the Group and of the Company during the financial year.

AUDITORS' REMUNERATION

The amounts paid to or receivable by the auditors as remuneration for their services as auditors are as follows:

	GROUP RM	COMPANY RM
Audit fees	842,703	105,000
Non-audit fees	5,000	5,000
	847,703	110,000

OTHER STATUTORY INFORMATION

- (a) Before the financial statements of the Group and of the Company were prepared, the directors took reasonable steps:
- (i) to ascertain that proper action had been taken in relation to the writing off of bad debts and the making of provision for doubtful debts and had satisfied themselves that there were no known bad debts to be written off and that adequate provision had been made for doubtful debts; and
 - (ii) to ensure that the current assets which were unlikely to realise their value as shown in the accounting records in the ordinary course of business had been written down to an amount which they might be expected so to realise.
- (b) At the date of this report, the directors are not aware of any circumstances:
- (i) which would require the write off of bad debts or render the amount of the provision for doubtful debts in the financial statements of the Group and of the Company inadequate to any substantial extent; or
 - (ii) which would render the value attributed to current assets in the financial statements of the Group and of the Company misleading; or
 - (iii) which have arisen which render adherence to the existing method of valuation of assets or liabilities of the Group and of the Company misleading or inappropriate; or
 - (iv) not otherwise dealt with in this report or financial statements of the Group and of the Company which would render any amount stated in the Group's and the Company's financial statements misleading.

DIRECTORS' REPORT**OTHER STATUTORY INFORMATION (CONT'D)**

- (c) At the date of this report, there does not exist:
- (i) any charge on the assets of the Group and of the Company which has arisen since the end of the financial year which secures the liabilities of any other person; or
 - (ii) any contingent liability in respect of the Group and of the Company which has arisen since the end of the financial year.
- (d) In the opinion of the directors:
- (i) no contingent liability or other liability has become enforceable or is likely to become enforceable within the period of twelve months after the end of the financial year which will or may affect the ability of the Group and of the Company to meet its obligations as and when they fall due; and
 - (iii) no item, transaction or event of a material and unusual nature has arisen in the interval between the end of the financial year and the date of this report which is likely to substantially affect the results of the operations of the Group and of the Company for the current financial year.

AUDITORS

The auditors, HLB Ler Lum Chew PLT, have expressed their willingness to accept re-appointment.

Signed on behalf of the Board of Directors in accordance with a resolution of the directors:

DATO' SERI THAI KIM SIM

DATO' TING HENG PENG

Date: 30 October 2024

STATEMENT BY DIRECTORS

PURSUANT TO SECTION 251(2) OF THE COMPANIES ACT 2016

We, the undersigned, being two of the directors of **SUPERMAX CORPORATION BERHAD (Registration No. 199701004909 (420405-P))** do hereby state that, in the opinion of the directors, the accompanying financial statements are drawn up in accordance with the Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia so as to give a true and fair view of the financial position of the Group and of the Company as at 30 June 2024 and of the financial performance and the cash flows of the Group and of the Company for the financial year ended on that date.

Signed on behalf of the Board of Directors in accordance with a resolution of the directors.

DATO' SERI THAI KIM SIM

DATO' TING HENG PENG

Date: 30 October 2024

STATUTORY DECLARATION

PURSUANT TO SECTION 251(1)(B) OF THE COMPANIES ACT 2016

I, **TAN CHEE KEONG**, being the director primarily responsible for the financial management of **SUPERMAX CORPORATION BERHAD (Registration No. 199701004909 (420405-P))** do solemnly and sincerely declare that the accompanying financial statements are to the best of my knowledge and belief, correct and I make this solemn declaration conscientiously believing the same to be true and by virtue of the provisions of the Illinois Notary Public Act.

TAN CHEE KEONG

Subscribed and solemnly declared
by the abovenamed at Aurora, Illinois, United States of America
on 15 October 2024

Before me

Notary Public

State of Illinois, United States of America
Date: 15 October 2024

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF SUPERMAX CORPORATION BERHAD

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Supermax Corporation Berhad, which comprise the statements of financial position as at 30 June 2024 of the Group and of the Company, and the statements of profit or loss and other comprehensive income, statements of changes in equity and statements of cash flows of the Group and of the Company for the year then ended, and notes to the financial statements, including material accounting policy information, as set out on pages 103 to 162.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Group and of the Company as at 30 June 2024, and of their financial performance and their cash flows for the year then ended in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia.

Basis for Opinion

We conducted our audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing. Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the Financial Statements* section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence and Other Ethical Responsibilities

We are independent of the Group and of the Company in accordance with *the By-Laws (on Professional Ethics, Conduct and Practice)* of the Malaysian Institute of Accountants ("By-Laws") and the International Ethics Standards Board for Accountants' *International Code of Ethics for Professional Accountants (including International Independence Standards)* ("IESBA Code"), and we have fulfilled our other ethical responsibilities in accordance with the By-Laws and the IESBA Code.

Key Audit Matters

Key audit matters are those that, in our professional judgement, were of most significance in our audit of the financial statements of the Group and of the Company for the current year. These matters were addressed in the context of our audit of the financial statements of the Group and of the Company as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

1. Valuation of inventories
(Refer Note 3.7 and Note 12 to the financial statements)

The risk

As at 30 June 2024, the Group recorded inventories amounting to RM161 million arising from the glove manufacturing segment.

Inventories are carried at the lower of cost and net realisable value. The cost of production comprises the cost of purchase of raw material, consumables, labour cost, conversion costs, such as fixed and variable overhead.

We focused on this area due to the inherent subjectivity in making judgement and estimation in relation to the allocation of production costs of the inventories.

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF SUPERMAX CORPORATION BERHAD

Key Audit Matters (Cont'd)

1. Valuation of inventories
(Refer Note 3.7 and Note 12 to the financial statements) (Cont'd)

How our audit addressed the key audit matter

Our audit procedures included the following:

- Obtained an understanding of the inventories valuation policy and processes implemented by management;
- Evaluated design and implementation of the relevant controls surrounding inventories valuation and costing of inventories;
- Verified the costing of inventories whether the inclusion of material costs, labour costs, production overheads; and
- Assessed the appropriateness of the basis used by management for the allocation of production costs and overheads for the purpose of inventories valuation based on normal operating capacity

We have determined that there are no key audit matters to communicate in our report in the financial statements of the Company.

Information Other than the Financial Statements and Auditors' Report Thereon

The Directors of the Company are responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the financial statements of the Group and of the Company and our auditors' report thereon.

Our opinion on the financial statements of the Group and of the Company does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements of the Group and of the Company, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements of the Group and of the Company or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of the other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the Financial Statements

The Directors of the Company are responsible for the preparation of financial statements of the Group and of the Company that give a true and fair view in accordance with Malaysian Financial Reporting Standards, International Financial Reporting and the requirements of the Companies Act 2016 in Malaysia. The Directors are also responsible for such internal control as the Directors determine is necessary to enable the preparation of financial statements of the Group and of the Company that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements of the Group and of the Company, the Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Group or the Company or to cease operations, or have no realistic alternative but to do so.

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF SUPERMAX CORPORATION BERHAD

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements of the Group and of the Company as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with approved standards on auditing in Malaysia and International Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements of the Group and of the Company, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's and of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors.
- Conclude on the appropriateness of the Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's or the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements of the Group and of the Company or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group or the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements of the Group and of the Company, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the financial statements of the Group. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our opinion.

We communicate with the Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the Directors, we determine those matters that were of most significance in the audit of the financial statements of the Group and of the Company for the current year and are therefore the key audit matters. We describe these matters in our auditors' report unless law and regulations preclude public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF SUPERMAX CORPORATION BERHAD

Report on Other Legal and Regulatory Requirements

In accordance with the requirements of the Companies Act 2016 in Malaysia, we report that the subsidiaries of which we have not acted as auditors, as disclosed in Note 9 to the financial statements.

Other Matters

1. This report is made solely to the members of the Company, as a body, in accordance with Section 266 of the Companies Act 2016 in Malaysia and for no other purpose. We do not assume responsibility to any other person for the content of this report.
2. The financial statements of the Company for the year ended 30 June 2023 were audited by another firm of chartered accountants who expressed an unmodified opinion on these financial statements in their report dated 30 October 2023.

HLB LER LUM CHEW PLT

201906002362 & AF 0276

Chartered Accountants

WONG CHEE HONG

03160/09/2026 J

Chartered Accountant

Kuala Lumpur

30 October 2024

STATEMENTS OF FINANCIAL POSITION

AS AT 30 JUNE 2024

		GROUP		COMPANY	
Note	2024 RM	2023 RM	2024 RM	2023 RM	
ASSETS					
Non-current assets					
Property, plant and equipment	6	2,665,935,444	2,217,309,910	-	-
Investment property	7	322,835	335,888	-	-
Right-of-use assets	8	28,544,386	25,548,851	-	-
Investments in subsidiaries	9	-	-	936,478,446	847,217,554
Investments in associates	10	195,990,539	227,238,782	18,994,696	18,994,696
Deferred tax assets	11	19,654,148	18,958,064	-	-
		2,910,447,352	2,489,391,495	955,473,142	866,212,250
Current assets					
Inventories	12	181,910,935	157,211,761	-	-
Receivables	13	151,920,069	132,280,965	164,477	163,475
Amounts owing by subsidiaries	14	-	-	44,204,577	10,413,117
Amounts owing by associates	15	5,524,609	17,853,182	-	-
Tax recoverable		258,443,301	303,143,211	287,601	1,349,998
Short-term investment	16	6,728	6,507	-	-
Cash and bank balances	17	1,333,078,833	2,145,959,531	36,192,209	107,903,479
		1,930,884,475	2,756,455,157	80,848,864	119,830,069
TOTAL ASSETS		4,841,331,827	5,245,846,652	1,036,322,006	986,042,319
EQUITY AND LIABILITIES					
EQUITY					
Share capital	18	340,077,440	340,077,440	340,077,440	340,077,440
Treasury shares	19	(157,361,315)	(145,535,025)	(157,361,315)	(145,535,025)
Reserves	20	4,267,368,800	4,406,931,003	800,302,997	699,994,669
Equity attributable to owners of the parent		4,450,084,925	4,601,473,418	983,019,122	894,537,084
Non-controlling interests		17,168,295	90,098,836	-	-
TOTAL EQUITY		4,467,253,220	4,691,572,254	983,019,122	894,537,084
LIABILITIES					
Non-current liabilities					
Loans and borrowings	21	1,666,884	1,906,442	-	-
Lease liabilities	22	20,533,101	16,784,473	-	-
Deferred tax liabilities	11	33,846,954	37,967,308	-	-
		56,046,939	56,658,223	-	-
Current liabilities					
Payables	23	208,305,992	271,480,493	458,351	1,063,197
Amounts owing to subsidiaries	14	-	-	52,670,800	4,266
Loans and borrowings	21	102,113,796	79,459,324	-	-
Lease liabilities	22	6,014,262	6,284,155	-	-
Dividend payable		-	90,164,313	-	90,164,313
Tax payables		1,597,618	50,227,890	173,733	273,459
		318,031,668	497,616,175	53,302,884	91,505,235
TOTAL LIABILITIES		374,078,607	554,274,398	53,302,884	91,505,235
TOTAL EQUITY AND LIABILITIES		4,841,331,827	5,245,846,652	1,036,322,006	986,042,319

The annexed notes form an integral part of the financial statements.

STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024

		GROUP		COMPANY	
	Note	2024 RM	2023 RM	2024 RM	2023 RM
Revenue	24	646,170,454	821,092,063	32,011,186	229,570,773
Purchases		(571,845,755)	(615,024,554)	-	-
Other Operating Income		112,219,444	138,298,238	71,332,642	14,564,872
Share of results of associates		(3,533,567)	(6,795,349)	-	-
Changes in inventories of finished goods and work in progress		43,504,264	(54,897,606)	-	-
Administrative costs					
Directors' remuneration	25	11,458,883	10,352,994	1,050,367	1,016,320
Staff costs		118,896,984	137,084,590	90,155	37,895
Depreciaton of property, plant and equipment		59,821,490	78,440,664	-	-
Depreciaton of investment property		13,053	13,059	-	-
Depreciaton of right-of-use assets		8,570,808	6,913,898	-	-
Impairment loss on property, plant and equipment		27,137,682	33,617,566	-	-
Other operating expenses		174,889,730	198,520,718	1,723,005	23,035,054
Total administrative costs		(400,788,630)	(464,943,489)	(2,863,527)	(24,089,269)
(Loss)/Profit from operation		(174,273,790)	(182,270,697)	100,480,301	220,046,376
Finance Costs	26	(5,233,986)	(7,215,262)	-	-
(Loss)/Profit before tax	27	(179,507,776)	(189,485,959)	100,480,301	220,046,376
Taxation	28	(3,625,263)	18,067,961	(171,973)	(273,361)
Net (loss)/profit for the financial year		(183,133,039)	(171,417,998)	100,308,328	219,773,015
Attributable to :-					
Owners of the parent		(175,618,607)	(140,865,429)	100,308,328	219,773,015
Non-controlling interests		(7,514,432)	(30,552,569)	-	-
Net (loss)/profit for the financial year		(183,133,039)	(171,417,998)	100,308,328	219,773,015
Other comprehensive (expenses)/income, net of tax					
Items that may be reclassified subsequently to profit or loss					
Foreign currency translation		(4,458,322)	121,149,989	-	-
Items that may not be reclassified subsequently to profit or loss					
Foreign currency translation		(4,267,389)	8,635,091	-	-
		(8,725,711)	129,785,080	-	-
Total comprehensive (expense)/income for the financial year		(191,858,750)	(41,632,918)	100,308,328	219,773,015
Total comprehensive (expense)/income attributable to:-					
Owners of the parent		(180,076,929)	(19,715,440)	100,308,328	219,773,015
Non-controlling interests		(11,781,821)	(21,917,478)	-	-
Total comprehensive (expense)/income for the financial year		(191,858,750)	(41,632,918)	100,308,328	219,773,015
Loss per ordinary share attributable to owners of the parent					
Basic and diluted (Sen)	29	(6.82)	(5.34)		

The annexed notes form an integral part of the financial statements.

STATEMENTS OF CHANGES IN EQUITY

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024

GROUP	Attributable to Owners of the Parent					Non-controlling Interests	Total	Total
	Share Capital	Treasury Shares	Non-distributable Translation Reserve	Distributable Retained Earnings				
	RM	RM	RM	RM	RM	RM	RM	RM
Balance as at 1.7.2023	340,077,440	(145,535,025)	79,073,036	4,327,857,967	4,601,473,418	90,098,836	4,691,572,254	
Net loss for the financial year	-	-	-	(175,618,607)	(175,618,607)	(7,514,432)	(183,133,039)	
Other comprehensive expense for the financial year	-	-	(4,458,322)	-	(4,458,322)	(4,267,389)	(8,725,711)	
Total comprehensive expense for the financial year	-	-	(4,458,322)	(175,618,607)	(180,076,929)	(11,781,821)	(191,858,750)	
Transactions with owners								
Dividends paid (Note 30)	-	-	-	-	-	(1,573,450)	(1,573,450)	
Acquisition of equity interest of a subsidiary from non-controlling interest	-	-	(9,148,841)	49,663,567	40,514,726	(59,575,270)	(19,060,544)	
Purchases of treasury shares (Note 19)	-	(11,826,290)	-	-	(11,826,290)	-	(11,826,290)	
Total transactions with owners	-	(11,826,290)	(9,148,841)	49,663,567	28,688,436	(61,148,720)	(32,460,284)	
Balance as at 30.6.2024	340,077,440	(157,361,315)	65,465,873	4,201,902,927	4,450,084,925	17,168,295	4,467,253,220	
Balance as at 1.7.2022	340,077,440	(70,672,705)	(42,076,953)	4,638,233,548	4,865,561,330	166,563,291	5,032,124,621	
Net loss for the financial year	-	-	-	(140,865,429)	(140,865,429)	(30,552,569)	(171,417,998)	
Other comprehensive income for the financial year	-	-	121,149,989	-	121,149,989	8,635,091	129,785,080	
Total comprehensive income/(expense) for the financial year	-	-	121,149,989	(140,865,429)	(19,715,440)	(21,917,478)	(41,632,918)	
Transactions with owners								
Dividends paid (Note 30)	-	-	-	(169,510,152)	(169,510,152)	(54,546,977)	(224,057,129)	
Purchases of treasury shares (Note 19)	-	(74,862,320)	-	-	(74,862,320)	-	(74,862,320)	
Total transactions with owners	-	(74,862,320)	-	(169,510,152)	(244,372,472)	(54,546,977)	(298,919,449)	
Balance as at 30.6.2023	340,077,440	(145,535,025)	79,073,036	4,327,857,967	4,601,473,418	90,098,836	4,691,572,254	

STATEMENTS OF CHANGES IN EQUITY

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024

COMPANY	Attributable to Owners of the Parent			
	Share capital RM	Non-distributable Treasury shares RM	Distributable Retained earnings RM	Total equity RM
Balance as at 1.7.2023	340,077,440	(145,535,025)	699,994,669	894,537,084
Total comprehensive income for the financial year	-	-	100,308,328	100,308,328
Purchases of treasury shares (Note 19)	-	(11,826,290)	-	(11,826,290)
Balance as at 30.6.2024	340,077,440	(157,361,315)	800,302,997	983,019,122
Balance as at 1.7.2022	340,077,440	(70,672,705)	649,731,806	919,136,541
Total comprehensive income for the financial year	-	-	219,773,015	219,773,015
Transactions with owners				
Dividends paid (Note 30)	-	-	(169,510,152)	(169,510,152)
Purchases of treasury shares (Note 19)	-	(74,862,320)	-	(74,862,320)
Total transactions with owners	-	(74,862,320)	(169,510,152)	(244,372,472)
Balance as at 30.6.2023	340,077,440	(145,535,025)	699,994,669	894,537,084

The annexed notes form an integral part of the financial statements.

STATEMENTS OF CASH FLOWS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024

	GROUP		COMPANY	
	2024 RM	2023 RM	2024 RM	2023 RM
Cash flows from operating activities				
(Loss)/Profit before tax	(179,507,776)	(189,485,959)	100,480,301	220,046,376
<i>Adjustments for:</i>				
Depreciation of investment property	13,053	13,059	-	-
Depreciation of property, plant and equipment	59,821,490	78,440,664	-	-
Depreciation of right-of-use assets	8,570,808	6,913,898	-	-
Dividend income	-	-	(32,011,186)	(229,570,773)
(Gain)/Loss on disposal of property, plant and equipment	(1,368,641)	10,313,283	-	-
Property, plant and equipment written off	621,977	608,101	-	-
Inventories written down	30,295,525	45,245,782	-	-
Impairment loss on investments in subsidiaries	-	-	-	7,165,666
Impairment loss on property, plant and equipment	27,137,682	33,617,566	-	-
Reversal of impairment loss on property, plant and equipment	-	(12,502,495)	-	-
Allowance for expected credit loss on amounts owing by associates	-	294,301	-	294,301
Allowance for expected credit loss	25,079	521,964	-	-
Reversal of allowance for expected credit loss	(3,049,541)	(644,402)	-	-
Interest expenses	5,233,986	7,215,262	-	-
Interest income	(70,816,616)	(51,231,771)	(956,962)	(1,139,413)
Net loss/(gain) on unrealised foreign exchange	27,947,338	(15,631,327)	(70,375,681)	(13,425,460)
Share of results of associates	3,533,567	6,795,349	-	-
Operating loss before working capital changes	(91,542,069)	(79,516,725)	(2,863,528)	(16,629,303)
(Increase)/Decrease in inventories	(54,994,699)	65,102,999	-	-
(Increase)/Decrease in receivables	(40,510,854)	157,386,563	(1,002)	(163,475)
(Decrease)/Increase in amount owing by subsidiaries	-	-	19,177,269	(14,993,351)
Decrease in amount owing by associates	12,328,573	6,400,727	-	-
(Decrease)/Increase in payables	(59,902,035)	(62,499,237)	(604,834)	170,179
Cash (used in)/generated from operations	(234,621,084)	86,874,327	15,707,905	(31,615,950)
Tax paid/(refund)	(12,372,063)	(165,990,498)	790,698	(160,000)
Net cash (used in)/generated from operating activities	(246,993,147)	(79,116,171)	16,498,603	(31,775,950)

STATEMENTS OF CASH FLOWS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024

	GROUP		COMPANY	
	2024 RM	2023 RM	2024 RM	2023 RM
Cash flows from investing activities				
Dividend received	-	-	32,011,186	229,570,773
(Purchase)/disposal of financial assets	(221)	3,460,110	-	-
Subscription of shares in subsidiaries	(19,060,544)	-	(19,060,893)	(1,000)
Proceeds from disposal of property, plant and equipment	2,392,295	2,790,609	-	-
Purchase of property, plant and equipment	(528,872,489)	(610,506,534)	-	-
Net cash (used in)/generated from investing activities	(545,540,959)	(604,255,815)	12,950,293	229,569,773
Cash flows from financing activities				
Dividends paid	(91,737,763)	(133,892,816)	(90,164,313)	(79,345,839)
Interest received	70,816,616	51,231,771	956,962	1,139,413
Interest paid	(5,233,986)	(7,215,262)	-	-
Repayment of lease liabilities, net	(8,352,423)	(5,822,688)	-	-
Drawdown/(repayment) of term loan, net	3,136,609	(50,558,671)	-	-
Drawdown/(repayment) of short term borrowings, net	22,694,779	(65,776,626)	-	-
Purchase of treasury shares	(11,826,290)	(74,862,320)	(11,826,290)	(74,862,320)
Net cash used in financing activities	(20,502,458)	(286,896,612)	(101,033,641)	(153,068,746)
NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS	(813,036,564)	(970,268,598)	(71,584,745)	44,725,077
EFFECT OF EXCHANGE RATES CHANGES ON CASH AND CASH EQUIVALENTS	155,866	87,538,018	(126,525)	77,627
CASH AND CASH EQUIVALENTS BROUGHT FORWARD	2,145,959,531	3,028,690,111	107,903,479	63,100,775
CASH AND CASH EQUIVALENTS CARRIED FORWARD (NOTE 31)	1,333,078,833	2,145,959,531	36,192,209	107,903,479
	GROUP		COMPANY	
	2024 RM	2023 RM	2024 RM	2023 RM
Cash outflows for leases as a lessee				
<i>Included in net cash financing activities:</i>				
Interest paid in relation to lease liabilities	1,542,117	1,120,731	-	-
Net repayment of lease liabilities	8,352,423	5,822,688	-	-
Total cash outflows for leases	9,894,540	6,943,419	-	-

The annexed notes form an integral part of the financial statements.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024

1. CORPORATE INFORMATION

- (a) The Company is a public limited liability company, incorporated and domiciled in Malaysia and listed on the Main Market of the Bursa Malaysia Securities Berhad.
- (b) The registered office of the Company is located at B-21-1, Level 21, Tower B, Northpoint Mid Valley City, No. 1, Medan Syed Putra Utara, 59200 Kuala Lumpur.
- (c) The principal place of business of the Company is located at Lot 38, Putra Industrial Park, Bukit Rahman Putra, 40160 Sungai Buloh, Selangor Darul Ehsan, Malaysia.
- (d) The principal activity of the Company is investment holding. The principal activities and other information of the subsidiaries are set out in Note 9 to the financial statements.

2. BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The financial statements of the Group and of the Company have been prepared in accordance with the applicable approved Malaysian Financial Reporting Standards ("MFRSs") issued by the Malaysian Accounting Standards Board ("MASB"), International Financial Reporting Standards ("IFRSs") and the requirements of the Companies Act 2016 in Malaysia.

3. MATERIAL ACCOUNTING POLICY INFORMATION

3.1 Basis of accounting

The financial statements of the Group and of the Company have been prepared under the historical cost convention except as otherwise stated in the financial statements.

The preparation of financial statements requires the directors to make estimates and assumptions that affect the reported amount of assets, liabilities, revenue and expenses and disclosure of contingent assets and liabilities. In addition, the directors are also required to exercise their judgement in the process of applying the accounting policies. The areas involving such judgements, estimates and assumptions are disclosed in Note 5 to the financial statements. Although these estimates and assumptions are based on the directors' best knowledge of events and actions, actual results could differ from those estimates.

3.2 Property, plant and equipment

On initial recognition, items of property, plant and equipment are recognised at cost, which includes the purchase price as well as any costs directly attributable in bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management, and the cost of dismantling and removing the items and restoring the site on which they are located. The cost of self-constructed assets also includes the cost of materials and direct labour. Cost may also include transfers from equity of any gain or loss on qualifying cash flow hedges of foreign currency purchases of property, plant and equipment.

Purchased software that is integral to the functionality of the related equipment is capitalised as part of that equipment.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024

3. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

3.2 Property, plant and equipment (Cont'd)

After initial recognition, items of property, plant and equipment are carried at cost less any accumulated depreciation and any accumulated impairment losses.

When significant parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

The cost of replacing a component of an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the component will flow to the Group or the Company, and its cost can be measured reliably. The carrying amount of the replaced component is derecognised to profit or loss. The costs of the day-to-day servicing of property, plant and equipment are recognised in profit or loss as incurred.

Significant components of individual assets are assessed, and if a component has a useful life that is different from the remainder of that asset, then that component is depreciated separately.

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over its principal depreciation rate as follows:

Factory buildings	2%
Plant, machinery and equipment	5%
Aircraft	10%
Moulds and tools	10%
Electrical fittings and factory equipment	10%
Office equipment, furniture and fittings	5 - 33%
Renovation	5 - 20%
Motor vehicles	10 - 20%
Cabins	15%

Freehold land is not depreciated. Factory buildings under construction are not depreciated until the assets are ready for their intended use.

Useful lives, residual values and depreciation methods are reviewed, and adjusted if appropriate, at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

3.3 Investment property

Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and any accumulated impairment losses. Building is depreciated on a straight line basis to write off the cost over its estimated useful life at an annual rate of 2%.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024

3. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

3.4 Leases

(i) Definition of a lease

A contract is, or contains, a lease if the contract conveys a right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Group and the Company assess whether:

- the contract involves the use of an identified asset - this may be specified explicitly or implicitly, and should be physically distinct or represent substantially all of the capacity of a physically distinct asset. If the supplier has a substantive substitution right, then the asset is not identified;
- the customer has the right to obtain substantially all of the economic benefits from use of the asset throughout the period of use; and
- the customer has the right to direct the use of the asset. The customer has this right when it has the decision-making rights that are most relevant to changing how and for what purpose the asset is used. In rare cases where the decision about how and for what purpose the asset is used is predetermined, the customer has the right to direct the use of the asset if either the customer has the right to operate the asset; or the customer designed the asset in a way that predetermines how and for what purpose it will be used.

At inception or on reassessment of a contract that contains a lease component, the Group and the Company allocate the consideration in the contract to each lease and non-lease component on the basis of their relative stand-alone prices. However, for leases of properties in which the Group and the Company are a lessee, it has elected not to separate non-lease components and will instead account for the lease and non-lease components as a single lease component.

(ii) Recognition and initial measurement

As a lessee

The Group and the Company recognise a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the respective Group entities' incremental borrowing rate. Generally, the Group entities use their incremental borrowing rate as the discount rate.

Lease payments included in the measurement of the lease liability comprise the following:

- fixed payments, including in-substance fixed payments less any incentive receivable;
- variable lease payments that depend on an index or a rate, initially measured using the index or rate at the commencement date;
- amounts expected to be payable under a residual value guarantee;

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024

3. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

3.4 Leases (Cont'd)

(ii) Recognition and initial measurement (Cont'd)

As a lessee (Cont'd)

Lease payments included in the measurement of the lease liability comprise the following: (Cont'd)

- the exercise price under a purchase option that the Group and the Company are reasonably certain to exercise; and
- penalties for early termination of a lease unless the Group and the Company are reasonably certain not to terminate early.

The Group and the Company exclude variable lease payments that linked to future performance or usage of the underlying asset from the lease liability. Instead, these payments are recognised in profit or loss in the period in which the performance or use occurs.

The Group and the Company have elected not to recognise right-of-use assets and lease liabilities for short-term leases that have a lease term of 12 months or less and leases of low-value assets. The Group and the Company recognise the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

(iii) Subsequent measurement

As a lessee

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The estimated useful lives of right-of-use asset are determined on the same basis as those of property, plant and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a revision of in-substance fixed lease payments, or if there is a change in the Group's and the Company's estimate of the amount expected to be payable under a residual value guarantee, or if the Group and the Company change its assessment of whether it will exercise a purchase, extension or termination option.

When the lease liability is remeasured, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

3.5 Basis of consolidation

(i) Subsidiaries

A subsidiary is an entity controlled by the Group, i.e. the Group is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns through its current ability to direct the entity's relevant activities (power over the investee).

The existence and effect of potential voting rights that the Group has the practical ability to exercise (i.e. substantive rights) are considered when assessing whether the Group controls another entity.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024

3. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

3.5 Basis of consolidation (Cont'd)

(i) Subsidiaries (Cont'd)

The Group's financial statements incorporate the results, cash flows, assets and liabilities of Supermax Corporation Berhad and all of its directly and indirectly controlled subsidiaries. Subsidiaries are consolidated from the effective date of acquisition, which is the date on which the Group effectively obtains control of the acquired business, until that control ceases.

The non-controlling interests in the net assets and net results of consolidated subsidiaries are shown separately in the consolidated statement of financial position and consolidated statement of profit or loss and consolidated statement of comprehensive income.

Total comprehensive income (i.e. profit or loss and each component of other comprehensive income) is attributed to the owners of the parent and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

Changes in the Group's ownership interest in a subsidiary that do not result in the Group losing control are accounted for as transactions with owners in their capacity as owners (i.e. equity transactions). The carrying amounts of the Group's and non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiary. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to the owners of the parent.

Upon loss of control of a subsidiary, the Group's profit or loss is calculated as the difference between (i) the fair value of the consideration received and of any investment retained in the former subsidiary and (ii) the previous carrying amount of the assets (including any goodwill) and liabilities of the subsidiary and any non-controlling interests.

Investment in subsidiaries are measured in the Company's statement of financial position at cost less any impairment losses, unless the investment is classified as held for sale or distribution. The cost of investments excludes transaction costs.

(ii) Associates

Associates are entities over which the Group has the power to participate in their financial and operating policy decisions, but is not controlled or jointly controlled by the Group. Associates are accounted for using the equity method of accounting.

Under the equity method, the investment is initially recognised at cost and adjusted thereafter for the post-acquisition change in the investor's share of comprehensive income of the associate. On acquisition of the investment, the associate's identifiable assets and liabilities are measured at fair value. Any excess of the cost of the investment over the Group's share of the net fair value of the associate's identifiable assets and liabilities is recorded as goodwill and included in the carrying amount of the investment. Goodwill is tested for impairment together with the investment at the end of each reporting period when there is objective evidence that the investment is impaired. Any excess of the Group's share of the net fair value of the identifiable assets and liabilities over the cost of acquisition is recognised in consolidated profit or loss.

The Group's share of its associates' post-acquisition profits or losses is recognised in the profit or loss, and its share of post-acquisition movements in other comprehensive income is recognised in other comprehensive income. The cumulative post-acquisition movements are adjusted against the carrying amount of the investment.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024

3. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)**3.5 Basis of consolidation (Cont'd)****(ii) Associates (Cont'd)**

Distributions received from an investee reduce the carrying amount of the investment.

If the Group's share of losses of an associate equals or exceeds its interest in the associate, the Group does not provide for additional losses, unless it has incurred obligations or made payments on behalf of the associate.

Profits or losses on Group transactions with associates are eliminated to the extent of the Group's interest in the relevant associate.

When the Group ceases to have significant influence over an associate, any retained interest in the former associate at the date when significant influence is lost is measured at fair value and this amount is regarded as the initial carrying amount of a financial asset. The difference between the fair value of any retained interest plus proceeds from the interest disposed of and the carrying amount of the investment at the date when equity method is discontinued is recognised in the profit or loss.

When the Group's interest in associate decreases but does not result in a loss of significant influence, any retained interest is not re-measured. Any gain or loss arising from the decrease in interest is recognised in profit or loss. Any gains or losses previously recognised in other comprehensive income are also reclassified proportionately to the profit or loss if that gain or loss would be required to be reclassified to profit or loss on the disposal of the related assets or liabilities.

Investments in associates are measured in the Company's statement of financial position at cost less any impairment losses, unless the investment is classified as held for sale or distribution. The cost of investments excludes transaction costs.

(iii) Translation of financial statements of foreign entities

The assets and liabilities of foreign operations are translated into Ringgit Malaysia ("RM") using exchange rates at the reporting date. The components of shareholders' equity are stated at historical value.

Average exchange rates for the period are used to translate income and expense items of foreign operations. However, if exchange rates fluctuate significantly, the exchange rates at the dates of the transactions are used.

All resulting exchange differences are recognised in other comprehensive income and accumulated in currency translation reserve, a separate component of equity.

Any goodwill and fair value adjustments arising on the acquisition of a foreign operation are treated as assets and liabilities of that foreign operation and, as such, translated at the closing rate.

On the disposal of a foreign operation, all of the exchange differences accumulated in equity in respect of that operation attributable to the owners of the parent company are reclassified to profit or loss. The cumulative amount of the exchange differences relating to that foreign operation that had been attributed to the non-controlling interests are derecognised, but without reclassification to profit or loss. The same applies in case of loss of control, joint control or significant influence.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024

3. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

3.5 Basis of consolidation (Cont'd)

(iii) Translation of financial statements of foreign entities (Cont'd)

On the partial disposal without loss of control of a subsidiary that includes a foreign operation, the proportionate share of exchange differences accumulated in the separate component of equity are re-attributed to non-controlling interests (they are not recognised in profit or loss). For any other partial disposal of foreign entity (i.e. associates or jointly controlled entities without loss of significant influence or joint control), the proportionate share of the accumulated exchange differences is reclassified to profit or loss.

(iv) Business combinations

The Group applies the acquisition method to account for all acquired businesses, whereby the identifiable assets acquired and the liabilities assumed are measured at their acquisition-date fair values (with few exceptions as required by MFRS 3 Business Combinations).

The consideration transferred in a business combination is measured at fair value, which is calculated as the sum of the acquisition-date fair values of the assets transferred by the Group, the liabilities incurred by the Group to the former owners of the acquiree and the equity interests issued by the Group.

Acquisition-related costs (e.g. finder's fees, consulting fees, administrative costs, etc.) are recognised as expenses in the periods in which the costs are incurred and the services are received.

On acquisition date, goodwill is measured as the excess of the aggregate of consideration transferred, any non-controlling interests in the acquiree, and acquisition-date fair value of the Group's previously held equity interest in the acquiree (if business combination achieved in stages) over the net amounts of the identifiable assets acquired and the liabilities assumed at acquisition date.

If, after appropriate reassessment, the amount as calculated above is negative, it is recognised immediately in profit or loss as a bargain purchase gain.

At acquisition date, non-controlling interests in the acquiree that are present ownership interests and entitle their holders to a proportionate share of the entity's net assets in the event of liquidation are measured at either fair value or the present ownership instruments' proportionate share in the recognised amounts of the acquiree's identifiable net assets. This choice of measurement is made separately for each business combination. Other components of non-controlling interests are measured at their acquisition-date fair values, unless otherwise required by the applicable MFRS.

The acquisition-date fair value of any contingent consideration is recognised as part of the consideration transferred by the Group in exchange for the acquiree. Changes in the fair value of contingent consideration that result from additional information obtained during the measurement period (maximum one year from the acquisition date) about facts and circumstances that existed at the acquisition date are adjusted retrospectively against goodwill. Other changes resulting from events after the acquisition date are adjusted at each reporting date, only when the contingent consideration is classified as an asset or a liability, and the adjustment is recognised in profit or loss.

In a business combination achieved in stages, the Group remeasures its previously held equity interest in the acquiree at its acquisition-date fair value and any resulting gain or loss is recognised in profit or loss. If any, changes in the value of the Group's equity interest in the acquiree that have been previously recognised in other comprehensive income are reclassified to profit or loss, if appropriate, had that interest been disposed of directly.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024

3. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)**3.5 Basis of consolidation (Cont'd)****(v) Transactions eliminated on consolidation**

All intragroup transactions, balances, income and expenses are eliminated in full on consolidation.

Unrealised gains arising from transactions with equity-accounted associates and joint ventures are eliminated against the investment to the extent of the Group's interest in the investees. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

3.6 Impairment of non-financial assets

The carrying amounts of such assets are reviewed at each reporting date for indications of impairment and where an asset is impaired, it is written down as an expense through profit or loss to its estimated recoverable amount. Recoverable amount is the higher of value in use and the fair value less costs to sell of the individual asset or the cash-generating unit. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. If this is the case, recoverable amount is determined for the cash-generating unit to which the asset belongs.

Value in use is the present value of the estimated future cash flows of that unit. Present values are computed using pre-tax discount rates that reflect the time value of money and the risks specific to the unit which impairment is being measured.

Impairment losses for cash-generating units are allocated first against the goodwill of the unit and then prorated amongst the other assets of the unit.

Subsequent increases in the recoverable amount caused by changes in estimates are credited to profit or loss to the extent that they reverse the impairment.

Impairment loss on goodwill is not reversed in a subsequent period.

3.7 Inventories

Inventories are stated at the lower of cost and net realisable value. The cost of inventories is measured based on first-in first-out basis.

The cost of inventories comprises the costs of purchase, costs of conversion plus other costs incurred to bring the inventories to their present locations and conditions. The costs of manufactured finished goods and work-in-progress consist of raw materials, consumables, direct labour and a proportion of manufacturing overheads.

Net realisable value is the estimated selling price in the ordinary course of business, less the costs of completion and the estimated costs necessary to make the sale.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024

3. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

3.8 Financial instruments

(i) Initial recognition and measurement

The Group and the Company recognise a financial asset or a financial liability (including derivative instruments) in the statements of financial position when, and only when, an entity in the Group and the Company become a party to the contractual provisions of the instruments.

On initial recognition, all financial assets (including intra-group loans and advances) and financial liabilities (including intra-group payables at below market interest rates) are measured at fair value plus transaction costs if the financial asset or financial liability is not measured at fair value through profit or loss. For instruments measured at fair value through profit or loss, transaction costs are expensed to profit or loss when incurred.

(ii) Derecognition of financial instruments

For derecognition purposes, the Group and the Company first determine whether a financial asset or a financial liability should be derecognised in its entirety as a single item or derecognised part-by-part of a single item or of a group of similar items.

A financial asset, whether as a single item or as a part, is derecognised when, and only when, the contractual rights to receive the cash flows from the financial asset expire, or when the Group and the Company transfer the contractual rights to receive cash flows of the financial asset, including circumstances when the Group and the Company act only as a collecting agent of the transferee, and retain no significant risks and rewards of ownership of the financial asset or no continuing involvement in the control of the financial asset transferred.

A financial liability is derecognised when, and only when, it is legally extinguished, which is either when the obligation specified in the contract is discharged or cancelled or expires. A substantial modification of the terms of an existing financial liability is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. For this purpose, the Group and the Company consider a modification as substantial if the present value of the revised cash flows of the modified terms discounted at the original effective interest rate is different by 10% or more when compared with the carrying amount of the original liability.

(iii) Regular-way purchases and sales of financial assets

The Group and the Company recognise a regular-way purchase or sale of a quoted equity or debt instrument at trade date, which is the date the purchase or sale transaction is entered into, rather than recognising the forward contract between trade date and settlement date.

(iv) Financial assets

For the purpose of subsequent measurement, the Group and the Company classify financial assets into three measurement categories, namely: (i) financial assets at amortised cost ("AC"); (ii) financial assets at fair value through other comprehensive income ("FVOCI"); and (iii) financial assets at fair value through profit or loss ("FVPL"). The classification is based on the Group's and the Company's business model objective for managing the financial assets and the contractual cash flow characteristics of the financial instruments.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024

3. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

3.8 Financial instruments (Cont'd)

(iv) Financial assets (Cont'd)

After initial recognition, the Group and the Company measure financial assets, as follows:

(i) Financial assets at AC

A financial asset is measured at amortised cost if: (a) it is held within the Group's and the Company's business objective to hold the asset only to collect contractual cash flows, and (b) the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest in principal outstanding.

(ii) Financial assets at FVOCI

A financial asset is measured at FVOCI if: (a) it is held within the Group's and the Company's business objective to hold the asset both to collect contractual cash flows and selling the financial asset, and (b) the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest in principal outstanding.

(iii) Financial assets at FVPL

A financial asset is measured at FVPL if it is an equity investment, held for trading (including derivative assets) or if it does not meet any of the conditions specified for the AC or FVOCI model.

Other than financial assets measured at fair value through profit or loss, all other financial assets are subject to review for impairment in accordance with Note 3.9(viii) to the financial statements.

(v) Financial liabilities

After initial recognition, the Group and the Company measure all financial liabilities at amortised cost using the effective interest method, except for:

(i) Financial liabilities at fair value through profit or loss (including derivatives that are liabilities) are measured at fair value.

(ii) Financial liabilities that arise when a transfer of a financial asset does not qualify for derecognition or when the continuing involvement approach applies. Paragraph 3.2.15 and 3.2.17 of MFRS 9 apply to the measurement of such financial liabilities.

(iii) Financial guarantee is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payment when due in accordance with the original or modified terms of a debt instrument. Financial guarantees issued are initially measured at fair value. Subsequently, they are measured at higher of: (a) the amount of the loss allowance; and (b) the amount initially recognised less, when appropriate, the cumulative of income recognised in accordance with the principles in MFRS 15 *Revenue from Contracts with Customers*.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024

3. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

3.8 Financial instruments (Cont'd)

(vi) Fair value measurement

The fair value of a financial asset or a financial liability is determined by reference to the quoted market price in an active market, and in the absence of an observable market price, by a valuation technique as described in Note 3.19 to the financial statements.

(vii) Recognition of gains and losses

Fair value changes of financial assets and financial liabilities classified as at fair value through profit or loss are recognised in profit or loss when they arise.

For financial assets mandatorily measured at FVOCI, interest income (calculated using the effective interest rate method), impairment losses, and exchange gains or loss are recognised in profit or loss. All other gains or losses are recognised in other comprehensive income and retained in a fair value reserve. On derecognition of the financial assets, the cumulative gain or loss recognised in OCI is reclassified to profit or loss as a reclassification adjustment.

For financial assets and financial liabilities carried at amortised cost, interest income and interest expense are recognised in profit or loss using the effective interest method. A gain or loss is recognised in profit or loss only when the financial asset or financial liability is derecognised or impaired, and through the amortisation process of the instrument.

(viii) Impairment of financial assets

The Group and the Company apply the expected credit loss ("ECL") model of MFRS 9 to recognise impairment losses of financial assets measured at amortised cost or at fair value through other comprehensive income. Except for trade receivables, a 12-month ECL is recognised in profit or loss on the date of origination or purchase of the financial assets. At the end of each reporting period, the Group and the Company assess whether there has been a significant increase in credit risk of a financial asset since its initial recognition or at the end of the prior period. Other than for financial assets which are considered to be of low risk grade, a lifetime ECL is recognised if there has been a significant increase in credit risk since initial recognition. For trade receivables, the Group and the Company have availed the exception to the 12-month ECL requirement to recognise only lifetime ECL.

The assessment of whether credit risk has increased significantly is based on quantitative and qualitative information that include financial evaluation of the creditworthiness of the debtors or issuers of the instruments, ageing of receivables, defaults and past due amounts, past experiences with the debtors, current conditions and reasonable forecast of future economic conditions. For operational simplifications: (a) a 12-month ECL is maintained for financial assets which investment grades that are considered as low credit risk, irrespective of whether credit risk has increased significantly or not; and (b) credit risk is considered to have increase significantly if payments are more than 120 days past due if no other borrower-specific information is available without undue cost or effort.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024

3. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

3.8 Financial instruments (Cont'd)

(viii) Impairment of financial assets (Cont'd)

The ECL is measured using an unbiased and probability-weighted amount that is determined by evaluating a range of possible outcomes, discounted for the time value of money and applying reasonable and supportable information that is available without undue cost or effort at the reporting date about past events, current conditions, and forecast of future economic conditions. The ECL for a financial asset (when assessed individually) or a group of financial assets (when assessed collectively) is measured at the present value of the probability-weighted expected cash shortfalls over life of the financial asset or group of financial assets. When a financial asset is determined as credit-impaired (based on objective evidence of impairment), the lifetime ECL is determined individually.

The Group has established comprehensive credit risk management practices to minimise exposure to credit risk. The Group's products are predominantly sold to customers who provide collateral or other credit enhancements, significantly reducing potential credit risk.

Collateral and Credit Enhancement:

The Group employs various strategies to mitigate credit risk, including:

- (i) Requiring cash deposits or advances from certain customers or for specific orders;
- (ii) Utilising transactional documentation, such as Letters of Credit or Cash against Documents, particularly for export sales.

These practices ensure that the Group does not have significant exposure to any individual customer or counterparty, and there is no material concentration of credit risk related to any financial instrument.

These measures ensure that the Group does not have any material exposure to a single customer or counterparty, and there is no significant concentration of credit risk associated with any particular financial instrument.

3.9 Cash and cash equivalents

Cash and cash equivalents include cash and bank balances, on demand deposits and any highly liquid debts instruments that are readily convertible to known amount of cash and which are subject to an insignificant risk of changes in value.

For the statements of cash flows, the item includes cash and cash equivalents less cash subject to restriction and bank overdrafts payable on demand that form an integral part of cash management.

3.10 Equity

(i) Share capital

Ordinary shares issued that carry no mandatory contractual obligation to deliver cash or another financial asset or to exchange financial assets or financial liabilities with another entity under conditions that are potentially unfavourable to the Company, is classified as equity instruments.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024

3. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

3.10 Equity (Cont'd)

(ii) Treasury Shares

The cost of treasury shares purchased is shown as a deduction from equity in the statement of financial position. When treasury shares are sold or reissued, they are credited to equity. As a result, no gain or loss on treasury shares is included in profit or loss.

3.11 Foreign currencies transactions and balances

(i) Functional and presentation currency

The Group's functional currency is presented in Ringgit Malaysia ("RM") which is also the functional currency of the Company. Each entity of the Group determines its own functional currency and items included in its financial statements of each entity are measured using that functional currency.

(ii) Transactions and balances

Transactions denominated in foreign currencies are translated and recorded at the rates of exchange prevailing at the respective dates of transactions. At the end of each reporting period, foreign currency monetary assets and liabilities are translated into the functional currency using the exchange rates at the reporting date (i.e. the closing rate).

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated at the exchange rate at the date of the transaction (i.e. historical rate). Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined.

Gains and losses arising from changes in exchange rates after the date of the transaction are recognised in profit or loss (except for loans and advances that form part of the net investment in a foreign operation and transactions entered into in order to hedge foreign currency risks of net investments in foreign operations).

3.12 Revenue and other income

(a) Revenue from contracts with customers

Revenue recognition of the Group and of the Company is applied for each contract with a customer or a combination of contracts with the same customer (or related parties of the customer). For practical expedient, the Group and the Company apply revenue recognition to a portfolio of contracts (or performance obligations) with similar characteristics if the Group and the Company reasonably expect that the effects on the financial statements would not differ materially from recognising revenue on the individual contracts (or performance obligations) within that portfolio.

The following describes the performance obligations in contracts with customers:

Sale of goods

Revenue from sale of goods is recognised at a point in time when control of the goods is passed to the customer, which is the point in time when the significant risks and rewards are transferred to the customer and the transaction has met the probability of inflows and measurement requirements of MFRS 15.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024

3. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)**3.12 Revenue and other income****(a) Revenue from contracts with customers (Cont'd)****Sale of goods (Cont'd)**

The Group and the Company measure revenue at the amount of transaction price that is allocated to that performance obligation, which is usually the invoice price, net of returns and allowances, trade discounts and volume rebates given to the customer.

(b) Rental income

Rental income from investment property is recognised in a straight-line basis over the term of lease.

(c) Interest income

Interest income is recognised on a time proportion basis that reflects the effective yield on the asset.

(d) Dividend income

Dividend income represents gross dividends from investments and is recognised when the shareholders' right to receive payment is established.

3.13 Income tax

Tax currently payable is calculated using the tax rates in force or substantively enacted at the reporting date. Taxable profit differs from accounting profit either because some income and expenses are never taxable or deductible, or because the time pattern that they are taxable or deductible differs between tax law and their accounting treatment.

Using the statements of financial position liability method, deferred tax is recognised in respect of all temporary differences between the carrying value of assets and liabilities in the statements of financial position and the corresponding tax base, with the exception of goodwill not deductible for tax purposes and temporary differences arising on initial recognition of assets and liabilities that do not affect taxable or accounting profit.

Deferred tax is calculated at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax assets are recognised only to the extent that the Group and the Company consider that it is probable (i.e. more likely than not) that there will be sufficient taxable profits available for the asset to be utilised within the same tax jurisdiction.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024

3. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

3.13 Income tax (Cont'd)

Unused tax credits do not include unabsorbed reinvestments allowances and unabsorbed investment tax allowances because the Group and the Company treat these as part of initial recognition differences.

Deferred tax assets and liabilities are offset only when there is a legally enforceable right to offset current tax assets against current tax liabilities, they relate to the same tax authority and the Group's and the Company's intention is to settle the amounts on a net basis.

The tax expense for the period comprises current and deferred tax. Tax is recognised in profit or loss, except if it arises from transactions or events that are recognised in other comprehensive income or directly in equity. In this case, the tax is recognised in other comprehensive income or directly in equity, respectively. Where tax arises from the initial accounting for a business combination, it is included in the accounting for the business combination.

3.14 Fair value measurements

Fair values are categorised into different levels in a fair value hierarchy based on the degree to which the inputs to the measurement are observable and the significance of the inputs to the fair value measurement in its entirety:

- Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3 fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

Transfers between levels of the fair value hierarchy are recognised by the Group and by the Company at the end of the reporting period during which the change occurred.

4. ADOPTION OF MFRSs, AMENDMENTS TO MFRSs AND INTERPRETATIONS

4.1 Accounting standard and Amendments to MFRSs adopted

For the preparation of the financial statements, the following amendments to the MFRSs issued by the MASB are mandatory for the first time for the financial year beginning on or after 1 January 2023:

- MFRS 17, "Insurance Contracts"
- Amendments to MFRS 17, "Insurance Contracts" (Initial application of MFRS 17 and MFRS 9 - Comparative Information)
- Amendments to MFRS 101, "Presentation of Financial Statements" (Classification of Liabilities as Current or Non-current)
- Amendments to MFRS 101, "Presentation of Financial Statements" (Disclosure of Accounting Policies)
- Amendments to MFRS 108, "Accounting Policies, Changes in Accounting Estimates and Errors" (Definition of Accounting Estimates)
- Amendments to MFRS 112, "Income Taxes" (Deferred Tax related to Assets and Liabilities arising from a Single Transaction)

The above accounting standard and amendments to accounting standards effective during the financial year do not have any significant impact to the financial results and position of the Group and the Company.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024

4. ADOPTION OF MFRSs, AMENDMENTS TO MFRSs AND INTERPRETATIONS (CONT'D)

4.2 Amendments to MFRSs not yet effective

The following are amendments to the MFRSs that have been issued by the MASB up to the date of the issuance of the Group's and the Company's financial statements but have not been adopted by the Group and the Company:

Annual periods beginning on/after 1 January 2024

- Amendments to MFRS 16, "Leases" (Lease Liability in a Sale and Leaseback)
- Amendments to MFRS 101, "Presentation of Financial Statements" (Non-current Liabilities with Covenants)
- Amendments to MFRS 107 "Statement of Cash Flows" and MFRS 7 "Financial Instruments: Disclosures" (Supplier Finance Arrangements)

Annual periods beginning on/after 1 January 2025

- Amendments to MFRS 121 "The Effects of Changes in Foreign Exchange Rates" (Lack of Exchangeability)

Effective date yet to be determined by the Malaysian Accounting Standards Board

- Amendments to MFRS 10, "Consolidated Financial Statements" and MFRS 128, "Investments in Associates and Joint Ventures" (Sale or Contribution of Assets between an Investor and its Associate or Joint Venture)

The directors anticipate that the above-mentioned amendments will be adopted by the Group and the Company when they become effective from the annual period beginning on 1 July 2024 for those accounting standards, amendments and interpretations that are effective for annual periods beginning on or after 1 January 2024.

The initial application of amendments to MFRSs is not expected to have any significant impact on the financial statements of the Group and the Company.

5. SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGEMENTS

In preparing its financial statements, the Group and the Company have made significant judgements, estimates and assumptions that have an impact on the carrying value of certain assets and liabilities, income and expenses as well as other information reported in the notes. The Group and the Company periodically monitor such estimates and assumptions and make sure they incorporate all relevant information available at the date when financial statements are prepared. However, this does not prevent actual figures differing from estimates.

The judgements made in the process of applying the Group's and the Company's accounting policies that have the most significant effect on the amounts recognised in the financial statements, and the estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are addressed below:

(i) Loss allowances of financial assets

The Group and the Company recognise impairment losses for trade receivables under the expected credit loss model. Individually significant trade receivables are tested for impairment separately by estimating the cash flows expected to be recovered. All others are grouped into credit risk classes and tested for impairment collectively, using the Group's and the Company's past experience of loss statistics, ageing of past due amounts and current economic trends. The actual eventual losses may be different from the allowance made and this may affect the Group's and the Company's financial positions and results.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024

5. SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGEMENTS (CONT'D)

(ii) Costing of inventories

In determining the costing of inventories of the Group, management's judgement is required in determining the bases of finished goods and work-in-progress valuation which comprise costs of raw materials, direct labour, other direct costs, and the appropriate allocation of overheads based on normal operating capacity.

(iii) Income tax and deferred tax estimation

Management judgement is required in determining the provision for income taxes, deferred tax assets and liabilities and the extent to which deferred tax assets can be recognised. There are certain transactions and computations for which the ultimate tax determination may be different from the initial estimate. The Group and the Company recognised tax liabilities based on its understanding of the prevailing tax laws and estimates of whether such taxes will be due in the ordinary course of business. Where the final outcome of these matters is different from the amounts that were initially recognised, such difference will impact the income tax and deferred tax provision in the period in which such determination is made.

Recognition of deferred tax assets and liabilities involves making a series of assumptions. As far as deferred tax assets are concerned, their realisation ultimately depends on taxable profits being available in the future. Deferred tax assets are recognised only when it is probable that it can be utilised against the taxable profits and it is probable that the entity will earn sufficient taxable profit in future periods to benefit from a reduction in tax payments. This involves the Group and the Company making assumptions within its overall tax-planning activities and periodically reassessing them in order to reflect changed circumstances as well as tax regulations. Moreover, the measurement of a deferred tax asset or liability reflects the manner in which the entity expects to recover the asset's carrying value or settle the liability.

(iv) Property, plant and equipment useful life

The cost of property, plant and equipment of the Group is depreciated on a straight-line basis over the assets' useful lives. Management estimates the useful lives of these property, plant and equipment to be within 3 to 20 years. These are the common life expectancies applied generally. Changes in the expected level of usage could impact the economic useful lives and the residual values of these assets, therefore future depreciation charges could be revised.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024

6. PROPERTY, PLANT AND EQUIPMENT

GROUP	Freehold land RM	Factory buildings RM	Factory buildings under construction RM	Factory buildings under equipment RM	Plant, machinery and equipment installation RM	Moulds and tools RM	Electrical fittings and equipment RM	Office equipment, furniture and fittings RM	Motor vehicles RM	Cabins RM	Aircraft RM	Total RM
Cost												
As at 1 July 2022	297,702,916	356,620,141	1,436,663	1,064,279,168	465,541,859	102,280,119	96,802,491	36,614,140	13,603,708	279,288	-	2,477,106,854
Additions	384,442	422,242,488	-	1,298,022	175,692,271	6,142,769	1,707,760	1,340,643	1,179,668	-	-	610,506,534
Disposals	-	-	-	(117,710,508)	-	(6,513,268)	(147,358)	(1,624)	(1,495,159)	-	-	(125,867,917)
Written off	-	-	-	(18,023)	(574,851)	-	-	(29,600)	-	-	-	(622,474)
Reclassification	-	3,358,350	-	(168,246,036)	(42,209,830)	163,640	9,437,518	220,114	-	-	197,276,244	-
Exchange differences	2,030,092	20,654,461	-	171,774	199,138	-	1,035,239	905,879	193,282	-	-	25,268,308
As at 30 June 2023/1 July 2023	300,117,450	802,875,440	1,436,663	779,774,397	598,648,587	102,073,260	108,835,650	39,049,552	13,481,499	279,288	197,276,244	2,986,391,305
Additions	14,136,187	21,500	418,688,315	1,978,752	87,080,208	4,847,209	684,697	747,873	248,365	-	-	528,872,489
Disposals	-	-	-	(114,971,890)	(645,000)	(14,866,866)	(1,286,998)	-	(1,030,013)	-	-	(132,800,767)
Written off	-	-	-	(651,990)	(134,223)	-	-	-	-	-	-	(786,213)
Reclassification	-	785,064	(297,064)	24,724,605	(46,866,212)	12,610,241	8,501,019	542,347	-	-	-	-
Exchange differences	9,896,119	(2,979,771)	2,822,866	(71,040)	32,716	-	(610,289)	(1,021,660)	22,607	-	-	8,110,156
As at 30 June 2024	324,149,756	800,702,233	422,650,780	690,782,834	638,116,076	104,663,844	116,124,079	39,318,112	12,722,458	279,288	197,276,244	3,389,786,970
Accumulated Depreciation												
As at 1 July 2022	-	74,832,311	-	457,051,975	-	56,637,032	43,676,313	21,195,555	9,710,336	279,287	-	681,477,982
Charge for the financial year	-	7,833,484	-	30,400,917	-	7,721,740	8,043,717	1,975,820	1,072,606	-	19,727,624	78,440,664
Disposals	-	-	-	(105,213,331)	-	(6,513,268)	(1,42,041)	(1,624)	(893,761)	-	-	(112,764,025)
Written off	-	-	-	(4,506)	-	-	-	(9,867)	-	-	-	(14,373)
Reclassification	-	-	-	(1,643,969)	-	-	767,435	(767,435)	-	-	1,643,969	-
Exchange differences	-	1,203,630	-	102,515	-	-	(489,989)	1,433,590	52,439	-	-	2,375,973
As at 30 June 2023/1 July 2023	-	83,869,425	-	380,693,601	-	57,845,504	51,855,435	23,826,039	9,941,620	279,287	21,371,593	649,516,221
Charge for the financial year	-	8,116,133	-	11,385,231	-	7,332,654	9,096,243	2,211,642	778,201	-	19,727,624	59,821,490
Disposals	-	-	-	(76,473,264)	-	(12,647,436)	(1,277,940)	-	(651,358)	-	-	(91,049,998)
Written off	-	-	-	(199,449)	-	-	-	35,213	-	-	-	(164,236)
Reclassification	-	-	-	(420)	-	420	-	-	-	-	-	-
Exchange differences	-	407,392	-	28,777	-	-	(146,955)	(538,351)	(16,576)	-	-	(247,605)
As at 30 June 2024	-	92,392,950	-	315,434,476	-	52,531,142	59,526,783	25,534,543	10,051,887	279,287	41,099,217	617,875,872
Accumulated impairment												
As at 1 July 2022	-	13,095,899	-	83,803,256	-	545,046	133,065	80,168	-	-	-	98,442,664
Charge for the financial year	-	-	-	20,471,865	-	4,864,555	1,207,284	73,549	-	-	-	33,617,566
Reversal	-	-	-	(12,497,177)	-	-	(5,318)	-	-	-	-	(12,502,495)
Exchange differences	-	-	-	-	-	-	-	7,439	-	-	-	7,439
As at 30 June 2023/1 July 2023	-	13,095,899	-	91,777,944	-	5,409,611	1,335,031	161,156	-	-	-	119,565,174
Charge for the financial year	-	-	-	21,171,699	-	5,949,150	16,833	-	-	-	-	27,137,682
Disposal	-	-	-	(38,498,627)	-	(2,219,430)	(9,058)	-	-	-	-	(40,727,115)
Exchange differences	-	-	-	-	-	-	-	(87)	-	-	-	(87)
As at 30 June 2024	-	13,095,899	-	74,451,016	-	9,139,331	1,342,806	161,069	-	-	-	105,975,654
Net carrying amount												
As at 30 June 2023	300,117,450	705,910,116	1,436,663	307,302,852	598,648,587	38,818,145	55,645,184	15,062,357	3,539,879	1	175,904,651	2,217,309,910
As at 30 June 2024	324,149,756	695,213,384	422,650,780	300,897,342	638,116,076	42,993,371	55,254,490	13,622,500	2,670,571	1	156,177,027	2,665,935,444

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024

6. PROPERTY, PLANT AND EQUIPMENT (CONT'D)

The remaining purchase consideration for the acquisition of factory buildings under construction and plant, machinery and equipment under installation is disclosed as capital commitments in Note 32 to the financial statements.

Impairment loss

As part of the operational rationalisation initiatives within the manufacturing facilities, certain aged plant and machinery identified as less efficient have been earmarked for decommissioning. Consequently, the carrying amount of these assets, totalling RM27,137,682 (2023: RM33,617,566), has been fully impaired as of 30 June 2024.

Additionally, the Group performed an impairment assessment on other plant and machinery that have been temporarily decommissioned for modifications aimed at enhancing cost efficiency. Based on the results of this assessment, no impairment adjustment is deemed necessary, as the estimated recoverable amount of these assets exceeds their respective carrying amounts.

7. INVESTMENT PROPERTY

	GROUP	
	2024 RM	2023 RM
Cost		
As at 1 July/30 June	551,537	551,537
Accumulated depreciation		
As at 1 July	215,649	202,590
Charge for the financial year	13,053	13,059
As at 30 June	228,702	215,649
Net carrying amount	322,835	335,888
Consists of :-		
Freehold office building	322,835	335,888

The following are recognised in the statement of profit or loss in respect of the investment property:

	GROUP	
	2024 RM	2023 RM
Rental income	-	5,882
Direct operating expenses	(13,053)	(13,059)
	(13,053)	(7,177)

As at 30 June 2024, the fair value of the investment property is RM630,000 (2023: RM630,000). The fair value of the Group's investment property was determined by directors' assessment based on the current market value of similar properties in the vicinity.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024

7. INVESTMENT PROPERTY (CONT'D)

Fair value information

The fair value of Group's investment properties is valued based on sale comparison approach and unobservable inputs and classified in Level 2 of the fair value hierarchy. The different levels of the fair value hierarchy are defined in Note 3.14 to the Financial Statements.

Valuation techniques used to derive Level 2 fair values are as follow:-

Level 2 fair values of the Group's properties have been generally derived using the sales comparison approach. Sales prices of comparable properties in close proximity are adjusted for differences in key attributes such as property size. The most significant input into this valuation approach is selling price per square meter.

8. RIGHT-OF-USE ASSETS

GROUP	Motor vehicles RM	Leasehold land RM	Office premises RM	Buildings RM	Total RM
Cost					
As at 1 July 2022	635,690	10,545,079	28,038,317	-	39,219,086
Additions	690,375	-	-	-	690,375
Disposals	(123,226)	-	-	-	(123,226)
Exchange differences	109,644	520,897	856,541	-	1,487,082
As at 30 June 2023/1 July 2023	1,312,483	11,065,976	28,894,858	-	41,273,317
Additions	418,896	7,108,829	-	4,303,433	11,831,158
Disposals	(114,499)	(1,657,439)	-	-	(1,771,938)
Expiry	-	-	(7,892,993)	-	(7,892,993)
Exchange differences	21,024	133,528	(1,189,007)	670,058	(364,397)
As at 30 June 2024	1,637,904	16,650,894	19,812,858	4,973,491	43,075,147
Accumulated Depreciation					
As at 1 July 2022	202,450	2,657,966	5,334,723	-	8,195,139
Charge for the financial year	298,438	2,648,500	3,966,960	-	6,913,898
Disposals	(123,226)	-	-	-	(123,226)
Exchange differences	34,473	342,685	361,497	-	738,655
As at 30 June 2023/1 July 2023	412,135	5,649,151	9,663,180	-	15,724,466
Charge for the financial year	542,376	2,913,617	3,470,516	1,644,299	8,570,808
Disposals	(114,499)	(1,657,439)	-	-	(1,771,938)
Expiry	-	-	(7,892,993)	-	(7,892,993)
Exchange differences	9,909	53,930	(176,952)	13,531	(99,582)
As at 30 June 2024	849,921	6,959,259	5,063,751	1,657,830	14,530,761
Net carrying amount					
As at 30 June 2023	900,348	5,416,825	19,231,678	-	25,548,851
As at 30 June 2024	787,983	9,691,635	14,749,107	3,315,661	28,544,386

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024

8. RIGHT-OF-USE ASSETS (CONT'D)

Short-term leases and low value assets

For short-term leases with lease term of 12 months or less and for leases of low-value assets of less than RM21,000, the Group has availed the exemption in MFRS 16 not to recognise the right-of-use assets and lease liabilities. Instead, payments made for these leases are recognised as expense when incurred.

The Group leases land and office premises for its operations. The leases for land and office premises generally have lease term between 1.5 to 99 years. The Group also leases motor vehicles with lease term of 2 to 3 years.

The Group has several lease contracts that include extension and termination options. These options are negotiated by management to provide flexibility in managing the lease-asset portfolio and align with the Group's business needs. Management exercises judgement in determining whether these extension and termination options are reasonably certain to be exercised.

9. INVESTMENTS IN SUBSIDIARIES

	COMPANY	
	2024 RM	2023 RM
Unquoted shares, at cost	237,711,052	218,650,159
Less: Accumulated impairment losses	(8,782,605)	(8,782,605)
	228,928,447	209,867,554
Quasi loan	707,549,999	637,350,000
	936,478,446	847,217,554

Details of the subsidiaries are as follows: -

Name of Companies	Principal place of business/country of incorporation	Effective equity interest		Principal Activities
		2024 %	2023 %	
Subsidiaries				
Supermax Latex Products Sdn. Bhd.	Malaysia	100	100	Trading and exporting latex gloves
Supermax Glove Manufacturing Sdn. Bhd.	Malaysia	100	100	Manufacturing and sale of latex glove
Maxter Glove Manufacturing Sdn. Bhd.	Malaysia	100	100	Manufacturing and sale of latex glove
Supermax Healthcare Incorporated^	United States of America	100	100	Marketing, importing and distributing latex gloves
Maxwell Glove Manufacturing Berhad	Malaysia	100	100	Manufacturing and sale of latex gloves

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024

9. INVESTMENT IN SUBSIDIARIES (CONT'D)

Details of the subsidiaries are as follows (Cont'd):-

Name of Companies	Principal place of business/country of incorporation	Effective equity interest		Principal Activities
		2024 %	2023 %	
Subsidiaries				
Supermax International Sdn. Bhd.	Malaysia	100	100	Investment holding
Supermax Energy Sdn. Bhd.	Malaysia	100	100	Generation of biomass energy
Supermax Deutschland GmbH^#	Germany	100	100	Marketing, importing and distributing latex gloves
Supermax Global Limited^#	Bermuda	100	100	Global trading and marketing of medical devices including gloves
Supermax Healthcare Limited^	United Kingdom	92.7	92.7	Marketing, importing and distributing latex gloves
Supermax Healthcare Canada Incorporated^#	Canada	100	67	Marketing, importing and distributing latex gloves
Whiteoak Global Property Limited^	United States of America	100	100	Property holding
Supermax Group Investments Limited^	Hong Kong, China	100	100	Investment holding
Supermax Business Park Sdn. Bhd.	Malaysia	100	100	Pre-operating
Supermax Specialty Gloves Sdn. Bhd.	Malaysia	100	100	Pre-operating
Aime Supermax K.K.^#	Japan	70	70	Investment holding
Maxter Healthcare Pte. Ltd.^	Singapore	100	100	Marketing, importing and distributing of related healthcare products and medical devices
Maxter Healthcare Incorporated^	United States of America	100	100	Pre-operating
Supermax Incorporated^#	United States of America	100	100	Marketing, importing and distribution of related health care product and medical devices

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024

9. INVESTMENT IN SUBSIDIARIES (CONT'D)

Details of the subsidiaries are as follows (Cont'd):-

Name of Companies	Principal place of business/country of incorporation	Effective equity interest		Principal Activities
		2024 %	2023 %	
Subsidiaries				
Supermax Property Holdings Sdn. Bhd.	Malaysia	100	100	Pre-operating
Whiteoak Stirling Inc^#	Canada	100	-	Property holding
Subsidiary of Maxter Glove Manufacturing Sdn. Bhd.				
Supergamma Sdn. Bhd.	Malaysia	100	100	Trading and exporting latex gloves
Subsidiary of Supermax International Sdn. Bhd.				
SuperVision Optimax Sdn. Bhd.	Malaysia	100	100	Manufacturing, sales, marketing and distribution of related healthcare products
Subsidiary of Supermax Group Investments Limited				
Supermax Global (HK) Limited^	Hong Kong, China	100	100	Marketing, importing and distribution of related healthcare products and medical devices
Subsidiary of Aime Supermax K. K.				
Aime K. K.^#	Japan	70	70	Marketing, importing and distribution of related healthcare products and medical devices
Subsidiary of Supermax Healthcare Canada Incorporated				
Supermax Medical Incorporated^#	Canada	49	49	Manufacturing and sale of face masks
Subsidiaries of Supermax Healthcare Limited				
Supermax Healthcare (Europe) Limited^	Republic of Ireland	100	100	Marketing, importing and distributing latex gloves
Supermax Vision UK Limited^	United Kingdom	100	100	Marketing, importing and distributing contact lenses

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024

9. INVESTMENT IN SUBSIDIARIES (CONT'D)

Details of the subsidiaries are as follows (Cont'd):-

Name of Companies	Principal place of business/country of incorporation	Effective equity interest		Principal Activities
		2024 %	2023 %	
Subsidiaries of Supermax Healthcare Limited (Cont'd)				
Supermax Healthcare (Ireland) Limited^#	United Kingdom	100	100	Pre-operating
Glovepaq UK Limited^#	United Kingdom	100	100	Pre-operating

[^] Audited by firms other than HLB Ler Lum Chew PLT.

Entities are either exempted or not statutorily required to be audited.

(a) Acquisition of additional interest in Supermax Healthcare Canada Incorporated ("SHCI")

On 8 May 2024, the Group had acquired the remaining 33% equity interest in SHCI, representing 5,496,250 ordinary shares in SHCI for a cash consideration of CAD5,496,250 (equivalent to RM19,060,544) with the non-controlling interest. Accordingly, SHCI has become a wholly-owned subsidiary of Supermax Corporation Berhad.

(b) The total carrying amount of non-controlling interest ("NCI") and (loss)/profit allocated to NCI are as follows:-

	GROUP	
	2024 RM	2023 RM
Carrying amount of NCI	17,168,295	90,098,836
Loss allocated to NCI	(7,514,432)	(30,552,569)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024

9. INVESTMENT IN SUBSIDIARIES (CONT'D)

Details of the subsidiaries are as follows (Cont'd):-

- (c) The summarised financial information before intra-group elimination of the subsidiaries that have material NCI as at the end of each reporting year are as follows:-

	SUK	
	RM	
2024		
Assets and liabilities		
Non-current assets	12,676,649	
Current assets	286,312,283	
Non-current liabilities	(4,610,579)	
Current liabilities	(27,035,241)	
Net assets	267,343,112	
Results		
Revenue	131,408,914	
Net profit and total comprehensive income for the financial year	10,505,344	
Cash-flows		
Cash flows from operating activities	8,692,023	
Cash flows from investing activities	(7,574,075)	
Cash flows from financing activities	(13,688,247)	
Effects of exchange rate changes on cash and cash equivalents	10,102,869	
Net change in cash and cash equivalents	(2,467,430)	
	SUK	SHCI
	RM	RM
2023		
Assets and liabilities		
Non-current assets	8,664,217	50,077,980
Current assets	286,512,997	138,778,414
Non-current liabilities	(640,588)	(16,267,201)
Current liabilities	(20,102,547)	(22,915,273)
Net assets	274,434,079	149,673,920
Results		
Revenue	122,428,677	99,166,187
Net profit/(loss) and total comprehensive income/(expense) for the financial year	21,538,132	(88,433,739)
Cash-flows		
Cash flows from operating activities	26,829,748	69,700,578
Cash flows from investing activities	(972,350)	(5,155,811)
Cash flows from financing activities	(117,434,540)	(165,737,549)
Effects of exchange rate changes on cash and cash equivalents	65,007,538	8,797,989
Net change in cash and cash equivalents	(26,569,604)	(92,394,793)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024

10. INVESTMENT IN ASSOCIATES

	GROUP		COMPANY	
	2024	2023	2024	2023
	RM	RM	RM	RM
Unquoted shares, outside Malaysia	20,218,962	20,218,962	19,829,489	19,829,489
Share of post-acquisition result, net of dividend received	328,415,227	331,948,794	-	-
Exchange differences	(151,052,930)	(123,338,254)	-	-
Less: Accumulated Impairment losses	(1,590,720)	(1,590,720)	(834,793)	(834,793)
	195,990,539	227,238,782	18,994,696	18,994,696

Details of the associates are as follows: -

Name of Companies	Principal place of business/country of incorporation	Effective equity interest		Principal Activities
		2024	2023	
		%	%	
Supermax Brasil Importadora S/A [^]	Brazil	50	50	Marketing, importing and distributing latex gloves
Supermax Europe NC/SA [^] #	Belgium	50	50	Marketing, importing and distributing latex gloves
Supermax Canada Inc. [^] #	Canada	50	50	Marketing, importing and distributing latex gloves

[^] Audited by firms other than HLB Ler Lum Chew PLT.

Entities are either exempted or not statutorily required to be audited.

The summarised financial information of the material associates is as follows: -

	2024	2023
	RM	RM
<u>Assets and liabilities</u>		
Non-current assets	40,836,646	47,058,858
Current assets	356,759,084	414,976,299
Current liabilities	(5,614,652)	(7,557,593)
Net assets	391,981,078	454,477,564
<u>Results</u>		
Revenue	86,665,203	124,261,854
Net loss and total comprehensive expense for the financial year	(7,067,133)	(13,590,698)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024

11. DEFERRED TAX ASSETS/(LIABILITIES)

	GROUP	
	2024	2023
	RM	RM
At 1 July	(19,009,244)	(30,798,989)
Recognised in profit or loss (Note 28)	4,816,438	11,789,745
At 30 June	(14,192,806)	(19,009,244)

Presented after appropriate offsetting as follows:

	GROUP	
	2024	2023
	RM	RM
Deferred tax assets	19,654,148	18,958,064
Deferred tax liabilities	(33,846,954)	(37,967,308)
	(14,192,806)	(19,009,244)

The components of deferred tax assets/(liabilities) prior to offsetting are as follows:

	GROUP	
	2024	2023
	RM	RM
Deferred tax assets		
Unrealised reinvestment allowances	1,438,149	7,944,314
Unutilised capital allowances	25,485,000	14,643,730
Unutilised tax losses	22,558,000	17,469,633
Other deductible temporary differences	2,406,000	13,124,061
Unrealised loss on obsolete inventories	5,990,000	5,030,500
	57,877,149	58,212,238

	GROUP	
	2024	2023
	RM	RM
Deferred tax liabilities		
Differences between the net carrying amounts of property, plant and equipment and their tax base	(67,815,955)	(68,495,049)
Unrealised gain on foreign exchange	(4,254,000)	(8,726,433)
	(72,069,955)	(77,221,482)

The deferred tax assets and liabilities are not available for set-off as they arise from different taxable entities within the Group.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024

11. DEFERRED TAX ASSETS/(LIABILITIES) (CONT'D)

As at 30 June 2024, the Group has the following temporary differences (stated at gross amounts) which are not recognised in the financial statements because it is not probable that future taxable income will be available to allow the assets to be utilised:

	GROUP	
	2024	2023
	RM	RM
Unabsorbed tax losses	128,209,417	130,143,472
Unabsorbed capital allowances	70,096,772	65,200,470
	198,306,189	195,343,942

12. INVENTORIES

	GROUP	
	2024	2023
	RM	RM
At lower of cost and net realisable value		
Raw materials	22,360,579	19,845,545
Consumables	10,717,775	11,878,892
Work-in-progress	40,118,226	35,269,894
Finished goods	108,714,355	90,217,430
	181,910,935	157,211,761
Recognised in profit or loss:		
Inventories recognised as expense	528,341,491	669,922,160
Inventories written down	30,295,525	45,245,782

13. RECEIVABLES

	GROUP		COMPANY	
	2024	2023	2024	2023
	RM	RM	RM	RM
Trade receivables	72,265,017	59,170,058	-	-
Less : Allowance for expected credit loss ("ECL")	(2,831,841)	(5,856,303)	-	-
Trade receivables, net	69,433,176	53,313,755	-	-
Other receivables	20,866,637	19,458,516	-	-
Deposits	53,651,781	57,390,655	164,477	163,475
Prepayments	7,968,475	2,118,039	-	-
	82,486,893	78,967,210	164,477	163,475
	151,920,069	132,280,965	164,477	163,475

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024

13. RECEIVABLES (CONT'D)

Trade receivables

The credit period granted on sale of goods ranges from 30 to 120 days (2023: 30 to 120 days).

Analysis of trade receivables by currency:

	GROUP	
	2024 RM	2023 RM
Canadian Dollars	9,807,942	9,333,210
United States Dollars	29,044,350	17,491,154
Pound Sterling	19,351,063	18,447,971
Japanese Yen	11,095,959	7,251,074
Ringgit Malaysia	-	658,965
Hong Kong Dollars	89,448	71,485
Singapore Dollars	44,414	47,059
Euro	-	12,837
	69,433,176	53,313,755

Ageing analysis of trade receivables:

	GROUP	
	2024 RM	2023 RM
Neither past due nor impaired for ECL	51,263,790	37,792,490
1 to 30 days past due not impaired for ECL	11,215,532	11,007,653
More than 30 days past due not impaired for ECL	6,953,854	4,513,612
	18,169,386	15,521,265
Impaired for ECL	2,831,841	5,856,303
	72,265,017	59,170,058

Receivables that are neither past due nor impaired for ECL

Trade receivables that are neither past due nor impaired for ECL are creditworthy receivables with good payment records with the Group. None of the Group's trade receivables that are neither past due nor impaired for ECL have been renegotiated during the financial year.

Receivables that are past due but not impaired for ECL

Based on historical default rates, the Group believes that no allowance for impairment for ECL in respect of trade receivables that are past due is required. These receivables are mainly arising from trade receivables that have a good credit record with the Group.

The trade receivables that are past due but not impaired for ECL are unsecured in nature.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024

13. RECEIVABLES (CONT'D)**Trade receivables (cont'd)**Receivables that are impaired for ECL

The Group's trade receivables that are impaired for ECL at the end of reporting date are as follows: -

	GROUP	
	2024	2023
	RM	RM
Individually impaired for ECL		
Trade receivables	2,831,841	5,856,303
Less: Allowance for ECL	(2,831,841)	(5,856,303)
	-	-

Movements in the allowance account are as follows: -

	GROUP	
	2024	2023
	RM	RM
As at 1 July	5,856,303	5,978,741
Allowance for ECL during the year	25,079	521,964
Reversal of allowance for ECL during the year	(3,049,541)	(644,402)
As at 30 June	2,831,841	5,856,303

14. AMOUNTS OWING BY/(TO) SUBSIDIARIES

	COMPANY	
	2024	2023
	RM	RM
Amounts owing by subsidiaries	149,089,782	115,298,322
Less: Allowance for impairment	(104,885,205)	(104,885,205)
	44,204,577	10,413,117
Amounts owing to subsidiaries	(52,670,800)	(4,266)

Amounts owing by/(to) subsidiaries are non-trade in nature, unsecured, repayable on demand and bear interest rate of 5.43% (2023: 5.40%) per annum.

Movements in the allowance for impairment account are as follows: -

	COMPANY	
	2024	2023
	RM	RM
As at 1 July / 30 June	104,885,205	104,885,205

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024

15. AMOUNTS OWING BY ASSOCIATES

	GROUP		COMPANY	
	2024 RM	2023 RM	2024 RM	2023 RM
Amounts owing by associates	6,385,272	18,713,845	294,301	294,301
Less: Allowance for impairment	(860,663)	(860,663)	(294,301)	(294,301)
	5,524,609	17,853,182	-	-

Movement in the allowance for impairment loss on amounts owing by associates are as follows: -

	GROUP	
	2024 RM	2023 RM
As at 1 July	860,663	566,362
Impairment loss during the financial year	-	294,301
As at 30 June	860,663	860,663

	COMPANY	
	2024 RM	2023 RM
As at 1 July	294,301	-
Impairment loss during the financial year	-	294,301
As at 30 June	294,301	294,301

Included in amounts owing by associates of the Group and of the Company is an amount of RM294,301 (2023: RM294,301) which is non-trade in nature, unsecured, interest free and repayable on demand.

Amounts owing by associates arose from trade transactions with repayment term of 120 days (2023: 120 days).

The amounts owing by associates are denominated in United States Dollars.

16. SHORT-TERM INVESTMENT

	GROUP	
	2024 RM	2023 RM
Quoted unit trusts at market value	6,728	6,507

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024

17. CASH AND BANK BALANCES

Analysis of cash and bank balances by currency:

	GROUP		COMPANY	
	2024	2023	2024	2023
	RM	RM	RM	RM
United States Dollars	830,515,292	1,425,871,727	26,118	26,318
Pound Sterling	246,795,066	289,014,277	20,350,388	308,364
Ringgit Malaysia	66,922,954	240,350,169	15,815,703	107,568,797
Singapore Dollars	159,322,909	153,467,638	-	-
Euro	10,641,779	11,734,400	-	-
Canadian Dollar	13,602,681	11,644,823	-	-
Japanese Yen	4,174,297	7,490,397	-	-
Hong Kong Dollars	1,101,690	6,374,184	-	-
Chinese Yuan	2,165	11,916	-	-
	1,333,078,833	2,145,959,531	36,192,209	107,903,479

18. SHARE CAPITAL

Analysis of cash and bank balances by currency:

	GROUP AND COMPANY			
	Number of ordinary shares		Amount	
	2024	2023	2024	2023
	Units	Units	RM	RM
Issued and fully paid ordinary shares with no par value				
As at 1 July/30 June	2,720,619,520	2,720,619,520	340,077,440	340,077,440

The holders of ordinary shares (except treasury shares) are entitled to receive dividends as and when declared by the Company and is entitled to one vote per share at general meetings of the Company. All ordinary shares rank equally with regard to the Company's residual assets.

19. TREASURY SHARES

	GROUP AND COMPANY			
	Number of ordinary shares		Amount	
	2024	2023	2024	2023
	Units	Units	RM	RM
As at 1 July	144,500,000	55,758,209	145,535,025	70,672,705
Purchased during the financial year	13,500,000	88,741,791	11,826,290	74,862,320
As at 30 June	158,000,000	144,500,000	157,361,315	145,535,025

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024

19. TREASURY SHARES (CONT'D)

Treasury shares relate to ordinary shares of the Company that are held by the Company via the Company's plan on purchase of own shares. The amount consists of the acquisition costs of treasury shares net of the proceeds received on their subsequent sale or issuance.

The shareholders of the Company, by an ordinary resolution passed in a general meeting held on 8 December 2023, renewed their approval for the Company's plan to repurchase its own ordinary shares. The directors of the Company are committed towards the enhancement of the value of the Company for its shareholders and believe that the repurchase plan can be applied in the best interests of the Company and its shareholders.

During the financial year, the Company purchased 13,500,000 (2023: 88,741,791) of its issued ordinary shares from the open market at an average price of RM0.88 (2023: RM0.84) per ordinary share. The total consideration paid for the shares purchased including transaction costs was RM11,826,290 (2023: RM74,862,320).

As at 30 June 2024, the Company held a total of 158,000,000 (2023: 144,500,000) ordinary shares of its 2,720,619,520 (2023: 2,720,619,520) issued ordinary shares as treasury shares. Such treasury shares are held at a carrying amount of RM157,361,315 (2023: RM145,535,025). As at 30 June 2024, the total number of ordinary shares in issue and fully paid net of treasury shares is therefore 2,562,619,520 (2023: 2,576,119,520) ordinary shares.

The purchase transactions were financed by internally generated funds. The shares purchased are being held as treasury shares in accordance with Section 127 of the Companies Act 2016 in Malaysia.

20. RESERVES

		GROUP		COMPANY	
	Note	2024 RM	2023 RM	2024 RM	2023 RM
Non-distributable reserves :					
Translation reserve	(a)	65,465,873	79,073,036	-	-
Distributable reserves :					
Retained earnings	(b)	4,201,902,927	4,327,857,967	800,302,997	699,994,669
		4,267,368,800	4,406,931,003	800,302,997	699,994,669

(a) Translation reserve

Translation reserve arose from the exchange differences on the translation of foreign operations.

(b) Retained earnings

The entire retained earnings of the Company as at 30 June 2024 may be distributed as dividend under the single tier system.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024

21. LOAN AND BORROWINGS

	GROUP	
	2024	2023
	RM	RM
Current		
Secured:-		
Trade loans	97,845,169	78,566,864
Term loans	4,268,627	892,460
	102,113,796	79,459,324
Non-current		
Secured:-		
Term loans	1,666,884	1,906,442
Total loans and borrowings	103,780,680	81,365,766

The interest rates are as follows: -

	GROUP		COMPANY	
	2024	2023	2024	2023
	%	%	%	%
Trade loans	5.49 - 6.27	1.43 - 6.05	-	-
Term loans	1.50 - 1.60	3.23 - 6.58	-	-

The term loans and trade loans are secured by way of corporate guarantee by the Company.

Analysis of borrowings by currency: -

	GROUP	
	2024	2023
	RM	RM
United States Dollars	97,845,169	79,459,324
Japanese Yen	5,935,511	1,906,442
	103,780,680	81,365,766

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024

21. LOAN AND BORROWINGS (CONT'D)

The changes in the Group's liabilities arising from financing activities can be classified as follows:

GROUP	Short-term borrowings RM	Term loans RM	Lease liabilities RM	Total RM
1 July 2022	144,985,392	59,306,808	28,200,941	232,493,141
Cash-flows:				
- Repayments, net	(65,776,626)	(50,558,671)	(5,822,688)	(122,157,985)
Non-cash:				
- New leases	-	-	690,375	690,375
- Exchange difference	(641,902)	(5,949,235)	-	(6,591,137)
30 June 2023/1 July 2023	78,566,864	2,798,902	23,068,628	104,434,394
Cash-flows:				
- (Drawdown)/repayment, net	22,694,779	3,136,609	(8,352,423)	17,478,965
Non-cash:				
- New leases	-	-	11,831,158	11,831,158
- Exchange difference	(3,416,474)	-	-	(3,416,474)
30 June 2024	97,845,169	5,935,511	26,547,363	130,328,043

22. LEASE LIABILITIES

	GROUP 2024 RM	2023 RM
Future minimum lease payment:		
- not later than one year	6,717,647	7,431,133
- later than one year but not later than five years	15,527,248	10,254,205
- later than five years	6,565,394	10,878,633
	28,810,289	28,563,971
Less: Future finance charges	(2,262,926)	(5,495,343)
Present value of lease liabilities	26,547,363	23,068,628
Repayable as follows:		
Current		
- not later than one year	6,014,262	6,284,155
Non-current		
- later than one year but not later than five years	14,339,333	8,191,557
- later than five years	6,193,768	8,592,916
	20,533,101	16,784,473
	26,547,363	23,068,628

The average term for lease liabilities ranges from 2 to 6 years (2023: 2 to 6 years) and the effective interest rate on lease liabilities ranges from 4.0% to 6.0% (2023: 2.7% to 4.4%).

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024

23. PAYABLES

	Note	GROUP		COMPANY	
		2024 RM	2023 RM	2024 RM	2023 RM
Trade payables	(a)	89,005,968	209,532,917	115,109	218,529
Other payables	(b)	65,382,218	19,573,213	-	1,000
Deposits received from customers	(c)	36,670,415	27,285,908	-	-
Accruals		17,247,391	15,088,455	343,242	843,668
		208,305,992	271,480,493	458,351	1,063,197

(a) Trade payables

Analysis of trade payables by currency: -

	GROUP	
	2024 RM	2023 RM
Ringgit Malaysia	38,611,492	110,969,194
United States Dollars	28,525,121	81,132,546
Euro	8,800,449	8,809,693
Japanese Yen	5,644,190	5,397,156
Pound Sterling	4,762,055	1,897,321
Canadian Dollars	2,660,476	996,304
Singapore Dollars	10	316,240
Hong Kong Dollars	2,175	14,463
	89,005,968	209,532,917

The credit period granted to the Group for trade purchases ranges from 30 to 60 days (2023: 30 to 60 days).

(b) Other payables

Other payables normally settled on an average term of 30 to 60 days (2023: 30 to 60 days).

(c) Deposits received from customers

Deposits received from customers are mainly denominated in United States Dollars.

24. REVENUE

	GROUP	
	2024 RM	2023 RM
Revenue from contracts with customers:		
Sale of gloves and other healthcare products	646,170,454	821,092,063
Timing of revenue recognition:		
At a point in time	646,170,454	821,092,063

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024

24. REVENUE (CONT'D)

The disaggregated revenue information by geographical area is disclosed in Note 34 to the financial statements.

	COMPANY	
	2024	2023
	RM	RM
Revenue from other sources:		
Dividend income received from subsidiaries	32,011,186	229,570,773

25. DIRECTORS' REMUNERATION

	GROUP		COMPANY	
	2024	2023	2024	2023
	RM	RM	RM	RM
Executive directors of the Company:-				
- fees	330,544	276,000	330,544	276,000
- other emoluments	10,332,516	9,343,674	8,000	7,000
	10,663,060	9,619,674	338,544	283,000
Non-executive directors of the Company:-				
- fees	769,523	707,320	685,523	707,320
- other emoluments	26,300	26,000	26,300	26,000
	795,823	733,320	711,823	733,320
Total	11,458,883	10,352,994	1,050,367	1,016,320

Key management personnel of the Group and of the Company comprise of executive directors of the Company.

26. FINANCE COSTS

	GROUP	
	2024	2023
	RM	RM
Interest expenses on:-		
- term loans	44,254	1,220,991
- trade loans	3,384,389	4,264,603
- lease liabilities	1,542,117	1,120,731
- others	263,226	608,937
	5,233,986	7,215,262

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024

27. (LOSS)/PROFIT BEFORE TAX

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

	GROUP		COMPANY	
	2024	2023	2024	2023
	RM	RM	RM	RM
Auditors' remuneration				
- current year	842,703	786,121	105,000	120,000
- others	5,000	5,000	5,000	5,000
Depreciation of property, plant and equipment	59,821,490	78,440,664	-	-
Depreciation of investment property	13,053	13,059	-	-
Depreciation of right-of-use assets	8,570,808	6,913,898	-	-
Net (gain)/loss on foreign exchange				
- realised	(38,041,143)	(44,641,467)	155,663	69,918
- unrealised	27,947,338	(15,631,327)	(70,375,681)	(13,425,460)
Rental income from investment property	-	(5,882)	-	-
Staff costs				
- salaries, wages and bonuses	97,939,543	104,931,131	-	-
- Employees' Provident Fund	5,469,016	7,705,668	-	-
- other related staff costs	15,488,425	24,447,791	90,155	37,895
Inventories written down	30,295,525	45,245,782	-	-
Impairment loss on property, plant and equipment	27,137,682	33,617,566	-	-
Reversal of impairment loss on property, plant and equipment	-	(12,502,495)	-	-
(Gain)/Loss of disposal of property, plant and equipment	(1,368,641)	10,313,283	-	-
Property, plant and equipment written off	621,977	608,101	-	-
Impairment loss on investment in Subsidiary	-	-	-	7,165,666
Allowance for expected credit loss	25,079	521,964	-	-
Reversal of expected credit loss	(3,049,541)	(644,402)	-	-
Interest income	(70,816,616)	(51,231,771)	(956,962)	(1,139,413)

28. TAXATION

	GROUP		COMPANY	
	2024	2023	2024	2023
	RM	RM	RM	RM
Current financial year				
- income tax	12,922,961	8,558,644	173,733	273,459
- deferred tax	1,107,833	(11,040,995)	-	-
	14,030,794	(2,482,351)	173,733	273,459
Over provision in prior financial years				
- income tax	(4,481,260)	(14,836,860)	(1,760)	(98)
- deferred tax	(5,924,271)	(748,750)	-	-
	(10,405,531)	(15,585,610)	(1,760)	(98)
	3,625,263	(18,067,961)	171,973	273,361

Domestic income tax is calculated at the Malaysian statutory tax rate of 24% (2023: 24%) of the estimated assessable profit for the financial year. Tax expense for other jurisdictions is calculated at the rates prevailing in the respective jurisdictions.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024

28. TAXATION (CONT'D)

The reconciliation of tax expense and financial results multiplied by the applicable statutory income tax rate is as follows: -

	GROUP		COMPANY	
	2024	2023	2024	2023
	RM	RM	RM	RM
(Loss)/Profit before tax	(179,507,776)	(189,485,959)	100,480,301	220,046,376
Income tax at tax rate of 24%	(43,081,866)	(45,476,630)	24,115,272	52,811,130
Tax effects in respect of: Effects of prosperity tax	-	-	-	-
Different tax rates in foreign jurisdictions	4,387,039	7,806,513	-	-
Income not subject to tax	(8,200,854)	(2,418,666)	(24,621,468)	(55,096,985)
Share of results of associates	848,056	1,630,884	-	-
Expenses not deductible for tax purposes	23,825,142	20,829,839	679,929	2,559,314
Deferred tax assets not recognised	710,939	15,145,709	-	-
Foreign tax recoverable due to current year tax losses	35,542,338	-	-	-
Over provision in prior financial years :-				
- income tax	(4,481,260)	(14,836,860)	(1,760)	(98)
- deferred tax	(5,924,271)	(748,750)	-	-
Tax expense/(income)	3,625,263	(18,067,961)	171,973	273,361

29. EARNINGS PER ORDINARY SHARE

(a) Basic Loss Per Share

	2024	2023
	RM	RM
Net loss attributable to owners of the parent	(175,618,607)	(140,865,429)
Number of shares in issue as of 1 July	2,720,619,520	2,720,619,520
Effect of treasury shares held	(146,592,501)	(84,003,426)
Weighted average number of ordinary shares in issue	2,574,027,019	2,636,616,094
Basic loss per ordinary share (sen)	(6.82)	(5.34)

The basic loss per ordinary share is calculated by dividing the consolidated net loss attributable to equity owners of the Company by the weighted average number of ordinary shares (adjusted for treasury shares) during the financial year.

(b) Diluted Loss Per Share

The diluted loss per ordinary share of the Group for the financial year ended 30 June 2024 and 30 June 2023 are same as the basic loss per ordinary share of the Group as the Group has no dilutive potential ordinary shares.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024

30. DIVIDENDS**GROUP AND COMPANY****2024 2023****RM RM**

Recognised during the financial year:-

In respect of the financial year ended 30 June 2022:

- Final single-tier dividend of 3 sen per ordinary share, paid on 18 January 2023	-	79,345,839
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In respect of the financial year ended 30 June 2023:

- Interim single-tier dividend of 3.5 sen per ordinary share, paid on 18 July 2023	-	90,164,313
	-	169,510,152

The directors do not recommend any final dividend in respect of the financial year ended 30 June 2023.

31. CASH AND CASH EQUIVALENTS

Cash and cash equivalents included in the statements of cash flows comprise the following:

	GROUP		COMPANY	
	2024	2023	2024	2023
	RM	RM	RM	RM
Cash and bank balances	678,066,214	1,039,596,623	36,181,036	107,892,657
Fixed deposits with licensed banks	655,012,619	1,106,362,908	11,173	10,822
	1,333,078,833	2,145,959,531	36,192,209	107,903,479

The effective interest rates and maturities of fixed deposits with licensed banks of the Group and of the company range from 3.17% - 5.45% (2023: 3.20% - 5.15%) per annum and 90 to 365 days (2023: 90 to 120 days) respectively.

32. CAPITAL COMMITMENTS**GROUP****2024 2023****RM RM**Approved and contracted for but not provided
in the financial statements

- Purchases of property, plant and equipment	351,852,306	184,860,018
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NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024

33. RELATED PARTY DISCLOSURES

(a) Identity of related parties

Parties are considered to be related to the Company if the Company has the ability, directly or indirectly, to control the party or exercise significant influence over the party in making financial and operational decisions, or vice versa, or where the Company and the party are subject to common control or common significant influence. Related parties may be individuals or other entities.

Related parties of the Group include: -

- (i) subsidiaries;
- (ii) associates;
- (iii) key management personnel which comprises persons (including directors of the Group and of the Company) having the authority and responsibility for planning, directing and controlling the activities of the Group and of the Company directly or indirectly; and
- (iv) directors related companies refer to companies in which directors of the Group and of the Company have substantial financial interest.

(b) Related parties' transactions

	COMPANY	
	2024 RM	2023 RM
Dividend received/receivable from subsidiaries		
- Maxter Glove Manufacturing Sdn Bhd	12,000,000	67,591,376
- Supermax Healthcare Limited	20,011,186	71,013,588
- Supermax Healthcare Canada Inc	-	90,965,809
Interest charged to subsidiaries	157	77,256
	<hr/>	
	GROUP	
	2024 RM	2023 RM
Sales of gloves to associates	40,647,398	82,640,954
	<hr/>	

Information regarding outstanding balances arising from related parties' transactions of each reporting date are disclosed in Notes 14 and 15 to the financial statements.

The compensation of the key management personnel is disclosed in Note 25 to the financial statements.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024

34. SEGMENT REPORTING

MFRS 8 *Operating Segments* requires the identification of operating segments on the basis of internal reports that are regularly reviewed by the Group's chief operating decision maker in order to allocate resources to the segments and assess their performance.

General information

The information reported to the Group's chief operating decision maker to make decisions about resources to be allocated and for assessing their performance is based on the nature of the products and services, and has four main reportable operating segments as follows:-

- (a) Investment holding
- (b) Manufacturing of gloves
- (c) Trading of gloves
- (d) Others

Measurement of reporting segments

Segment information is prepared in conformity with the accounting policies adopted for preparing and presenting the consolidated financial statements.

Segment results are profit earned or loss incurred by each segment without allocation of depreciation and amortisation, finance cost, share of result of associates and income tax expense. There are no significant changes from prior financial year in the measurement method used to determine reported segment profit or loss.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024

34. SEGMENT REPORTING (CONT'D)

GROUP 2024	Investment Holding RM	Manufacturing RM	Trading RM	Others RM	Eliminations RM	Note	Consolidated RM
Revenue							
External sales	-	281,117,880	361,610,011	3,442,563	-		646,170,454
Inter-segment sales	32,011,186	311,114,723	93,186,203	3,809,943	(440,122,055)	(a)	-
Total revenue	32,011,186	592,232,603	454,796,214	7,252,506	(440,122,055)		646,170,454
Result							
Segment results	99,523,340	(30,304,663)	(124,912,016)	(1,521,459)	(88,799,008)	(a)	(146,013,806)
Depreciation, amortisation and impairment	-	(74,750,490)	(15,463,014)	(5,329,529)	-		(95,543,033)
Finance costs	-	(3,579,151)	(1,998,816)	(993,979)	1,337,960	(a)	(5,233,986)
Interest income	956,961	41,753,536	21,722,640	7,874,333	(1,490,854)	(a)	70,816,616
Tax (expense)/income	(171,973)	(24,467,252)	29,076,379	(1,078,252)	(6,984,165)		(3,625,263)
Share of results of associates							(3,533,567)
Net loss for the financial year							(183,133,039)

The Group's assets are allocated to reportable segments other than deferred tax assets and investments in associates.

The Group's liabilities are allocated to reportable segments other than deferred tax liabilities.

GROUP 2024	Investment Holding RM	Manufacturing RM	Trading RM	Others RM	Eliminations RM	Note	Consolidated RM
Assets							
Segment assets	1,017,327,310	4,284,904,669	1,573,236,236	314,993,170	(2,564,774,245)	(b)	4,625,687,140
Deferred tax assets							19,654,148
Investments in associates							195,990,539
Consolidated total assets							4,841,331,827
Liabilities							
Segment liabilities	53,302,885	2,022,826,648	510,481,749	291,639,684	(2,538,019,313)	(c)	340,231,653
Deferred tax liabilities							33,846,954
Consolidated total liabilities							374,078,607

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024

34. SEGMENT REPORTING (CONT'D)

GROUP 2023	Investment Holding RM	Manufacturing RM	Trading RM	Others RM	Eliminations RM	Note	Consolidated RM
Revenue							
External sales	-	338,615,001	474,844,811	7,632,251	-	-	821,092,063
Inter-segment sales	229,570,773	362,651,179	56,288,326	5,458,373	(653,968,651)	(a)	-
Total revenue	229,570,773	701,266,180	531,133,137	13,090,624	(653,968,651)		821,092,063
Result							
Segment results	218,906,963	(100,156,340)	(127,777,521)	2,248,812	(100,943,846)	(a)	(107,721,932)
Depreciation, amortisation and impairment	-	(99,438,646)	(14,205,518)	(5,341,023)	-		(118,985,187)
Finance costs	-	(6,225,367)	(1,733,868)	(999,963)	1,743,936	(a)	(7,215,262)
Interest income	1,139,413	34,525,292	14,303,715	3,007,287	(1,743,936)	(a)	51,231,771
Tax (expense)/income	(273,361)	33,806,017	13,222,655	(535,650)	(28,151,699)		18,067,961
Share of results of associates							(6,795,349)
Net loss for the financial year							(171,417,998)

The Group's assets are allocated to reportable segments other than deferred tax assets and investment in associates.

The Group's liabilities are allocated to reportable segments other than deferred tax liabilities.

GROUP 2023	Investment Holding RM	Manufacturing RM	Trading RM	Others RM	Eliminations RM	Note	Consolidated RM
Assets							
Segment assets	967,047,623	4,456,749,046	1,937,318,199	276,627,796	(2,638,092,858)	(b)	4,999,649,806
Deferred tax assets							18,958,064
Investments in associates							227,238,782
Consolidated total assets							5,245,846,652
Liabilities							
Segment liabilities	91,505,235	1,613,965,638	769,441,379	254,278,988	(2,212,884,150)	(c)	516,307,090
Deferred tax liabilities							37,967,308
Consolidated total liabilities							554,274,398

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024

34. SEGMENT REPORTING (CONT'D)

Nature of adjustments and eliminations to arrive at amounts reported in the consolidated financial statements: -

- (a) Inter-segment transactions and revenue are eliminated on consolidation;
- (b) Inter-segment assets are eliminated on consolidation; and
- (c) Inter-segment liabilities are eliminated on consolidation.

Geographical segments

The following is an analysis of the Group's property, plant and equipment based on the geographical location of the property, plant and equipment:-

	2024 RM	2023 RM
Asia	1,693,982,258	1,670,848,451
North America	965,947,923	540,241,406
Europe	6,005,263	6,220,053
	2,665,935,444	2,217,309,910

The additions to non-current assets consists of:

	2024 RM	2023 RM
Asia	90,752,071	184,040,087
North America	438,074,067	426,184,472
Europe	46,351	281,975
	528,872,489	610,506,534

The following is an analysis of the Group's sales by geographical market according to the continents: -

	2024 RM	2023 RM
Europe	323,772,320	343,988,281
North, Central and South America	137,435,433	235,262,539
Asia and Oceania	160,340,836	210,852,771
Africa	24,621,865	30,988,472
	646,170,454	821,092,063

Major customers

Revenue from Nil (2023: 1) major customer of the Group amounted to Nil (2023: RM82,640,954) arising from trading of gloves segment.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024

35. FINANCIAL INSTRUMENTS

The table below provides an analysis of financial instruments categorised as follows:

- (i) Financial assets measured at amortised costs ("AC")
- (ii) Financial liabilities measured at amortised costs ("AC")
- (iii) Fair value through profit or loss ("FVTPL")

	Carrying Amount RM	AC RM	FVTPL RM
GROUP			
30 June 2024			
Financial assets			
Receivables, net of prepayments	143,951,594	143,951,594	-
Amounts owing by associates	5,524,609	5,524,609	-
Short-term investments	6,728	-	6,728
Cash and bank balances	1,333,078,833	1,333,078,833	-
	1,482,561,764	1,482,555,036	6,728
Financial Liabilities			
Payables	208,305,992	208,305,992	-
Trade loans	97,845,169	97,845,169	-
Term loans	5,935,511	5,935,511	-
Lease liabilities	26,547,363	26,547,363	-
	338,634,035	338,634,035	-
COMPANY			
30 June 2024			
Financial assets			
Other receivables	164,477	164,477	-
Amounts owing by subsidiaries	44,204,577	44,204,577	-
Cash and bank balances	36,192,209	36,192,209	-
	80,561,263	80,561,263	-
Financial liabilities			
Payables	458,351	458,351	-
Amount owing to subsidiaries	52,670,800	52,670,800	-
	53,129,151	53,129,151	-
GROUP			
30 June 2023			
Financial assets			
Receivables, net of prepayments	130,162,926	130,162,926	-
Amounts owing by associates	17,853,182	17,853,182	-
Short-term investments	6,507	-	6,507
Cash and bank balances	2,145,959,531	2,145,959,531	-
	2,293,982,146	2,293,975,639	6,507
Financial Liabilities			
Payables	271,480,493	271,480,493	-
Trade loans	78,566,864	78,566,864	-
Term loans	2,798,902	2,798,902	-
Lease liabilities	23,068,628	23,068,628	-
	375,914,887	375,914,887	-

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024

35. FINANCIAL INSTRUMENTS (CONT'D)

The table below provides an analysis of financial instruments categorised as follows: (Cont'd)

	Carrying Amount RM	AC RM	FVTPL RM
COMPANY			
30 June 2023			
Financial assets			
Other receivables	163,475	163,475	-
Amounts owing by subsidiaries	10,413,117	10,413,117	-
Cash and bank balances	107,903,479	107,903,479	-
	118,480,071	118,480,071	-
Financial liabilities			
Payables	1,063,197	1,063,197	-
Amount owing to subsidiaries	4,266	4,266	-
	1,067,463	1,067,463	-

36. FINANCIAL RISK MANAGEMENT

The Group and the Company have exposure to the following risks from its use of financial instruments:

- (a) Credit risk
- (b) Liquidity risk
- (c) Market risk

(a) Credit risk

Credit risk is the risk of a financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations. The Group's exposure to credit risk arises principally from capital financing, trade receivables, bank balances and short-term funds. The Company's exposure to credit risk arises principally from bank balances, amount due from subsidiaries and financial guarantees given to banks for credit facilities granted to subsidiaries.

Allowance for expected credit loss ("ECL") is made in accordance with the relevant accounting policies or when deemed necessary based on estimates of expected losses that may arise from non-collection of debts from its business. Write off of debts against individual assessment are made only when avenues of recovery have been exhausted and the debts are deemed to be irrecoverable in the foreseeable future.

(i) Trade receivables

The Group's sales to customers are on credit terms of 30 to 120 days. The management has a credit policy in place and the exposure to credit risk is monitored on an ongoing basis. Credit evaluations are performed on customers requiring credit over a certain amount. Based on the credit evaluation, the customers are rated into three risk categories, namely low risk, medium risk and high risk.

As at the end of the reporting period, the maximum exposure to credit risk arising from receivables is represented by the carrying amounts in the statements of financial position.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024

36. FINANCIAL RISK MANAGEMENT (CONT'D)**(a) Credit risk (Cont'd)****(i) Trade receivables (Cont'd)**

Management has taken reasonable steps to ensure that receivables that are neither past due nor impaired for ECL are stated at their realisable values. A significant portion of these receivables are regular customers that have been transacting with the Group.

When an account is more than 90 days past due, the credit risk is considered to have increased significantly since the initial recognition. The Group identifies as a default account if it is more than 90 days past due and the customer is having significant financial difficulties (analysed by financial measures of reported losses, negative cash flows, and qualitative evaluation of the customer's characteristics). The Group classifies an impaired receivable when a customer is in default, in liquidation or undertaking other financial reorganisation.

(i) Manufacturing segment

Credit risk is managed by evaluating the creditworthiness of each customer, with additional protection provided by the use of collateral and credit enhancements to reduce potential losses.

Almost all of the Group's trade receivables are secured by collateral and backed by credit enhancements, which greatly reduce the Group's credit risk.

The collateral primarily consists of end-financing arrangements, letters of credit, and cash deposits from customers, some of which are included in the calculation of expected credit losses.

These forms of collateral and credit enhancements play an important role in the Group's credit risk management and are regularly monitored to ensure their effectiveness.

(ii) Trading segment

Instead of adopting the simplified approach under MFRS 9, the Group calculates its expected credit losses (ECL) using historical data, specifically the ratio of bad debt written off to total revenue during the reporting year. Over the past 3 years, this ratio has consistently been below 0.5%.

For the financial year ended 30 June 2024, the total bad debt written off was RM30,000, which represents 0.01% of the total revenue of RM320 million. Based on this ratio, the Group has assessed the impact of ECL as immaterial, as the calculated provision does not significantly affect the Group's financial position.

Due to the low historical default rates and consistent credit recovery, combined with the fact that the Group primarily deals with reputable and long-standing customers, the calculated ECL is immaterial. The Group does not anticipate significant changes to these loss rates due to macroeconomic or forward-looking factors. Consequently, no material ECL provision has been recognized for the financial year.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024

36. FINANCIAL RISK MANAGEMENT (CONT'D)

(a) Credit risk (Cont'd)

(i) Trade receivables (Cont'd)

(ii) Trading segment (Cont'd)

The Group continuously monitors its credit risk management policies. However, based on current and historical data, the recognition of ECL under MFRS 9 is considered immaterial to the Group's financial statements.

A receivable is written off only if there is no reasonable expectation of recovery. This is when an account is 365 days past due or the customer is experiencing significant financial difficulties, undertaking financial reorganisation or has gone bankrupt.

Information regarding loss allowance movement of trade receivables are disclosed in Note 13 to the financial statements.

Concentration of credit risk

The Group determines concentrations of credit risk by monitoring the country of its trade receivables on an on-going basis. The credit risk concentration profile of the Group's net trade receivables by geographic region at the reporting date is as follows: -

	2024 RM	2023 RM
Europe	43,025,246	35,422,057
North, Central and South America	12,492,295	13,720,402
Asia and Oceania	11,774,678	3,573,499
Africa	2,140,957	597,797
	69,433,176	53,313,755

(ii) Inter-company balances

The Company provides unsecured loans and advances to its subsidiaries. The Company monitors the results of the subsidiaries regularly.

As at end of the reporting period, the maximum exposure to credit risk is represented by their carrying amounts in the statement of financial position.

Loans and advances are only provided to subsidiaries which are wholly owned by the Company.

As at the end of the reporting period, there was no indication that the loans and advances to the subsidiaries are not recoverable except for those balances where impairment losses have been provided.. The Company does not specifically monitor the ageing of current advances to the subsidiaries. Nevertheless, an appropriate allowance will be made subsequently if the debt-owing company's financial condition is considered not satisfactory, regardless of whether it still carries on business operation, and there is insufficient evidence to indicate that its financial condition would improve in the foreseeable future.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024

36. FINANCIAL RISK MANAGEMENT (CONT'D)

(a) Credit risk (Cont'd)

(iii) Other financial assets

Cash and cash equivalents and other receivables are subject to immaterial credit loss.

(iv) Financial guarantees

The Company provides unsecured financial guarantees to banks in respect of banking facilities granted to certain subsidiaries. The Company monitors on an ongoing basis the repayments made by the subsidiaries and its financial performance.

The maximum exposure to credit risk amounts to RM135,818,000 (2023: RM131,776,000) representing the outstanding borrowings of subsidiaries guaranteed by the Company at the reporting date. The fair value of such financial guarantees is not expected to be material as the probability of the subsidiaries defaulting on the credit lines is remote.

The Company assumes that there is a significant increase in credit risk when a subsidiary's financial position deteriorates significantly. The Company considers a financial guarantee to be credit impaired when:

- (a) The subsidiary is unlikely to repay its credit obligation to the bank in full; or
- (b) The subsidiary is continuously loss making and is having a deficit shareholders' fund.

The Company determines the probability of default of the guaranteed loans individually using internal information available. As at the end of reporting period, there was no indication that any subsidiary would default on repayment.

The financial guarantees have not been recognised since the fair value on initial recognition was not material.

(b) Liquidity risk

Liquidity risk is the risk that the Group and the Company will not be able to meet its financial obligations as they fall due. The Group's and the Company's exposure to liquidity risk arises principally from its various payables, loans and borrowings.

The Group and the Company maintain a level of cash and cash equivalents and banking facilities deemed adequate by the management to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they fall due.

It is not expected that the cash flows included in the maturity analysis could occur significantly earlier, or at significantly different amounts.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024

36. FINANCIAL RISK MANAGEMENT (CONT'D)

(b) Liquidity risk (Cont'd)

Maturity analysis

The table below summarises the maturity profile of the Group's and of the Company's financial liabilities as at the end of the reporting period based on undiscounted contractual payments:

GROUP	Carrying amounts RM	Contractual undiscounted cash flows RM	Repayable within 1 year RM	Repayable 1 to 5 years RM
2024				
Financial liabilities				
Payables	208,305,992	208,305,992	208,305,992	-
Loans and borrowings	103,780,680	103,780,680	102,113,796	1,666,884
Lease liabilities	26,547,363	28,810,289	6,717,647	22,092,642
	338,634,035	340,896,961	317,137,435	23,759,526
2023				
Financial liabilities				
Payables	271,480,493	271,480,493	271,480,493	-
Loans and borrowings	81,365,766	81,365,766	79,459,324	1,906,442
Lease liabilities	23,068,628	28,563,971	7,431,133	21,132,838
	375,914,887	381,410,230	358,370,950	23,039,280
GROUP	Carrying amounts RM	Contractual undiscounted cash flows RM	Repayable within 1 year RM	Repayable 1 to 5 years RM
2024				
Financial liabilities				
Payables	458,351	458,351	458,351	-
Amount owing to subsidiaries	52,670,800	52,670,800	52,670,800	-
Financial guarantees	-	135,817,000	135,817,000	-
	53,129,151	188,946,151	188,946,151	-
2023				
Financial liabilities				
Payables	1,063,197	1,063,197	1,063,197	-
Amount owing to subsidiaries	4,266	4,266	4,266	-
Financial guarantees	-	131,776,000	131,776,000	-
	1,067,463	132,843,463	132,843,463	-

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024

36. FINANCIAL RISK MANAGEMENT (CONT'D)

(c) Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and other prices that will affect the Group's and the Company's financial position or cash flows.

(i) Interest rate risk

Interest rate risk arises from borrowings at fixed and variable rates to finance its capital expenditure and working capital requirements. The management monitors the prevailing interest rates at regular intervals.

Sensitivity analysis for interest rate risk

At the end of the reporting period, if interest rates had been 1% lower/higher, with all other variables held constant, the Group's loss/profit net of tax would have been higher/lower, for external borrowings, RM990,000 (2023: RM794,000). These impacts arise mainly as a result of lower/higher of interest expenses from pre-determined rate of borrowings. The assumed movement in basis points for interest rate sensitivity analysis is based on the currently observable market environment.

(ii) Foreign currency risk

There is exposure to foreign currency movements on financial assets and financial liabilities denominated in foreign currencies. The Group also has foreign currency risk on sales and purchase that are denominated in foreign currencies. The currencies giving rise to this risk are primarily United States Dollars ("USD"), British Pound Sterling ("GBP"), Singapore Dollars ("SGD"), Canadian Dollars ("CAD"), Euro, Japanese Yen ("JPY") and Hong Kong Dollars ("HKD").

Sensitivity analysis for foreign currency risk

The following table demonstrates the sensitivity of the Group and of the Company's loss/profit net of tax to a reasonably possible change in the exchange rates of USD, GBP, SGD, CAD, Euro, JPY and HKD against the functional currency of the Group and of the Company, with all other variables held constant.

	GROUP	
	2024	2023
	RM	RM
	Profit/(Loss)	Profit/(Loss)
	for the year	for the year
USD/RM		
- strengthened 3% (2023:3%)	16,716,717	29,247,179
- weakened 3% (2023:3%)	(16,716,717)	(29,247,179)
GBP/RM		
- strengthened 3% (2023:3%)	5,959,557	6,966,880
- weakened 3% (2023:3%)	(5,959,557)	(6,966,880)
CAD/RM		
- strengthened 3% (2023:3%)	473,103	455,583
- weakened 3% (2023:3%)	(473,103)	(455,583)
SGD/RM		
- strengthened 3% (2023:3%)	3,633,575	3,492,925
- weakened 3% (2023:3%)	(3,633,575)	(3,492,925)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024

36. FINANCIAL RISK MANAGEMENT (CONT'D)

(c) Market risk (Cont'd)

(ii) Foreign currency risk (Cont'd)

Sensitivity analysis for foreign currency risk (Cont'd)

	GROUP	
	2024	2023
	RM	RM
	Profit/(loss)	Profit/(loss)
	for the year	for the year
Euro/RM		
- strengthened 3% (2023:3%)	41,982	66,976
- weakened 3% (2023:3%)	(41,982)	(66,976)
JPY/RM		
- strengthened 3% (2023:3%)	84,145	169,584
- weakened 3% (2023:3%)	(84,145)	(169,584)
HKD/RM		
- strengthened 3% (2023:3%)	27,108	146,631
- weakened 3% (2023:3%)	(27,108)	(146,631)

(iii) Market price risk

Market price risk is the risk that the fair value or future cash flows of the Group and of the Company's financial instruments will fluctuate because of changes in market price (other than interest or exchange rates).

The Group has in place policies to manage the Group's exposure to fluctuations in the selling price of the Group's products and purchase prices of the key raw materials used in the operations. The management conducts constant survey of the global market price and trend in order to determine the selling price.

37. FAIR VALUE MEASUREMENT

The carrying amounts of cash and cash equivalents, short-term receivables and payables and short-term borrowings approximate fair values due to the relatively short-term nature of these financial instruments. As borrowings are obtained from licensed financial institution at prevailing market rate, the carrying amount of these financial liabilities approximate the fair value.

38. CAPITAL MANAGEMENT

The primary objective of the Group's and of the Company's capital management is to ensure that it is able to continue as a going concern to support the business of the Group and of the Company and to maximise shareholders' value.

The Group and the Company manage its capital structure and makes adjustments to it, in light of changes in economic conditions. To maintain or adjust capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders, issue new shares or take additional or repay its loans and borrowings. No changes were made in the objectives, policies and processes during the financial year ended 30 June 2024 and 30 June 2023.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024

38. CAPITAL MANAGEMENT (CONT'D)

The Group and the Company monitor capital using a gearing ratio, which is total debts divided by total capital plus total debts. The Group's and the Company's policy is to keep the gearing ratio between 20% to 40% and 10% to 30% respectively. The Group and the Company include within total debts, payables, loans and borrowings and lease liabilities. Capital includes equity attributable to the owners of the parent.

The gearing ratio of the Group and of the Company is as follows: -

	2024	2023
	RM	RM
GROUP		
Payables	208,305,992	271,480,493
Loans and borrowings	103,780,680	81,365,766
Lease liabilities	26,547,363	23,068,628
Total debts	338,634,035	375,914,887
Equity attributable to owners of the parent	4,450,084,925	4,601,473,418
Capital and total debts	4,788,718,960	4,977,388,305
Gearing ratio	7.1%	7.6%

COMPANY

Payables	458,351	1,063,197
Amounts owing to subsidiaries	52,670,800	4,266
Total debts	53,129,151	1,067,463
Equity attributable to owners of the parent	983,019,122	894,537,084
Capital and total debts	1,036,148,273	895,604,547
Gearing ratio	5.1%	0.1%

The Group is required to maintain financial covenants of a minimum Consolidated Total Equity of RM620 million and a maximum Consolidated Debt to Consolidated Total Equity ratio of 1.0. The Group had complied with these covenants.

39. APPROVAL OF FINANCIAL STATEMENTS

The financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the directors on 30 October 2024.

LIST OF PROPERTIES

Held by the Group as at 30 June 2024

	Location	Existing Use	Age of Building	Land Area/ (Build-up Area)	Tenure	Net Book Value (RM)
1.	Lot 42, Jalan BRP9/2B, Putra Industrial Park, Bukit Rahman Putra, Sungai Buloh, Selangor Darul Ehsan.	Land and Building	26 years	1.5 acres/ (36,600sq ft)	Freehold	1,143,785
2.	Lot 6070, Mukim of Kapar, District of Kelang, Selangor Darul Ehsan.	Land and Factory cum Office Building	23 years	5.0063 acres/ (127,861sq ft)	Freehold	22,192,118
3.	Lot 38, Jalan BRP9/2B, Putra Industrial Park, Bukit Rahman Putra, Sungai Buloh, Selangor Darul Ehsan.	Land, Factory cum Office Building	19 years	5.6337 acres	Freehold	20,607,827
4.	Lot No. 5128, Mukim of Kapar, District of Kelang, Selangor Darul Ehsan.	Land and Building	20 years	4.6875 acres	Freehold	8,173,123
5.	Lot 512 & Lot 1784, Mukim of Ijok, District of Kuala Selangor, Selangor Darul Ehsan.	Agricultural Land (pending conversion to industrial land)		Lot 512: 3.8438 acres Lot 1784: 1.98 acres	Lot 512-freehold Lot 1784-leasehold 99 years (Exp:3.8.2057)	650,280
6.	Suite No. 708, 6th Floor (Level 7), Menara Atlas, (Tower A), Plaza Pantai, Off Jalan Pantai Baru, Kuala Lumpur.	Stratified office lot	22 years	1,235 sq ft	Freehold	322,834
7.	Lot 6068, Mukim of Kapar, District of Kelang, Selangor Darul Ehsan.	Land and Building	18 years	5.00625 acres	Freehold	14,511,737
8.	Lot 55, Jalan Industri 13, Kaw. Perindustrian Kelemak, 78000 Alor Gajah, Melaka.	Land and Building		18,408 sq m	Leasehold - 99 years (Exp:18.6.2088)	3,351,977
9.	Lot 72706 Jalan Lahat, Kawasan Perindustrian Bukit Merah, 31500 Lahat, Perak Darul Ridzuan. HS(D)KA 70399 Lot 72706, Mukim Hulu Kinta, District Kinta, Perak Darul Ridzuan.	Industrial Land Single-storey factory with annexed two-storey office buildings	31 years	26,688sq m 18,534sq m	Leasehold - 60 years (Exp:13.1.2037)	153,608 -
10.	PN 123155, Lot 207171, Mukim Hulu Kinta, District Kinta, Perak Darul Ridzuan.	Land and building		639sq m	Leasehold - 90 years (Exp:15.11.2083)	277,208
11.	PN 123156, Lot 207172, Mukim Hulu Kinta, District Kinta, Perak Darul Ridzuan.	Land and building		465sq m	Leasehold - 90 years (Exp:15.11.2083)	188,712
12.	PN 123161, Lot 207177, Mukim Hulu Kinta, District Kinta, Perak Darul Ridzuan.	Land and building		465sq m	Leasehold - 90 years (Exp:15.11.2083)	201,377
13.	PN 123162, Lot 207178, Mukim Hulu Kinta, District Kinta, Perak Darul Ridzuan.	Land and Building		650sq m	Leasehold - 90 years (Exp:15.11.2083)	257,203
14.	HS(D) 11530, PT 11574, Mukim Hulu Kinta, District Kinta, Perak Darul Ridzuan.	Industrial Land		15,054sq m	Leasehold - 99 years (Exp:07.12.2097)	761,215

LIST OF PROPERTIES

Held by the Group as at 30 June 2024

	Location	Existing Use	Age of Building	Land Area/ (Build-up Area)	Tenure	Net Book Value (RM)
15.	HS(D) 11531, PT 11575, Mukim Hulu Kinta, District Kinta, Perak Darul Ridzuan.	Industrial Land		16,187sq m	Leasehold - 99 years (Exp:07.12.2097)	820,326
16.	PT 11574 & PT 11575, Jalan Logam 7, Kawasan Perindustrian Kamunting Raya, 34600 Kamunting Raya, Mukim Asam Kumbang, Perak Darul Ridzuan.	Single-storey factory with annexed two-storey office buildings		17,636sq m	Leasehold - 99 years (Exp:07.12.2097)	26,458,149
17.	Lot 6069, Mukim Kapar, Daerah Klang, Negeri Selangor.	Land and office cum factory warehouse	23 years	20,260sq m	Freehold	18,063,367
18.	HS(D) 143519, PT 207093, Lot 72314, Mukim Hulu Kinta, District Kinta, Perak Darul Ridzuan.	Industrial Land		9,359sq m	Leasehold - 99 years (Exp:19.05.2104)	1,952,469
19.	PN 123157, Lot 207173, Mukim Hulu Kinta, District Kinta, Perak Darul Ridzuan.	Land and Building Single-storey semi-detached factory		465sq m	Leasehold - 90 years (Exp:15.11.2083)	217,560
20.	PN 123158, Lot 207174, Mukim Hulu Kinta, District Kinta, Perak Darul Ridzuan.	Land and Building Single-storey semi-detached factory		465sq m	Leasehold - 90 years (Exp:15.11.2083)	217,560
21.	PN 123159, Lot 207175, Mukim Hulu Kinta, District Kinta, Perak Darul Ridzuan.	Land and Building Single-storey semi-detached factory		465sq m	Leasehold - 90 years (Exp:15.11.2083)	217,560
22.	PN 123160, Lot 207176, Mukim Hulu Kinta, District Kinta, Perak Darul Ridzuan.	Land and Building Single-storey semi-detached factory		465sq m	Leasehold - 90 years (Exp:15.11.2083)	217,560
23.	HS(D) 129442, PT 62957 Mukim Kapar, District of Klang, Selangor Darul Ehsan.	Industrial Land		123,080sq m	Freehold	14,607,750
24.	Geran No. 45720 Lot No. 6059, Mukim Kapar, Daerah Klang Negeri Selangor.	Land and Building		20,234sq m	Freehold	22,971,558
25.	Geran No. 45719 Lot No. 6058, Mukim Kapar, Daerah Klang Negeri Selangor.	Land and Building		20,209sq m	Freehold	25,527,804
26.	Geran No. 28698 Lot No. 1858, Mukim Serendah, Daerah Ulu Selangor, Negeri Selangor.	Land		404,685sq m	Freehold	80,809,480
27.	Geran No. 45722 Lot No. 6061, Mukim Kapar, Daerah Klang Negeri Selangor.	Land and Building	5 years	20,234sq m	Freehold	73,200,327
28.	Geran No. 68913 Lot No. 43816, Mukim Kapar, District Klang, Selangor.	Land and Building	2 years	65,550sq m	Freehold	71,516,914
29.	HS(D) 145228, PT70824, Mukim Kapar, District of Klang, Selangor.	Land		16,654sq m	Freehold	20,838,067
30.	Geran No. 47521 Lot No. 6060, Mukim Kapar, Daerah Klang Negeri Selangor.	Land		20,234sq m	Freehold	28,231,834

LIST OF PROPERTIES

Held by the Group as at 30 June 2024

	Location	Existing Use	Age of Building	Land Area/ (Build-up Area)	Tenure	Net Book Value (RM)
31.	One Commonwealth Lane #07-01, Singapore 149544	Building	16 years	133 sq m	Leasehold - 30 years (Exp:28.02.2038)	1,717,139
32.	One Commonwealth Lane #07-02, Singapore 149544	Building	16 years	133 sq m	Leasehold - 30 years (Exp:28.02.2038)	1,717,139
33.	One Commonwealth Lane #07-09, Singapore 149544	Building	16 years	140 sq m	Leasehold - 30 years (Exp:28.02.2038)	1,950,366
34.	Plots 2-4 Kingston Park, Flaxley Road, Peterborough, PE2 9FT	Land		11,400 sq m	Freehold	5,215,069
35.	1899 Sequioa Drive , Aurora, IL 60506 USA	Land and building	10 years	56,640 sq m	Freehold	34,892,682
36.	14559 County Road 48, Rosharon, Texas 77583, USA	Land		868,289 sq m	Freehold	25,409,592
37.	329 Sterling Crescent, Bradford, Ontario, Canada	Land		8,579 sq m	Freehold	14,060,824
38.	Ko-268-8798, Aza Owaki, Tano-cho, Miyazaki-shi, Miyazaki-ken, JAPAN	Land and building	5 years	925 sq m	Freehold	715,902
39.	Unit E&F, 39/F, COS Centre, 56 Tsun Yip Stree, Kwun Tong, Kowloon, Hong Kong	Building	8 years	257 sq m	Leasehold	17,051,102
40.	Unit 1-1A, 2/F, Block B, Hoi Luen Industrial Centre, 55 Hoi Yuen Road, Kwun Tong, Kowloon, Hong Kong	Building	39 years	627 sq m	Leasehold	15,191,755

ANALYSIS OF SHAREHOLDINGS

As at 30 September 2024

Issued and Fully Paid-up : RM340,077,440
 Class of Shares : Ordinary Shares
 Voting Rights : 1 vote per Ordinary Share

Size of Holdings	No. of Holders		No. of Holdings		%	
	Malaysian	Foreigner	Malaysian	Foreigner	Malaysian	Foreigner
1 - 99	15,838	115	556,457	4,188	0.022	0.000
100 - 1,000	10,079	68	4,321,027	33,334	0.169	0.001
1,001 - 10,000	33,337	223	126,435,751	933,661	4.957	0.037
10,001 - 100,000	15,002	208	413,446,231	7,018,231	16.210	0.275
100,001 - 127,530,975 (*)	1,763	127	794,064,765	165,789,188	31.132	6.500
127,530,976 and above (**)	1	0	1,038,016,687	0	40.697	0.000
Total	76,020	741	2,376,840,918	173,778,602	93.187	6.813
	No. of Holders		No. of Shares		%	
Grand Total	76,761		2,550,619,520		100	

* Less than 5% of issued holdings

** 5% and above of issued holdings

LIST OF TOP 30 HOLDERS AS AT 30 SEPTEMBER 2024

No.	Name	Holdings	%
1	SUPERMAX HOLDINGS SDN BHD	1,038,016,687	40.697
2	DB (MALAYSIA) NOMINEE (TEMPATAN) SENDIRIAN BERHAD DEUTSCHE TRUSTEES MALAYSIA BERHAD FOR HONG LEONG VALUE FUND	33,396,200	1.309
3	TAN GEOK SWEE @ TAN CHIN HUAT	23,809,493	0.933
4	CITIGROUP NOMINEES (TEMPATAN) SDN BHD EMPLOYEES PROVIDENT FUND BOARD (RHB INV)	22,312,103	0.875
5	TAN GEOK SWEE @ TAN CHIN HUAT	22,255,989	0.873
6	HSBC NOMINEES (ASING) SDN BHD JPMCB NA FOR VANGUARD TOTAL INTERNATIONAL STOCK INDEX FUND	21,678,543	0.850
7	CITIGROUP NOMINEES (TEMPATAN) SDN BHD EXEMPT AN FOR BANK OF SINGAPORE LIMITED (LOCAL)	21,393,633	0.839
8	HSBC NOMINEES (ASING) SDN BHD JPMCB NA FOR VANGUARD EMERGING MARKETS STOCK INDEX FUND	20,396,229	0.800
9	CITIGROUP NOMINEES (TEMPATAN) SDN BHD EMPLOYEES PROVIDENT FUND BOARD (RHBISLAMIC)	19,937,520	0.782
10	CARTABAN NOMINEES (ASING) SDN BHD EXEMPT AN FOR STATE STREET BANK & TRUST COMPANY (WEST CLT OD67)	19,090,220	0.748
11	RHB NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR KONG HON KONG	12,639,200	0.496
12	GONG WOOL TEIK	12,513,379	0.491
13	HSBC NOMINEES (ASING) SDN BHD JPMCB NA FOR VANGUARD FIDUCIARY TRUST COMPANY INSTITUTIONAL TOTAL INTERNATIONAL STOCK MARKET INDEX TRUST II	10,335,710	0.405
14	CIMB GROUP NOMINEES (TEMPATAN) SDN BHD CIMB BANK BERHAD (EDP 2)	9,185,780	0.360
15	KOK YOON LIM	8,386,800	0.329
16	MAYBANK NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR KOK YOON LIM	6,405,900	0.251
17	KENANGA NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR LIM CHOON TONG (015)	6,025,566	0.236
18	AMANAHRAYA TRUSTEES BERHAD AMANA SAHAM MALAYSIA	5,513,241	0.216

ANALYSIS OF SHAREHOLDINGS

As at 30 September 2024

No.	Name	Holdings	%
19	HSBC NOMINEES (ASING) SDN BHD JPMCB NA FOR EMERGING MARKETS SMALL CAPITALIZATION EQUITY INDEX NONLENDABLE FUND	5,490,446	0.215
20	MAYBANK NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR TING HENG PENG (14570MZ0406)	5,367,577	0.210
21	CARTABAN NOMINEES (ASING) SDN BHD THE BANK OF NEW YORK MELLON FOR VANGUARD FTSE ALL-WORLD EX-US SMALL-CAP INDEX FUND	5,263,400	0.206
22	KENANGA NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR LIM KEAN SENG (015)	5,245,466	0.206
23	HSBC NOMINEES (ASING) SDN BHD EXEMPT AN FOR BANK JULIUS BAER & CO. LTD. (SINGAPORE BCH)	5,089,583	0.200
24	CARTABAN NOMINEES (ASING) SDN BHD THE BANK OF NEW YORK MELLON FOR UPS GROUP TRUST	4,900,604	0.192
25	RHB CAPITAL NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR LIM CHAI BENG (CEB)	4,617,400	0.181
26	TAN BEE HONG	4,440,973	0.174
27	CARTABAN NOMINEES (ASING) SDN BHD BNYM SA/NV FOR ISHARES PUBLIC LIMITED COMPANY	4,370,372	0.171
28	CITIGROUP NOMINEES (TEMPATAN) SDN BHD GREAT EASTERN LIFE ASSURANCE (MALAYSIA) BERHAD (LBF)	4,238,900	0.166
29	MAYBANK NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR GAN KOK TIAM	4,090,533	0.160
30	UOB KAY HIAN NOMINEES (ASING) SDN BHD EXEMPT AN FOR UOB KAY HIAN PTE LTD (A/C CLIENTS)	3,877,466	0.152

INFORMATION ON DIRECTORS' HOLDINGS BASED ON THE REGISTER OF DIRECTORS' SHAREHOLDINGS AS AT 30 SEPTEMBER 2024

No.	Name	No. of Ordinary Shares Held			
		Direct	%	Indirect	%
1	DATO' SERI THAI KIM SIM, STANLEY	-	-	1,038,016,687 ⁽¹⁾	40.697
2	TAN CHEE KEONG	963,341	0.04	-	-
3	DATO' TING HENG PENG	12,677,834	0.50	-	-
4	ALBERT SAYCHUAN CHEOK	173,279	0.01	-	-
5	NG KENG LIM @ NGOOI KENG LIM, EISEN	-	-	-	-
6	ROZITA BINTI ABDUL RAHMAN	288,670	0.01	-	-
7	WONG PHAIT LEE	-	-	-	-
8	GAN KIM KHOON	-	-	-	-
9	YIP KIT WENG	62,000	0.002	-	-

INFORMATION ON SUBSTANTIAL SHAREHOLDERS' HOLDINGS BASED ON THE REGISTER OF SUBSTANTIAL SHAREHOLDERS AS AT 30 SEPTEMBER 2024

No.	Name	No. of Ordinary Shares Held			
		Direct	%	Indirect	%
1	SUPERMAX HOLDINGS SDN BHD	1,038,016,687	40.697	-	-
2	DATO' SERI THAI KIM SIM, STANLEY	-	-	1,038,016,687 ⁽²⁾	40.697
3	DATUK WIRA TAN BEE GEOK	-	-	1,038,016,687 ⁽²⁾	40.697

Notes:-

¹ Deemed interest in the shares held by Supermax Holdings Sdn Bhd ("SHSB") pursuant to Section 8 of the Companies Act 2016 ("Act") and indirect interest pursuant to Section 59(ii)(c) of the Act through spouse's deemed interest in shares held by SHSB pursuant to Section 8 of the Act.

² Deemed interest in the shares held by SHSB pursuant to Section 8 of the Act

NOTICE OF TWENTY-SEVENTH ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the Twenty-Seventh Annual General Meeting (“**27th AGM**”) of **SUPERMAX CORPORATION BERHAD** (“**Supermax**” or the “**Company**”) will be conducted on a virtual basis through live streaming from the broadcast venue at Lot 38, Putra Industrial Park, Bukit Rahman Putra, 40160 Sungai Buloh, Selangor Darul Ehsan, Malaysia (“**Broadcast Venue**”) on Thursday, 28 November 2024 at 10:00 a.m. for the following purposes:

AGENDA

AS ORDINARY BUSINESS

1. To receive the Audited Financial Statements of the Company for the financial year ended 30 June 2024 together with the Reports of the Directors and Auditors thereon. **[Please refer to Explanatory Note 1]**
2. To approve the payment of Directors’ fees of up to RM1,385,000 for the financial year ending 30 June 2025. **Ordinary Resolution 1**
3. To approve the payment of Directors’ benefits of up to RM42,000 for the period from 29 November 2024 until the next Annual General Meeting (“AGM”) of the Company. **Ordinary Resolution 2**
4. To re-elect the following Director who is retiring pursuant to Clause 76(3) of the Company’s Constitution:
 - (i) Dato’ Ting Heng Peng **Ordinary Resolution 3**
5. To re-elect the following Directors who are retiring pursuant to Clause 78 of the Company’s Constitution:
 - (i) Ms Wong Phait Lee **Ordinary Resolution 4**
 - (ii) Mr Gan Kim Khoon **Ordinary Resolution 5**
 - (iii) Mr Yip Kit Weng **Ordinary Resolution 6**
6. To re-appoint Messrs. HLB Ler Lum Chew PLT as the Auditors of the Company until the conclusion of the next AGM of the Company and to authorise the Directors to determine their remuneration. **Ordinary Resolution 7**

AS SPECIAL BUSINESS

To consider and if thought fit, to pass the following resolutions:

7. **WAIVER OF PRE-EMPTIVE RIGHTS PURSUANT TO SECTION 85 OF THE COMPANIES ACT 2016** **Ordinary Resolution 8**

“THAT pursuant to Section 85 of the Companies Act 2016 (“**Act**”), read together with Clause 12(3) of the Company’s Constitution, the shareholders of the Company do hereby waive their pre-emptive rights to be offered new shares ranking equally to the existing issued shares of the Company.

THAT the Directors be and are hereby authorised to issue any new shares (including rights or options over subscription of such shares) and with such preferred, deferred, or other special rights or such restrictions, whether with regard to dividend, voting, return of capital, or otherwise, for such consideration and to any person as the Directors may determine subject to the passing of the Ordinary Resolution 9 below.”

NOTICE OF TWENTY-SEVENTH ANNUAL GENERAL MEETING

8. **AUTHORITY FOR THE DIRECTORS TO ISSUE AND ALLOT SHARES OF THE COMPANY PURSUANT TO SECTIONS 75 AND 76 OF THE COMPANIES ACT 2016**

Ordinary Resolution 9

“THAT contingent upon the passing of the Ordinary Resolution 8 above and pursuant to Sections 75 and 76 of the Act, Main Market Listing Requirements of Bursa Malaysia Securities Berhad (“**Bursa Securities**”) and the approval of the relevant regulatory authorities, where such approval is required, the Directors of the Company be and are hereby authorised to issue and allot shares in the capital of the Company, grant rights to subscribe for shares in the Company, convert any securities into shares in the Company, or allot shares under an agreement or option or offer (“**New Shares**”) from time to time, at such price, to such persons and for such purposes and upon such terms and conditions as the Directors may in their absolute discretion deem fit, provided that the aggregate number of such New Shares to be issued, to be subscribed under any rights granted, to be issued from conversion of any security, or to be issued and allotted under an agreement or option or offer, pursuant to this resolution, when aggregated with the total number of any such shares issued during the preceding 12 months does not exceed 10% of the total number of issued shares (excluding any treasury shares) of the Company for the time being (“**Proposed General Mandate**”).

THAT such approval on the Proposed General Mandate shall continue to be in force until:

- (a) the conclusion of the next AGM of the Company held after the approval was given;
- (b) the expiration of the period within which the next AGM of the Company is required to be held after the approval was given; or
- (c) revoked or varied by resolution passed by the shareholders of the Company in a general meeting,

whichever is the earlier.

THAT the Directors of the Company be and are hereby also empowered to obtain the approval from Bursa Securities for the listing of and quotation for such New Shares on the Main Market of Bursa Securities.

THAT authority be and is hereby given to the Directors of the Company, to give effect to the Proposed General Mandate with full powers to assent to any conditions, modifications, variations and/or amendments as they may deem fit in the best interest of the Company and/or as may be imposed by the relevant authorities.

AND THAT the Directors of the Company, be and are hereby authorised to implement, finalise, complete and take all necessary steps and to do all acts (including execute such documents as may be required), deeds and things in relation to the Proposed General Mandate.”

NOTICE OF TWENTY-SEVENTH ANNUAL GENERAL MEETING

9. **PROPOSED RENEWAL OF THE AUTHORITY FOR THE COMPANY TO PURCHASE ITS OWN SHARES OF UP TO 10% OF THE TOTAL NUMBER OF ISSUED SHARES OF THE COMPANY ("PROPOSED RENEWAL OF SHARE BUY-BACK AUTHORITY")**

Ordinary Resolution 10

"THAT subject to the Act, the Constitution of the Company, the Main Market Listing Requirements of Bursa Securities and all other applicable laws, guidelines, rules and regulations, the Company be and is hereby authorised, to purchase such number of issued shares in the Company as may be determined by the Directors of the Company from time to time through Bursa Securities upon such terms and conditions as the Directors may deem fit, necessary and expedient in the best interest of the Company, PROVIDED THAT:

- (a) the maximum aggregate number of issued shares in the Company ("**Shares**") purchased ("**Purchased Shares**") and/or held as treasury shares shall not exceed ten per centum (10%) of the total number of issued shares of the Company at any in time point of purchase;
- (b) the maximum amount of funds to be allocated by the Company for the purpose of purchasing the Shares shall not exceed the total amount of retained profits of the Company; and
- (c) the authority conferred by this resolution shall be effective immediately upon passing of this resolution and shall continue to be in force until:
 - (i) the conclusion of the next AGM of the Company following at which time the authority shall lapse unless by an ordinary resolution passed at the meeting, the authority is renewed, either unconditionally or subject to conditions;
 - (ii) the expiration of the period within which the next AGM of the Company is required by law to be held; or
 - (iii) the authority is revoked or varied by ordinary resolution passed by the shareholders of the Company at a general meeting,

whichever occurs first, but shall not prejudice the completion of purchase(s) by the Company of its own Shares before the aforesaid expiry date and in any event, in accordance with the provisions of Listing Requirements and/or any applicable laws, rules, regulations, orders, guidelines and/or requirements issued by any relevant authorities.

THAT, upon completion of the purchase by the Company of its own Shares, the Directors of the Company be and are hereby authorised, at their discretion, to deal with the Purchased Shares in their absolute discretion in the following manner:

- (i) cancel all or part of the Purchased Shares; or
- (ii) retain all or part of the Purchased Shares as treasury shares; or
- (iii) distribute all or part of the treasury shares as dividends to the shareholders of the Company; or

**NOTICE OF TWENTY-SEVENTH
ANNUAL GENERAL MEETING**

- (iv) resell all or part of the treasury shares; or
- (v) transfer all or part of the treasury shares for the purposes of or under the employees' share scheme established by the Company and/or its subsidiaries; or
- (vi) transfer all or part of the treasury shares as purchase consideration; or
- (vii) sell, transfer or otherwise use the shares for such other purposes as the Minister may by order prescribe; or
- (viii) deal with the treasury shares in such other manners as allowed under the Act, Listing Requirements, applicable laws, rules, regulations, guidelines, requirements and/ or orders of any relevant authorities for the time being in force.

AND THAT the Directors of the Company be and are authorised to take all such steps as are necessary or expedient (including without limitation, the opening and maintaining of depository account(s) under Securities Industry (Central Depositories) Act, 1991) and to execute, sign, deliver and cause to be delivered on behalf of the Company all such documents and/or agreements (including, without limitation, the affixing of the Company's common seal, where necessary), arrangements and guarantee with any party or parties to implement, finalise and give full effect to and complete the Proposed Renewal of Share Buy-Back Authority with full powers to assent to any conditions, modifications, variations and/or amendments (if any) as may be imposed by the relevant authorities or as the Directors may in their discretion deem fit, necessary or relevant and to do all such acts and things the Directors may consider necessary or expedient in the best interests of the Company."

10. To transact any other business of which due notice shall have been given in accordance with the Act.

BY ORDER OF THE BOARD

Tan Tong Lang (MAICSA 7045482) (SSM PC No. 202208000250)
Lau Hooi Pin (MAICSA 7081620) (SSM PC No. 202408000447)
Company Secretaries

30 October 2024
Kuala Lumpur

NOTICE OF TWENTY-SEVENTH ANNUAL GENERAL MEETING

NOTES:

1. 27th AGM will be conducted on a virtual basis through live streaming and online remote voting using Remote Participation and Voting (“**RPV**”) facilities at <https://supermax-agm.digerati.com.my> (Domain registration number D1A119533) provided by Digerati Technologies Sdn Bhd in Malaysia.

Please refer to the Administrative Guide for Shareholders for the 27th AGM on the procedures to register, participate and vote remotely via the RPV facilities.

2. The Broadcast Venue is strictly for the purpose of complying with Section 327(2) of the Act which requires the Chairman of the Meeting to be present at the main venue of the 27th AGM. **Members/proxies/corporate representatives are not allowed to be physically present nor admitted at the Broadcast Venue on the day of the 27th AGM of the Company.**
3. For the purpose of determining who shall be entitled to attend this 27th AGM, the Company shall be requesting Bursa Malaysia Depository Sdn Bhd to make available to the Company, a Record of Depositors as at 20 November 2024. Only a member whose name appears on this Record of Depositors as at 20 November 2024 shall be entitled to attend the 27th AGM or appoint a proxy to attend, participate, speak (in the form of real time submission of typed texts) and vote (collectively, “**participate**”) on his/her/its behalf.
4. A member of the Company entitled to participate at the 27th AGM is entitled to appoint not more than two (2) proxies to participate in his/her place. Where a member appoints two (2) proxies to attend the same meeting, the member shall specify the proportion of his/her shareholdings to be represented by each proxy. A proxy may but need not be a member of the Company.
5. Where a member of the Company is an authorised nominee as defined in the Central Depositories Act, it may appoint at least one (1) proxy in respect of each securities account it holds with ordinary shares of the Company standing to the credit of the said securities account.
6. Where a member of the Company is an exempt authorised nominee which holds ordinary shares in the Company for multiple beneficial owners in one (1) securities account (“**omnibus account**”), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds. An exempt authorised nominee refers to an authorised nominee defined under the Securities Industry (Central Depositories) Act 1991 (“**Central Depositories Act**”) which is exempted from compliance with the provisions of Section 25A(1) of the Central Depositories Act.
7. The instrument appointing a proxy in the case of an individual shall be signed by the appointer or his/her attorney and in the case of a corporation, shall be either under its common seal or signed by its attorney or by an officer on behalf of the corporation.
8. The Form of Proxy or the Power of Attorney or other authority, if any, under which it is signed or a notarially certified copy of that power of attorney shall be deposited at the office of the Company’s registered address, at B-21-1, Level 21, Tower B, Northpoint Mid Valley City, No. 1, Medan Syed Putra Utara, 59200 Kuala Lumpur, Wilayah Persekutuan, Malaysia via post/courier/by hand.

Alternatively, the Form of Proxy may also be submitted electronically via Digerati Portal at <https://supermax-agm.digerati.com.my> not less than forty-eight (48) hours before the time appointed for the holding of the 27th AGM or any adjournment thereof, and in default the instrument of proxy shall not be treated as valid. Please refer to the Administrative Guide for Shareholders for further information on the electronic submission.

9. The appointment of the proxy(ies) will be **INVALID** if the Form of Proxy / e-Form of Proxy is not completed correctly in accordance with the instructions stated in the form.
10. Members and proxies/corporate representatives may submit questions in relation to the agenda items prior to the 27th AGM via Digerati Portal at <https://supermax-agm.digerati.com.my> to the Directors not later than Tuesday, 26 November 2024 at 10:00 a.m. Alternatively, members/proxies/corporate representatives may via real time submission of typed texts via RPV facilities during the live streaming of the 27th AGM as the primary mode of communication.

NOTICE OF TWENTY-SEVENTH ANNUAL GENERAL MEETING

11. Pursuant to Paragraph 8.29A(1) of the Main Market Listing Requirements of Bursa Securities, all resolutions set out in the Notice of 27th AGM will be put to vote on poll. Poll Administrator and Independent Scrutineers will be appointed to conduct the polling process and verify the results of the poll respectively.

EXPLANATORY NOTES

1. ITEM 1 OF THE AGENDA – AUDITED FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024

The Audited Financial Statements is meant for discussion only as an approval from shareholders is not required pursuant to the provision of Section 340(1)(a) of the Act. Hence, this item is not put forward for voting.

2. ORDINARY RESOLUTIONS 1 AND 2 – PAYMENT OF DIRECTORS' FEES AND BENEFITS

Pursuant to Section 230(1) of the Act, the fees of the directors and any benefits payable to the directors shall be approved at a general meeting.

The proposed Ordinary Resolution 1 is to facilitate the payment of the Directors' fees of up to RM1,385,000 for the financial year ending 30 June 2025, calculated based on the current Board size. In the event the Directors' fees proposed are insufficient (due to enlarged Board size), approval will be sought at the next AGM for additional fees to meet the shortfall.

The Directors' benefits proposed under Ordinary Resolution 2 are calculated based on the current Board size and the number of scheduled Board and Board Committee meetings for the period commencing from the date immediately after this AGM up to the date of the next AGM. In the event the proposed amount is insufficient (due to enlarged Board size or more meetings), approval will be sought at the next AGM for the shortfall.

3. ORDINARY RESOLUTIONS 3 TO 6 – RE-ELECTION OF DIRECTORS

Dato' Ting Heng Peng, Ms Wong Phait Lee, Mr Gan Kim Khoo and Mr Yip Kit Weng are standing for re-election as Directors of the Company and being eligible, have offered themselves for re-election at the 27th AGM.

The Board had through the Nomination and Remuneration Committee ("NRC"), considered the assessment of Dato' Ting Heng Peng, Ms Wong Phait Lee, Mr Gan Kim Khoo and Mr Yip Kit Weng and agreed that they met the criteria as prescribed under Paragraph 2.20A of the Main Market Listing Requirements of Bursa Securities on character, experience, integrity, competence and time to effectively discharge their roles as Directors. The abovementioned Directors have also met the relevant requirements under the fit and proper assessment and the NRC is satisfied with the outcome of the fit and proper assessments.

The Board had also through the NRC, conducted an annual assessment on the independence of Mr Gan Kim Khoo and Mr Yip Kit Weng and is satisfied that they complied with the criteria prescribed by the Main Market Listing Requirements of Bursa Securities.

Based on the above, the Board had endorsed the recommendation of the NRC to seek the shareholders' approval for the re-election of the retiring Directors.

All Directors standing for re-election have abstained from deliberations and decisions on their own eligibility to stand for re-election at the relevant NRC and Board meetings. They will continue to abstain from voting on their own re-election at the 27th AGM.

The profiles of the Directors seeking re-election at the 27th AGM are set out in the Profile of the Board of Directors on pages 7 to 9 of the Company's Annual Report 2024.

NOTICE OF TWENTY-SEVENTH ANNUAL GENERAL MEETING

Retirement of Director

Mr Ng Keng Lim @ Ngooi Keng Lim who is retiring pursuant to Clause 76(3) of the Company's Constitution at the 27th AGM of the Company, has expressed his intention not to seek re-election at the forthcoming 27th AGM of the Company. Hence, he shall cease to be a Director of the Company at the conclusion of the 27th AGM of the Company.

4. ORDINARY RESOLUTION 8 – WAIVER OF PRE-EMPTIVE RIGHTS PURSUANT TO SECTION 85 OF THE ACT

The proposed Ordinary Resolution 8 is pertaining to the waiver of pre-emptive rights pursuant to Section 85 of the Act. By voting in favour of the Ordinary Resolution 8, the shareholders of the Company would be waiving their pre-emptive right. The Ordinary Resolution 9 if passed, would allow the Directors to issue new shares to any person under the Proposed General Mandate without having to offer the new Company shares to be issued equally to all existing shareholders of the Company prior to issuance.

5. ORDINARY RESOLUTION 9 – AUTHORITY TO ISSUE AND ALLOT SHARES OF THE COMPANY PURSUANT TO SECTIONS 75 AND 76 OF THE ACT

The proposed Ordinary Resolution 9 is the renewal of the mandate obtained from the members at the last AGM ("**the previous mandate**"). The previous mandate was not utilised and accordingly no proceeds were raised.

Subject to passing the Ordinary Resolution 8 on the waiver of pre-emptive rights pursuant to Section 85 of the Act, the proposed Ordinary Resolution 9, if passed, would provide flexibility to the Directors to undertake fund raising activities, including but not limited to further placement of shares for the purpose of funding the Company's current and/or future investment project(s), working capital, repayment of borrowings and/or acquisition(s), by the issuance of shares in the Company to such persons at any time as the Directors may deem fit provided that the aggregate number of shares issued pursuant to the mandate does not exceed 10% of the total number of issued shares of the Company for the time being, without having to convene a general meeting. This authority, unless revoked or varied by the Company in a general meeting will expire at the conclusion of the next AGM of the Company.

6. ORDINARY RESOLUTION 10 – PROPOSED RENEWAL OF SHARE BUY-BACK AUTHORITY

The proposed Ordinary Resolution 10, if passed, will empower the Company to purchase up to ten per centum (10%) of the issued share capital of the Company through Bursa Securities as may be determined by the Directors of the Company at any time within the time stipulated by utilising the funds allocated out of the retained profits of the Company based on the latest audited financial and/or the latest management accounts (where applicable) available at the time of the purchase.

For further information, please refer to the Statement to Shareholders of the Company dated 30 October 2024.

STATEMENT ACCOMPANYING NOTICE OF ANNUAL GENERAL MEETING

Pursuant to Paragraph 8.27(2) of the Main Market Listing Requirements of Bursa Securities:-

1. Details of individuals who are standing for election as Directors (excluding Directors for re-election).
 - No individual is seeking election as a Director at the 27th AGM of the Company.
2. General mandate for issue of securities in accordance with Paragraph 6.03 of the Main Market Listing Requirements of Bursa Securities.
 - The details of the proposed authority for Directors of the Company to issue shares in the Company pursuant to Sections 75 and 76 of the Act are set out in the Explanatory Note to the Notice of 27th AGM.



S U P E R M A X
CORPORATION BERHAD
199701004909 (420405-P)

PROXY FORM

CDS Account No.

No. of Shares held

I/We _____ Tel No. _____
(Full name in block and NRIC No. / Company No.)

of _____
(Address)

being a member of **SUPERMAX CORPORATION BERHAD** hereby appoint(s):-

Full Name (in Block)	NRIC/Passport No.	Proportion of Shareholdings	
		No. of Shares	%
Address			
Contact No:			
Email Address:			

and / or* (*delete as appropriate)

Full Name (in Block)	NRIC/Passport No.	Proportion of Shareholdings	
		No. of Shares	%
Address			
Contact No:			
Email Address:			

or failing him/her, the Chairman of the meeting as my/our proxy to vote for me/us and on my/our behalf at the Twenty-Seventh Annual General Meeting ("27th AGM") of the Company to be conducted via a virtual basis through live streaming from the broadcast venue at Lot 38, Putra Industrial Park, Bukit Rahman Putra, 40160 Sungai Buloh, Selangor Darul Ehsan, Malaysia on Thursday, 28 November 2024 at 10:00 a.m. or any adjournment thereof, and to vote as indicated below:

ORDINARY BUSINESS			
RESOLUTION	AGENDA	FOR	AGAINST
1	Payment of Directors' Fees for the financial year ending 30 June 2025.		
2	Payment of Directors' benefits for the period from 29 November 2024 until the next Annual General Meeting.		
3	Re-election of Dato' Ting Heng Peng as Director.		
4	Re-election of Ms Wong Phait Lee as Director.		
5	Re-election of Mr Gan Kim Khoo as Director.		
6	Re-election of Mr Yip Kit Weng as Director.		
7	Re-appointment of Messrs. HLB Ler Lum Chew PLT as the Auditors of the Company and authorise the Directors to fix their remuneration		
AS SPECIAL BUSINESS			
8	Waiver of Pre-emptive Rights pursuant to Section 85 of the Companies Act 2016.		
9	Authority for Directors to issue and allot shares pursuant to Sections 75 and 76 of the Companies Act 2016.		
10	Proposed renewal of share buy-back authority.		

Please indicate with an 'X' in the space provided whether you wish your votes to be cast for or against the resolutions. In the absence of specific direction, your proxy may vote or abstain as he thinks fit.

Signed this.....day of 2024

Signature*
Member

* Manner of execution:

- (a) If you are an individual member, please sign where indicated.
- (b) If you are a corporate member which has a common seal, this proxy form should be executed under seal in accordance with the constitution of your corporation.
- (c) If you are a corporate member which does not have a common seal, this proxy form should be affixed with the rubber stamp of your company (if any) and executed by:
 - (i) at least two (2) authorised officers, of whom one shall be a director; or
 - (ii) any director and/or authorised officers in accordance with the laws of the country under which your corporation is incorporated.

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Notes:

1. The 27th AGM will be conducted on a virtual basis through live streaming and online remote voting using Remote Participation and Voting ("RPV") facilities at <https://supermax-agm.digerati.com.my> (Domain registration number D1A119533) provided by Digerati Technologies Sdn Bhd in Malaysia.

Please refer to the Administrative Guide for Shareholders for the 27th AGM on the procedures to register, participate and vote remotely via the RPV facilities.

2. The Broadcast Venue is strictly for the purpose of complying with Section 327(2) of the Act which requires the Chairman of the Meeting to be present at the main venue of the 27th AGM. **Members/proxies/corporate representatives are not allowed to be physically present nor admitted at the Broadcast Venue on the day of the 27th AGM of the Company.**
3. For the purpose of determining who shall be entitled to attend this 27th AGM, the Company shall be requesting Bursa Malaysia Depository Sdn Bhd to make available to the Company, a Record of Depositors as at 20 November 2024. Only a member whose name appears on this Record of Depositors as at 20 November 2024 shall be entitled to attend the 27th AGM or appoint a proxy to attend, participate, speak (in the form of real time submission of typed texts) and vote (collectively, "participate") on his/her/its behalf.
4. A member of the Company entitled to participate at the 27th AGM is entitled to appoint not more than two (2) proxies to participate in his/her place. Where a member appoints two (2) proxies to attend the same meeting, the member shall specify the proportion of his/her shareholdings to be represented by each proxy. A proxy may but need not be a member of the Company.
5. Where a member of the Company is an authorised nominee as defined in the Central Depositories Act, it may appoint at least one (1) proxy in respect of each securities account it holds with ordinary shares of the Company standing to the credit of the said securities account.
6. Where a member of the Company is an exempt authorised nominee which holds ordinary shares in the Company for multiple beneficial owners in one (1) securities account ("omnibus account"), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each

omnibus account it holds. An exempt authorised nominee refers to an authorised nominee defined under the Securities Industry (Central Depositories) Act 1991 ("Central Depositories Act") which is exempted from compliance with the provisions of Section 25A(1) of the Central Depositories Act.

7. The instrument appointing a proxy in the case of an individual shall be signed by the appointer or his/her attorney and in the case of a corporation, shall be either under its common seal or signed by its attorney or by an officer on behalf of the corporation.
8. The Form of Proxy or the Power of Attorney or other authority, if any, under which it is signed or a notarially certified copy of that power of attorney shall be deposited at the office of the Company's registered address, at B-21-1, Level 21, Tower B, Northpoint Mid Valley City, No. 1, Medan Syed Putra Utara, 59200 Kuala Lumpur, Wilayah Persekutuan via post/courier/by hand.

Alternatively, the Form of Proxy may also be submitted electronically via Digerati Portal at <https://supermax-agm.digerati.com.my> not less than forty-eight (48) hours before the time appointed for the holding of the 27th AGM or any adjournment thereof, and in default the instrument of proxy shall not be treated as valid. Please refer to the Administrative Guide for Shareholders for further information on the electronic submission.
9. The appointment of the proxy(ies) will be **INVALID** if the Form of Proxy / e-Form of Proxy is not completed correctly in accordance with the instructions stated in the form.
10. Members and proxies/corporate representatives may submit questions in relation to the agenda items prior to the 27th AGM via Digerati Portal at <https://supermax-agm.digerati.com.my> to submit questions relating to resolutions to the Directors not later than Tuesday, 26 November 2024 at 10:00 a.m. Alternatively, members/proxies/corporate representatives may via real time submission of typed texts via RPV facilities during the live streaming of the 27th AGM as the primary mode of communication.
11. Pursuant to Paragraph 8.29A(1) of the Main Market Listing Requirements of Bursa Securities, all resolutions set out in the Notice of 27th AGM will be put to vote on poll. Poll Administrator and Independent Scrutineers will be appointed to conduct the polling process and verify the results of the poll respectively.

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AFFIX STAMP

SUPERMAX CORPORATION BERHAD
(199701004909 (420405-P))

c/o Boardroom.com Sdn Bhd
B-21-1, Level 21, Tower B, Northpoint Mid Valley City,
No. 1, Medan Syed Putra Utara, 59200 Kuala Lumpur,
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