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CORPORATION BERHAD
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Press Release

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PROPOSED INVESTMENT IN BRAZILIAN GLOVE MANUFACTURING FACILITY

KUALA LUMPUR, MALAYSIA – 28TH MAY 2026 - Supermax Corporation Bhd ("Supermax" or "the Group") is pleased to announce that its associate company, Supermax Brasil Importadora S/A ("Supermax Brasil"), will proceed with the establishment of a state-of-the-art medical glove manufacturing facility in the State of Paraná, Brazil.

This strategic investment represents a significant milestone in the Group's long-term international expansion strategy and reinforces Supermax's commitment to strengthening its presence within the Latin American healthcare and industrial markets.

Strategic Market Developments

Following the revocation of anti-dumping measures previously imposed by the Brazilian Government on imported medical gloves from certain countries, Brazil is gradually implementing import duties on imported medical gloves as part of broader initiatives to strengthen local industrial capabilities and encourage domestic manufacturing investments.

The Group believes that Brazil presents a compelling long-term growth opportunity due to:

- Its large and growing healthcare sector;
- Increasing regional demand for medical and industrial gloves;
- Strategic access to the Mercosur market; and
- Ongoing government initiatives aimed at supporting local manufacturing and reducing import dependency.

Supermax Brasil has been actively engaging with the relevant Brazilian authorities and stakeholders in relation to the implementation of the project and the development of a local manufacturing ecosystem.

Details of the Investment

The proposed project involves a total investment commitment of approximately **R$250 million (USD$50 million)**, comprising:

(a) Development of Integrated Manufacturing Facility

- Acquisition of industrial land in Paraná, Brazil;
- Construction and development of a purpose-built glove manufacturing plant with complete supporting infrastructure and utilities designed specifically for medical glove production.

(b) Installed Production Capacity

- Installation of technologically advanced production lines with an estimated installed production capacity of approximately **2.4 billion gloves per annum**.

(c) Flexible Manufacturing Capabilities

The manufacturing facility will be designed with operational flexibility and scalable expansion capabilities, including:

- Progressive installation of production lines in phases;
- Interchangeable production systems capable of manufacturing:
  - Natural Rubber Latex Examination Gloves; and
  - Nitrile Examination Gloves.

(d) Target Markets

The production output from the Brazilian manufacturing facility will primarily cater to:

- The domestic Brazilian market; and
- Regional export markets within the Mercosur region, including:
  - Argentina
  - Bolivia
  - Paraguay
  - Uruguay

The Group also intends to expand market penetration into associate member countries including:

- Chile
- Colombia
- Ecuador
- Guyana
- Panama
- Peru
- Suriname

Funding Structure

The investment will be implemented in two phases:

- Phase 1: Initial investment of approximately R$150 million (USD$30 million), to be funded through internally generated funds and retained earnings; and
- Phase 2: Subsequent expansion phase to support future market growth and regional demand expansion.

Strategic Benefits

The investment is expected to deliver several long-term strategic benefits to the Group, including:

- Establishing Supermax's first manufacturing footprint in South America;
- Strengthening supply chain resilience and regional distribution capabilities;
- Enhancing competitiveness within the Brazilian and Mercosur markets;
- Supporting regional healthcare supply security; and
- Positioning the Group to capture future growth opportunities within Latin America.

In addition, the project is expected to contribute positively to the economic development of Paraná through industrial development, technology transfer, and employment creation.

Outlook

The Group remains confident in the long-term prospects of the healthcare and medical glove industry within Latin America. The establishment of the Brazilian manufacturing facility is expected to further strengthen Supermax's global manufacturing network and support the Group's future growth trajectory.

Further updates on the implementation progress of the project will be announced in due course.

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