

**TOP GLOVE**

TOP QUALITY, TOP EFFICIENCY

**INTEGRATED  
ANNUAL  
REPORT  
2023**

## TOP GLOVE CORPORATION BHD

Incorporated in Malaysia [Registration No.: 199801018294 (474423-X)]

A Public Company Listed on the Main Market of Bursa Malaysia and Main Board of Singapore Exchange

FINANCIAL YEAR ENDED  
**31 AUGUST 2023**

# TOGETHER, HEALTHIER, STRONGER

SCAN FOR  
INTEGRATED ANNUAL  
REPORT 2023



SCAN FOR  
SUSTAINABILITY  
REPORT 2023



# 2023 Key Highlights

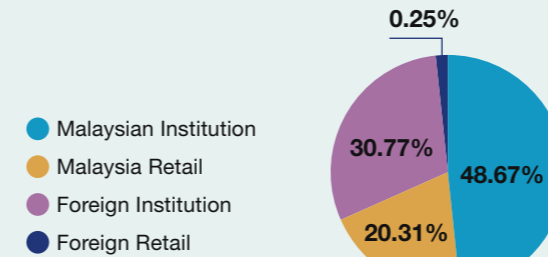


## 6-YEAR FINANCIAL REVIEW

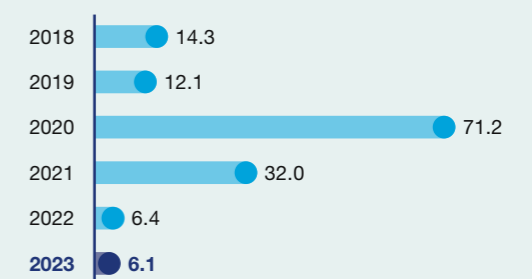
Group	2023 (RM'000)	2022 (RM'000)	2021 (RM'000)	2020 (RM'000)	2019** (RM'000)	2018** (RM'000)
Revenue	2,257,221	5,572,349	16,361,443	7,237,427	4,801,139	4,220,742
(Loss)/Earnings Before Interest, Taxes, Impairment, Depreciation & Amortisation ((L)/EBITDA)	(156,494)	686,686	10,285,089	2,421,457	687,493	694,002
(Loss)/Profit Before Taxation	(900,415)	358,424	10,033,813	2,165,551	423,588	522,800
Income Tax credit/(expense)	14,866	(76,834)	(2,209,821)	(376,721)	(56,042)	(89,594)
(Loss)/Profit After Tax	(885,549)	281,590	7,823,992	1,788,830	367,546	433,206
(Loss)/Profit Attributable to Owners of the Parent	(925,218)	225,564	7,710,327	1,752,584	364,678	428,830
Net Cash/(Borrowings)	361,097	315,604	1,743,037	2,342,651	(2,250,848)	(1,960,042)
Total Equity/Net Assets	5,926,115	6,793,235	7,220,160	6,190,883	2,554,141	2,398,396
Return on Equity (%)	(19.6)	4.0	131.3	36.0	14.4	18.0
Net Assets Per Share (sen)**	58.9	69.7	73.3	60.0	33.0	31.1
Basic (Loss)/Earnings Per Share (sen)**	(11.6)	2.8	95.9	21.9	4.8	5.6
Net Dividend (sen)*	0.0	1.2	65.1	11.8	2.5	2.8
Number of Shares in Issue ('000)**	8,008,161	8,007,341	8,006,950	8,124,491	7,679,441	7,668,950
Share Price (RM)**	0.77	0.81	4.00	8.76	1.58	1.86
Market Capitalisation**	6,126,243	6,445,909	32,027,801	71,170,541	12,133,517	14,264,247

\* The comparative net assets per share, basic earnings per share, net dividend, number of shares in issue and share price have been restated to reflect the effect of bonus issue on the basis of two new ordinary shares for every one existing ordinary share which was completed on 7 September 2020.  
 # Based on Company's issued and paid up share capital, excluding treasury shares.  
 ^ As at the last trading day of the financial year.  
 \*\* Figures have been restated.

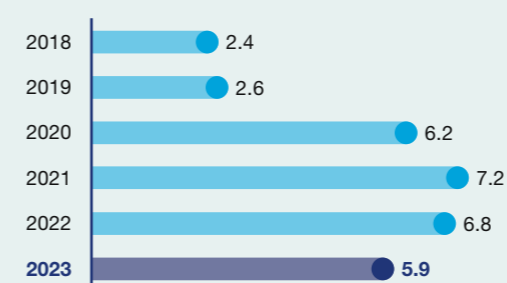
### SHAREHOLDER MIX (MALAYSIA VS. FOREIGN) AS AT 31 AUGUST 2023



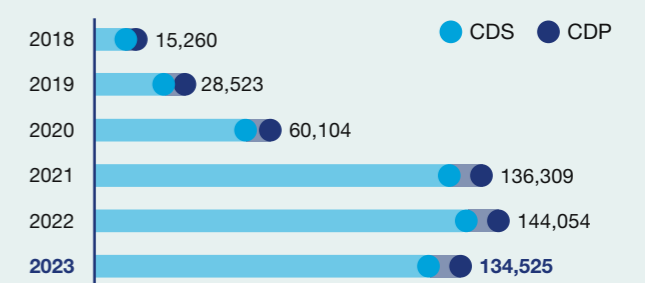
### MARKET CAPITALISATION (RM BILLION) (AS AT LAST TRADING DAY OF FINANCIAL YEAR END)



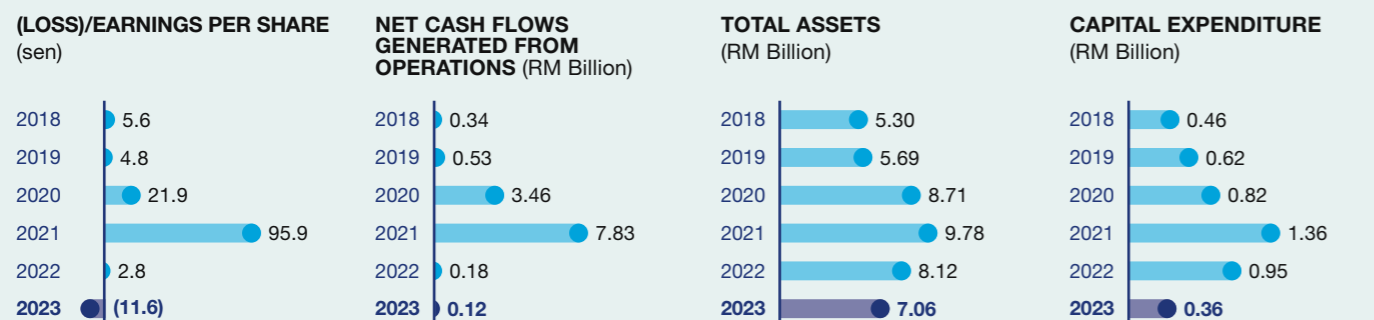
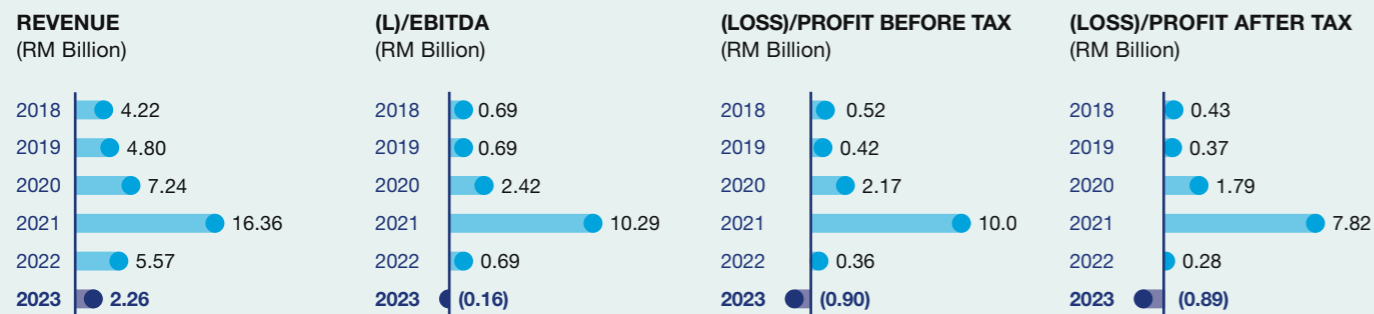
### TOTAL EQUITY (RM BILLION)



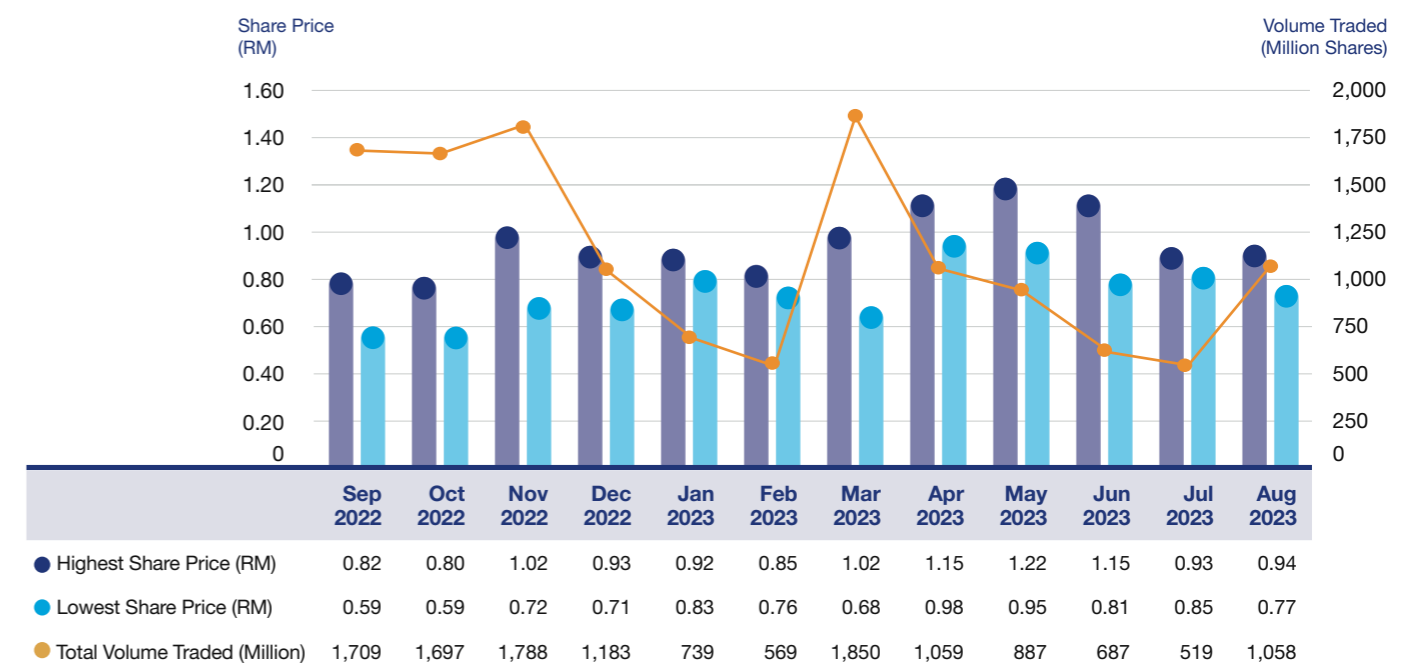
### TOTAL NUMBER OF SHAREHOLDERS AS AT 31 AUGUST 2023



Total number of shareholders (based on CDS & CDP accounts) as at 28 November 2023: 135,397



## OUR SHARE PRICE MOVEMENT



### Investor Relations Contact

All investors are welcome to contact the Investor Relations (IR) team directly at [invest@topglove.com.my](mailto:invest@topglove.com.my) or visit the Investor Relations section on our website at <https://www.topglove.com>



# Basis of This Report

## Statement of the Board of Directors of Top Glove Corporation Bhd

The Board acknowledges its responsibility to ensure the integrity of the Integrated Annual Report. In the Board's opinion, the Report addresses all material issues and matters and fairly presents the Group's performance of the financial year.

### We Are Top Glove

We are a global leader in healthcare manufacturing with continuous commitment to leveling up on our Environmental, Social and Governance practices and performance.

For more information, please refer to [page 4](#)

### Message from Our Leaders

The world is our market where we export to more than 195 countries worldwide, enhancing the lives of consumers and ensuring safe protection globally.

For more information, please refer to [page 9](#)

### How We Create Value

For long-term business sustainability and value creation, we rigorously manage our assets and capital allocation for growth, taking into account key market and trends. We understand the importance of making a positive impact on society while delivering performance and value to all our stakeholders.

For more information, please refer to [page 16](#)

### Creating Sustainable Value

Sustainability is at the heart of our business. We remain conscious of the impacts of our business and aspire to transition our business operations through refining and evolving our sustainability strategy and practices.

For more information, please refer to [page 37](#)

### Strength of Our Governance Practices

We understand the importance of effective oversight on strategy and risks. Risks taken are reviewed and assessed carefully with measures to mitigate or minimise their impact on our businesses. Our strong governance is integral to the way we think and make decisions.

For more information, please refer to [page 53](#)

### Reporting

In line with best practice for Integrated Reporting, we report on the six (6) capitals that together, provide a true picture of value across the Group. This way of telling a comprehensive, connected story fits well with our holistic view of value and our focus on creating sustainable value with responsibility in mind, for long-term good.

For more information, please refer to [page 26](#)

Approved by the Board and acknowledged on behalf of the Board by:

**TAN SRI DR  
LIM WEE CHAI**  
Executive Chairman

**LIM CHEONG GUAN**  
Managing Director

## HOW IT ALL FITS TOGETHER

We measure our performance by evaluating how we create value for our key stakeholders, taking into account our progress against our strategy, and by regularly measuring returns on invested capital. We understand the risks we take and manage these to minimise their impact on our business and results. We pursue growth by building an organisation that empowers people and enriches communities.

## SCOPE AND BOUNDARY OF REPORTING

### Financial and non-financial reporting

This Report constitutes the Integrated Annual Report as defined in terms of Malaysian law and extends beyond financial reporting. It reflects on non-financial performance, opportunities, risks and outcomes attributable to or associated with stakeholders who have a significant influence on our ability to create value. Our reporting coverage is based on group-level disclosure unless stated otherwise. There is no significant change to our structure, ownership and supply chain during the reporting year. Group reporting standards are continually being developed to make disclosure meaningful and measurable for stakeholders.

## MATERIALITY AND MATERIAL MATTERS

We apply the principle of materiality in assessing what information to include in our Integrated Annual Report. This Report focuses particularly on those issues, opportunities and challenges that impact materially on the Group as well as on its ability to be a sustainable business that delivers value to key stakeholders, including our shareholders.

## THE LEGISLATION AND FRAMEWORKS THAT INFORM OUR REPORTING

This Integrated Annual Report was prepared against local and global standards, including:

- International Integrated Reporting Council (IIRC) Framework and Sustainability Accounting Standards Board (SASB)
- United Nations Sustainable Development Goals (SDGs)
- Companies Act 2016
- Malaysian Code on Corporate Governance (MCCG)
- Main Market Listing Requirements
- Global Reporting Initiative (GRI) Standards: Core Option
- Bursa Malaysia Sustainability Reporting Guidelines 3<sup>rd</sup> Edition
- Bursa Malaysia Corporate Governance Guide 4<sup>th</sup> Edition
- Dow Jones Sustainability Index (DJSI)
- Sustainability rating criteria by index rating providers such as FTSE Russell ESG Ratings, Morgan Stanley Capital International (MSCI) ESG Ratings, S&P Global Corporate Sustainability Assessment (CSA) and Bloomberg Gender Equality Index (GEI)
- Task Force on Climate-related Financial Disclosures (TCFD) Framework
- Ten Principles of the UN Global Compact (UNGC)
- Malaysian Financial Reporting Standards (MFRSS)
- International Financial Reporting Standards (IFRSs)
- Greenhouse Gas (GHG) Protocol
- Sustainability Policy Transparency Toolkit (SPOTT)
- Climate Disclosure Project (CDP)
- EcoVadis

## FORWARD-LOOKING STATEMENTS

This Report contains forward-looking statements concerning our business. These forward-looking statements are subject to a number of risks and uncertainties, many of which are beyond our control and all of which are based on our current beliefs and expectations about future events. Forward-looking statements are typically identified by the use of forward-looking terminology such as "believes", "expects", "may", "will", "could", "should", "intends", "estimates", "plans", "assumes" or "anticipates", or the negative thereof, or other variations thereon or comparable terminology, or by discussions of strategy that involve risks and uncertainties. These forward-looking statements and other statements contained in this Integrated Annual Report regarding matters that are not historical facts involve predictions.

While we believe these statements are reasonable, they inherently involve risks and uncertainties, however, we shall fervently work towards the results and developments outlined in the said statement. Such risks and uncertainties could cause actual results to vary materially from the future results indicated, expressed or implied in such forward-looking statements.

The forward-looking statements contained in the Integrated Annual Report speak only as of the date of the Report. We are not under any obligation to (and expressly disclaim any such obligation to) revise or update any forward-looking statements to reflect events or circumstances after the date of the Report or to reflect the occurrence of unanticipated events. We cannot give any assurance that forward-looking statements will prove correct and investors are cautioned not to place undue reliance on any forward-looking statements.

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TOP QUALITY, TOP EFFICIENCY

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## TOGETHER, HEALTHIER, STRONGER

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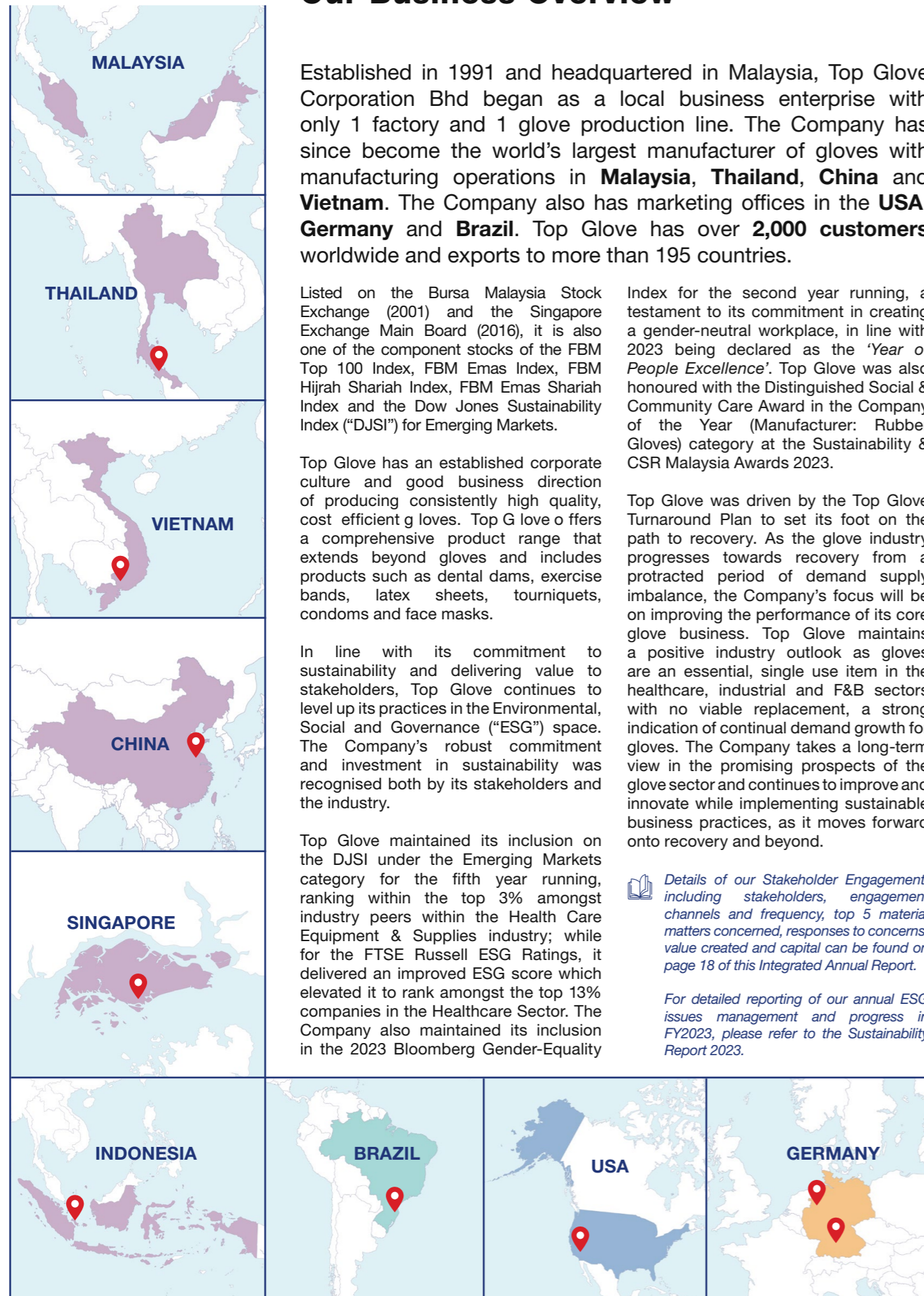
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## Navigating through the Integrated Annual Report 2023

Informs where to find more information online.

Informs which related pages to refer for more information.

Global Offices



## Our Business Overview

Established in 1991 and headquartered in Malaysia, Top Glove Corporation Bhd began as a local business enterprise with only 1 factory and 1 glove production line. The Company has since become the world's largest manufacturer of gloves with manufacturing operations in **Malaysia, Thailand, China and Vietnam**. The Company also has marketing offices in the **USA, Germany and Brazil**. Top Glove has over **2,000 customers** worldwide and exports to more than 195 countries.

Listed on the Bursa Malaysia Stock Exchange (2001) and the Singapore Exchange Main Board (2016), it is also one of the component stocks of the FBM Top 100 Index, FBM Emas Index, FBM Hijrah Shariah Index, FBM Emas Shariah Index and the Dow Jones Sustainability Index ("DJSI") for Emerging Markets.

Top Glove has an established corporate culture and good business direction of producing consistently high quality, cost efficient gloves. Top Glove offers a comprehensive product range that extends beyond gloves and includes products such as dental dams, exercise bands, latex sheets, tourniquets, condoms and face masks.

In line with its commitment to sustainability and delivering value to stakeholders, Top Glove continues to level up its practices in the Environmental, Social and Governance ("ESG") space. The Company's robust commitment and investment in sustainability was recognised both by its stakeholders and the industry.

Top Glove maintained its inclusion on the DJSI under the Emerging Markets category for the fifth year running, ranking within the top 3% amongst industry peers within the Health Care Equipment & Supplies industry; while for the FTSE Russell ESG Ratings, it delivered an improved ESG score which elevated it to rank amongst the top 13% companies in the Healthcare Sector. The Company also maintained its inclusion in the 2023 Bloomberg Gender-Equality

Index for the second year running, a testament to its commitment in creating a gender-neutral workplace, in line with 2023 being declared as the 'Year of People Excellence'. Top Glove was also honoured with the Distinguished Social & Community Care Award in the Company of the Year (Manufacturer: Rubber Gloves) category at the Sustainability & CSR Malaysia Awards 2023.

Top Glove was driven by the Top Glove Turnaround Plan to set its foot on the path to recovery. As the glove industry progresses towards recovery from a protracted period of demand supply imbalance, the Company's focus will be on improving the performance of its core glove business. Top Glove maintains a positive industry outlook as gloves are an essential, single use item in the healthcare, industrial and F&B sectors with no viable replacement, a strong indication of continual demand growth for gloves. The Company takes a long-term view in the promising prospects of the glove sector and continues to improve and innovate while implementing sustainable business practices, as it moves forward onto recovery and beyond.

*Details of our Stakeholder Engagement, including stakeholders, engagement channels and frequency, top 5 material matters concerned, responses to concerns, value created and capital can be found on page 18 of this Integrated Annual Report.*

*For detailed reporting of our annual ESG issues management and progress in FY2023, please refer to the Sustainability Report 2023.*

## Our Guiding Principles

### OUR VISION

To be your world class partner in gloves and healthcare products

### OUR MISSION

Ensuring safe human protection globally

### BUSINESS DIRECTION

To Produce Consistently High Quality Gloves At Efficient Low Cost

### BUSINESS ETHICS

- 1 Honesty
- 2 Integrity
- 3 Transparency

### QUALITY POLICY

- 1 Quality and productivity are our business
- 2 Continuous improvement and innovation are our duties
- 3 Towards zero defects is our target
- 4 Compliance with customers' and regulatory requirements is our responsibility

### BUSINESS PHILOSOPHIES

- 1 We work for our **customers**
- 2 We take care of the interest of our **shareholders**
- 3 We ensure that our **employees** continue to contribute positively to the company and we take good care of the well-being of our employees
- 4 We work closely with our **bankers, suppliers, business associates, government authorities and friends**

### BUSINESS RULES

- 1 Do not lose our shareholders' money
- 2 Do not lose our health
- 3 Do not lose our temper
- 4 Do not lose our customers

### CORPORATE VALUES [R.I.V.E.R.]

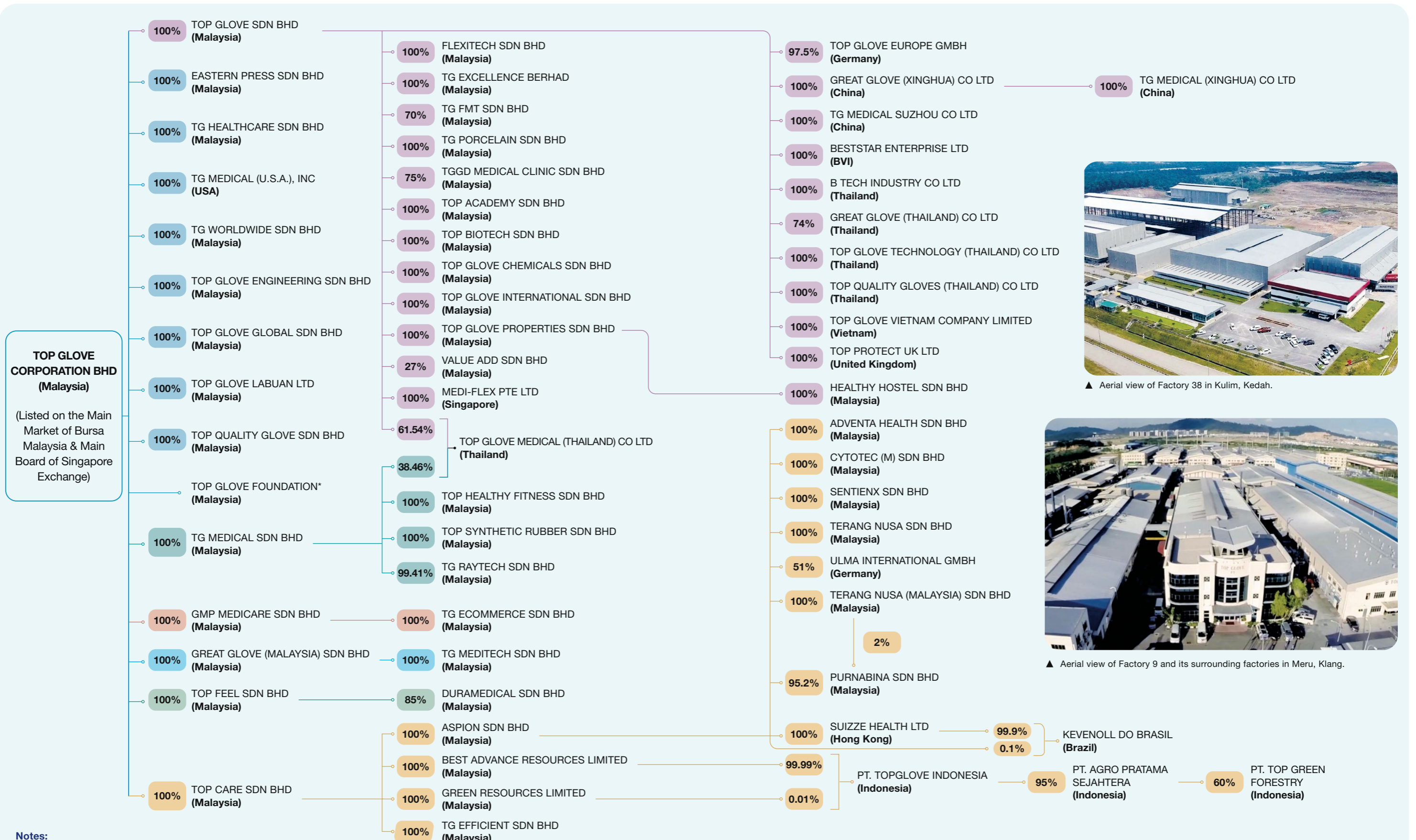
- 1 Respect
- 2 Integrity
- 3 Value
- 4 Empowerment
- 5 Relationship

### 5 HEALTHY WELLS

- 1 Clean Well
- 2 Eat Well
- 3 Work Well
- 4 Exercise Well
- 5 Sleep Well

# Our Corporate Structure

# Our Corporate Structure



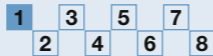
▲ Aerial view of Factory 38 in Kulim, Kedah.



▲ Aerial view of Factory 9 and its surrounding factories in Meru, Klang.

**Notes:**  
1. Top Glove has in total 63 companies within the Group.  
2. \* Top Glove Foundation is a member of Top Glove Group.

SECTION 1 WE ARE TOP GLOVE



# Our International Quality Awards

## NEW LEVELS OF EXCELLENCE

We are honoured to be conferred notable awards and recognitions both at the industry and international level. These accolades motivate us to set our bar higher to perform better and strive for greater efficiencies.

2023



**Trusted Brands Asia Awards 2023**  
 • Platinum Winner: Hygiene/Disposable Gloves Category  
 by Reader's Digest



**Prime Minister's Hibiscus Award (PMHA) 2021/2022**  
 • Notable Achievement in Environmental Performance (Factory 9 & Factory 30)  
 • Gold: Special Project Awards (Factory 30)  
 by Malaysian International Chamber of Commerce & Industry (MICCI)



**Australasian Reporting Awards 2023**  
 • Silver Award  
 by Australasian Reporting Awards Limited



**Sustainability & CSR Malaysia Awards 2023**  
 • Distinguished Social & Community Care Award in the Company of the Year (Manufacturer: Rubber Gloves) Category  
 by CSR Malaysia



**The Edge Singapore Billion Dollar Club 2023**  
 • Highest Weighted ROE over three (3) years in Healthcare Services, Medical Equipment, Supplies & Distribution + Pharmaceuticals + Biotechnology & Medical Research sector  
 by The Edge Singapore

2022



**2021 ASEAN Corporate Governance Scorecard (ACGS) Award**  
 • ASEAN Asset Class PLCs  
 by ASEAN Capital Markets Forum (ACMF) and Asian Development Bank (ADB)



**MSWG-ASEAN Corporate Governance Award 2021**  
 • Top 100 Companies for CG Disclosure  
 by MSWG



**The Edge Billion Ringgit Club 2022**  
 • Highest Return on Equity Over 3 Years (Healthcare Sector)  
 by The Edge



**Sustainability & CSR Malaysia Awards 2022**  
 • Company of Year Overall Excellence in Sustainability and CSR (Manufacturing Category)  
 by CSR Malaysia



**The Star Export Excellence Awards 2022**  
 • Gold: Consumer Products Category  
 • Exporter Of The Year  
 by The Star Media Group, Malaysia



**Graduates' Choice Awards 2022**  
 • Best Employer Brand (Category: Manufacturing)  
 by Talentbank



**National Energy Awards 2022 (NEA)**  
 • Merit Award: Category 1: Energy Management in Large Industry: Top Glove Factory 30  
 by the Ministry of Energy and Natural Resource



**Employee Experience Awards 2022**  
 • Gold: Best First Time Manager Programme  
 • Gold: Best Employer Branding  
 • Gold: Best Succession Planning  
 • Gold: Best Learning and Development Programme  
 • Silver: Best Rewards and Recognition Programme  
 • Silver: Best In-House Learning Academy  
 by Human Resources Online



**Australasian Reporting Awards 2022**  
 • Bronze Award  
 by Australasian Reporting Awards Limited

### Accolades & Recognitions



Inclusion in the 2023 Bloomberg Gender-Equality Index (GEI) for the second year running



Inclusion in the Sustainability Yearbook 2023 and recognised as an Industry Mover by S&P Global



Maintained its inclusion on the Dow Jones Sustainability Index (DJSI) 2023 under the Emerging Markets category for the fifth year running



Forest Stewardship Council (FSC) Chain of Custody certification for Factory 4 and Factory 13 being our natural rubber glove factories, Factory 34PM for cardboard packaging, all of which are based in Malaysia and latex concentrate Factory 16L based in Thailand



Scan the QR code to view the awards and milestones achieved over the years

<https://www.topglove.com/awards-milestone-en>

SECTION 2 MESSAGE FROM OUR LEADERS



# Letter to Stakeholders and Management Discussion & Analysis

## FORGING AHEAD ON THE PATH TO RECOVERY



TAN SRI DR LIM WEE CHAI  
Executive Chairman

LIM CHEONG GUAN  
Managing Director

“ Good health and good day Fellow Stakeholders.

The financial year in review has proven to be a turbulent one for the Group, and an equally unsettling period for the glove industry at large. Formidable challenges in the operating terrain which emerged in 2022 did not abate, and we continued to contend with multiple headwinds well into 2023. Despite best efforts and resolute action to stem the decline, we closed the books on our financial year with a net loss for the first time since our listing on Bursa Malaysia.

Irrefutably, the road traversed has been a difficult one. However, be assured that all is far from lost. The business landscape may have altered drastically, but glove industry fundamentals remain robust and unchanged; and our resolve to overcome and outlast this difficult season, more fervent than ever.

Our gameplan for a turnaround is already in play. Ongoing efforts are bearing fruit. As we step into the new financial year 2024, our single minded focus will be on the path ahead of us: the road to recovery, on which we have already set foot and will continue to move forward strongly.



Imbas kod QR untuk membaca Perutusan kepada Pihak Berkepentingan dan Perbincangan & Analisis Pihak Pengurusan dalam Bahasa Malaysia

[https://tgapp.topglove.com/IAR/2023/Letter\\_to\\_Stakeholders\\_MDA/BM\\_Version/index.php](https://tgapp.topglove.com/IAR/2023/Letter_to_Stakeholders_MDA/BM_Version/index.php)



扫描二维码以查阅中文版《致权益持有人的信函及管理层讨论与分析》

[https://tgapp.topglove.com/IAR/2023/Letter\\_to\\_Stakeholders\\_MDA/Chinese\\_Version/index.php](https://tgapp.topglove.com/IAR/2023/Letter_to_Stakeholders_MDA/Chinese_Version/index.php)

## Letter to Stakeholders and Management Discussion & Analysis

### MANAGEMENT DISCUSSION AND ANALYSIS

#### Resilience Amidst Challenge & Change

For Financial Year 2023 (FY2023), the Group posted Sales Revenue of RM2.26 billion and Loss After Tax of RM886 million, as the glove industry gradually emerged from a protracted period of demand supply imbalance. The Group's full year Loss After Tax factored in an impairment on goodwill, and impairment and write-off for property, plant and equipment; without which a narrower net loss of RM481 million would have been recorded.

The softer performance compared to FY2022 came on the back of a myriad of challenges, which tested our resilience and adaptability as an organisation. Glove destocking persisted, driven by excess customer inventory, which resulted in a sluggish order trend. Compounding this was glove oversupply from new expansions during the pandemic, increased competition from new overseas entrants with sizeable capacity, coupled with a lack of customer urgency to place orders given the shorter delivery times arising from lower manufacturer utilisation. In addition, average selling prices did not move up in pace with escalating production costs and continued to moderate. These collectively took their toll on the Group's results, in consideration of which the Board did not declare a dividend for FY2023. Notwithstanding this, the Group remains committed to creating value for its shareholders and will maintain its Dividend Policy, in place since 2017, which stipulates a 50% dividend payout ratio of its Profit After Tax and Minority Interest (PATAMI).

#### Positioning for a Comeback: The Top Glove Turnaround Plan

Managing in turbulent times calls for a different approach; which entails focusing on internal factors within our sphere of influence, rather than external forces which are not within our control. Accordingly, our efforts were channelled towards reinforcing our fundamentals, positioning us to navigate the choppy waters and prepare for recovery.

To ensure the Group was poised for recovery, we devised the **Top Glove Turnaround Plan (T6)**, a vigorous 6-point strategy, with a view to:

- 1 Boosting sales volume
- 2 Enhancing quality
- 3 Consolidating facilities
- 4 Enhancing people productivity
- 5 Strengthening cash flow position
- 6 Optimising supply chain



▲ Top Glove's Virtual 24<sup>th</sup> Annual General Meeting held on 6 January 2023

## Letter to Stakeholders and Management Discussion & Analysis

Spearheaded by senior leadership, we expect the T6 to serve as a primary catalyst for our rebound. The initial phases of T6 saw the rollout of robust quality and cost optimisation measures, which included streamlining of production facilities and manpower across the Group's operations. These have proven effective, substantially reducing impact on our bottom line and enabling a return to positive cashflow and EBITDA for 4QFY2023. With continual implementation, our target is to chart a continual uptrend in terms of positive EBITDA and positive cashflow from operations, and achieve profitability thereafter. The Group also notes that the natural gas tariff in Malaysia has been on the decline on the back of a global downtrend, leading to the energy cost per carton narrowing between natural gas and coal. This is expected to render the Group as well as the Malaysian glove industry, more competitive versus China based glove manufacturers going forward.

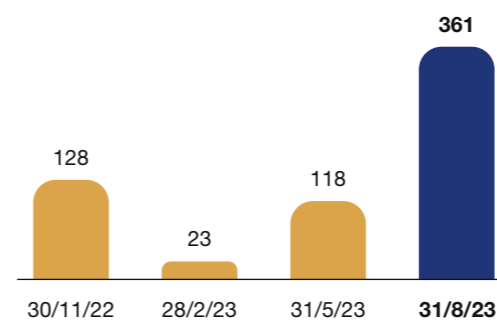
The Group will also continue to assess and identify the manufacturing facilities across our operations in Malaysia, Thailand and Vietnam which are able to provide optimal efficiencies. Additionally, we have in place blueprints to diversify our product offerings and expand our reach in emerging markets. As we keep improving our products and manufacturing processes while the market further consolidates, we are optimistic of steering the Group through this trying season, to resume our place at the forefront of the glove industry.

As presented by the Malaysian Rubber Glove Manufacturers Association (MARGMA) during the Consultation Session for Budget 2024 with the Ministry of Finance, we look to the Malaysian government for their unequivocal support of our recovery efforts, particularly with regard to the following:

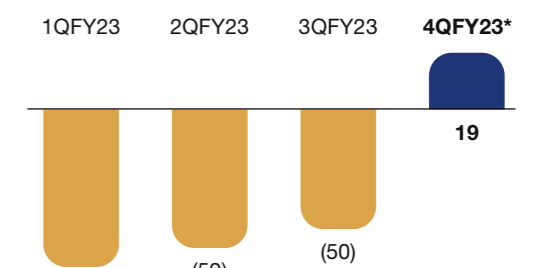
- ▶ A swift **review of the Gas Supply Agreement** by the Energy Commission, towards changing the pricing mechanism from the existing *Reserved Capacity with Take Or Pay* terms and conditions, to *Pay As Per Usage*.
- ▶ To **supply natural gas at cost to the Malaysian rubber glove industry**, lowering our energy costs and improving the competitiveness of local glove manufacturers. This will also enable Malaysia to use our natural oil and gas resources to create value added exports, which will have a far greater contribution to our country's economy.
- ▶ **Removal of 0.2% export cess** with immediate effect.

### Performance Improvement Milestones for FY2023

#### Net Cash Position, RM'mil

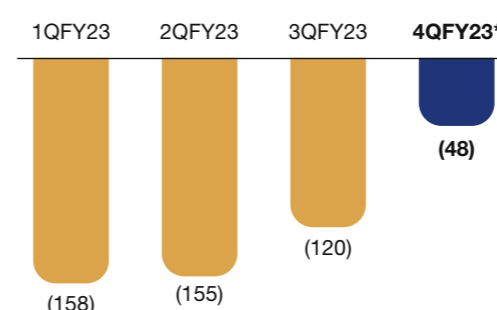


#### EBITDA/(LBITDA), RM'mil



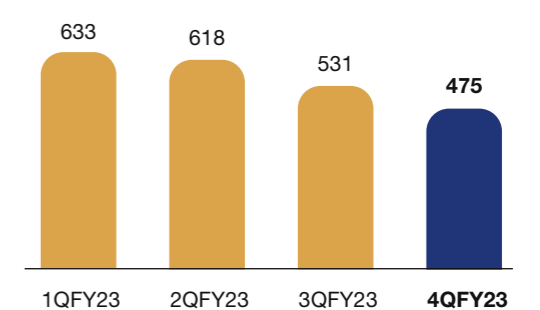
\* Excluding impairment & write-off

#### Loss After Tax, RM'mil



\* Excluding impairment & write-off

#### Revenue, RM'mil

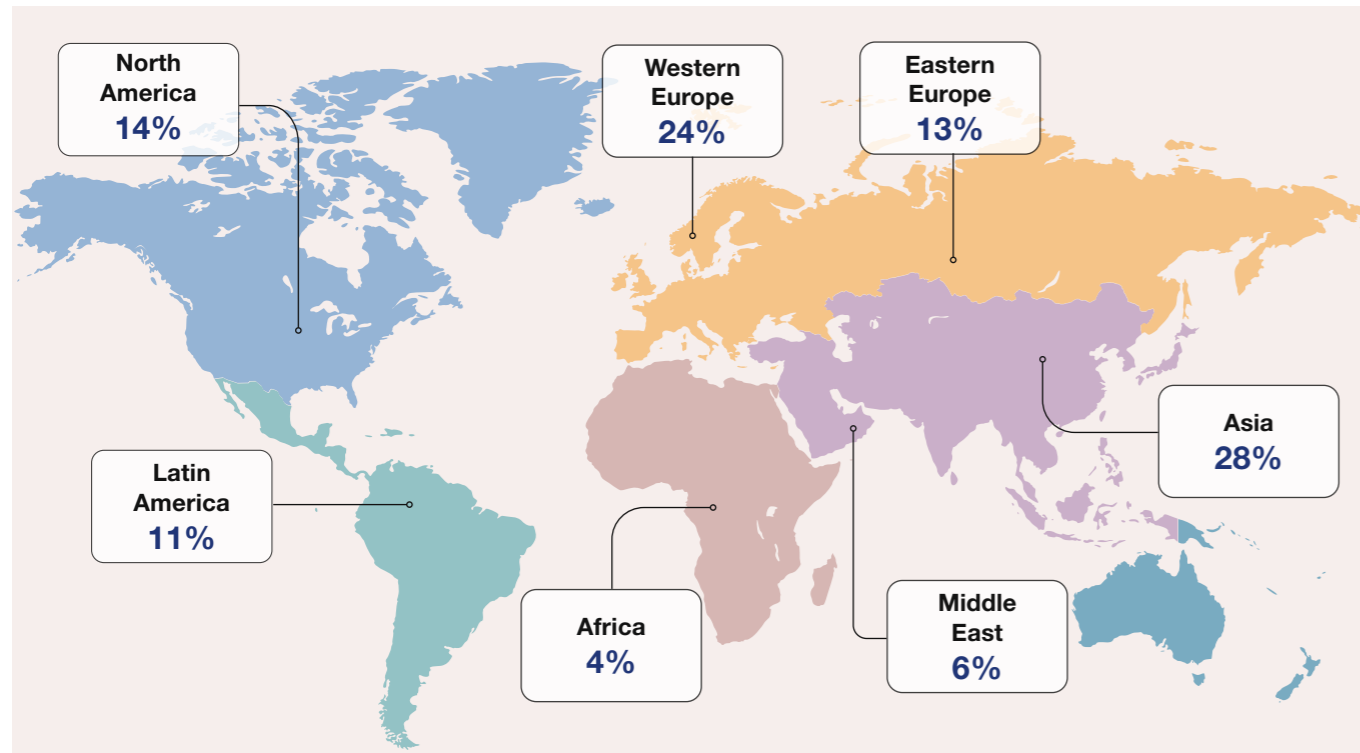


SECTION 2 MESSAGE FROM OUR LEADERS



## Letter to Stakeholders and Management Discussion & Analysis

FY2023 Sales Volume by Region



### CORPORATE DEVELOPMENTS

#### Fortifying Our Board

The Group saw developments in the Boardroom over the course of the financial year. At its Annual General Meeting 2023 on 6 January 2023, the Group appointed 2 new Independent Non-Executive Directors, Dr Chong Su-Lin and Ms Rowina Ghazali Seth, taking its female board participation to an impressive 42%, surpassing the best practice benchmark of 30%. The new Directors bring with them a wealth of experience in the areas of healthcare and corporate affairs respectively, better placing the Group to navigate the challenging season while enriching its board composition.

#### Accolades and Awards

We are honoured to continue being recognised for delivering value to our stakeholders across the sustainability spectrum.

Member of  
**Dow Jones Sustainability Indices**  
Powered by the S&P Global CSA

Maintained our inclusion on the **Dow Jones Sustainability Index 2023** under the *Emerging Markets* category for the 5<sup>th</sup> year running, ranking within the top 3% amongst industry peers within the Health Care Equipment & Supplies industry.

**FTSE Russell**

Achieved notable improvements in our **FTSE Russell Environmental, Social and Governance (ESG) Ratings** score for 2023 versus our score in the previous year.

**Bloomberg Gender Equality Index**  
2023 Member

Secured a spot on the **2023 Bloomberg Gender Equality Index** for the 2<sup>nd</sup> year running, with an above average score against our peers globally in the Industrials category, for advancing gender equality in the workplace.

## Letter to Stakeholders and Management Discussion & Analysis

Awarded the **EcoVadis Sustainability Bronze Medal**, signifying our placement in the top 50% amongst all evaluated companies and industries in 2023. This recognition underscores the effectiveness of our robust management system in meeting sustainability criteria which includes environmental impact, labour and human rights, ethics and sustainable procurement, as outlined in the EcoVadis methodology.

Received triple honours at the esteemed **Prime Minister's Hibiscus Award 2021/2022** in June 2023, winning a Gold Award in the *Special Project Category* and 2 additional awards for *Notable Achievement in Environmental Performance*.

Garnered the *Distinguished Social & Community Care Award in the Company of the Year (Manufacturer: Rubber Gloves)* category at the **Sustainability & CSR Malaysia Awards 2023**.

Earned a *Merit Award* under the *Energy Management* category at The Ministry of Energy and Natural Resources (KeTSA)'s annual **National Energy Awards (NEA) 2022**.

Crowned with the *Platinum Trusted Brand Award* in the *Hygiene/Disposable Gloves* category, at the **Reader's Digest Trusted Brands Asia Award 2023**, accorded to brands that have topped their category with an overwhelmingly higher score than their nearest competitor.

Feted at the prestigious **The Edge Singapore Billion Dollar Club 2023** awards ceremony for the *Highest Weighted ROE over 3 years in the Healthcare Services, Medical Equipment, Supplies & Distribution + Pharmaceuticals + Biotechnology & Medical Research* sector.



▲ Participants at Top Glove's Annual Leadership Summit 2023 themed "Driving Excellence Through People & Culture"

## Letter to Stakeholders and Management Discussion & Analysis

### Paving the Way for A Greener Tomorrow

We are mindful that our actions have the power to shape not only the present but the future of our planet. The temporal challenging times have not derailed our focus on sustainability, which we continue to integrate into our daily business operations. We remain committed to advancing our ESG agenda and intent on transitioning into a low carbon and ultimately, a net zero carbon business.



#### Crafting A Sustainable Glove Roadmap

Since the debut of our revolutionary *Biogreen™ Biodegradable Nitrile Gloves* in 2019, our sustainable product range has continued to gain momentum, with Sales Volume for the *Biogreen™* series surging by close to 800% since 2019. We continue to diversify our product range, incorporating cutting edge sustainable features that resonate with an increasingly eco-conscious world. Our journey has witnessed the introduction of our *Biodegradable Series* and groundbreaking *Renewable Series* of gloves. Moving forward, we are assessing the environmental impacts of *Biogreen™* products using our in-house Life Cycle Assessment (LCA) expertise, towards shaping a greener and brighter future.



**Biogreen™ Biodegradable Series**  
Specially formulated to biodegrade in biologically active landfills through a microbial process, providing an “end-of-life solution” to landfills by reducing the accumulation of waste.



**Biogreen™ Renewable Series**  
Manufactured with FSC certified materials for responsible environmental, social and economic practices, or plant-based material for carbon footprint reduction.



#### Utilising Lower Emission Fuel

85% of our manufacturing activities are powered by natural gas which requires significantly less energy to produce a carton of gloves, making it more energy efficient and environmentally friendly as compared with coal utilised by some of our overseas peers. Natural gas also has a substantially lower carbon footprint, generating 18.53kg of CO<sub>2</sub> per carton of gloves produced, in stark contrast to coal which emits 31.25kg of CO<sub>2</sub> per carton of gloves.



#### Committed to Business and Human Rights

The Group remains steadfast in its commitment to upholding the United Nations Guiding Principles (UNGP) on Business and Human Rights (BHR). Underscoring this, the Group has embarked on the process of formulating its BHR Policy to which end, meetings are held between Board and Management on a regular basis. The Board of Directors and Senior Management will also renew their pledge in support of the UNGP BHR in January 2024.



#### Leveraging Technology for Enhancement & Resource Optimisation

Leveraging our data analytics platforms, we deep dived into each of our manufacturing processes to determine the optimal configurations of parameters such as oven temperatures, enabling us to consistently produce quality gloves with efficient use of materials and resources. The capabilities of our industry leading AIVC (Artificial Intelligence Vision Camera) systems have also been extended from inspecting gloves to identifying glove formers which are due for replacement as well.

Energy efficiency remains a foremost priority and extensive audits are conducted regularly to identify and implement targeted energy saving initiatives, which include improved heat recovery systems and burner optimisations for efficient gas energy usage. We also increased our usage of renewable energy by expanding our installed solar capacity, thereby demonstrating our commitment as a responsible manufacturer to the environment.

Furthermore, we made great strides in water sustainability in our manufacturing processes, through initiatives such as expanding the capacity of our water treatment plants, as well as capturing more rainwater for manufacturing use. Through these efforts, in addition to reducing consumption of municipal water supply, we are able to play an active part in mitigating flooding in the areas surrounding our factories.

Learn more about how the Group continues to forge a sustainable future for both the business and planet in the section titled **Creating Sustainable Value** on pages 37 to 43.

## Letter to Stakeholders and Management Discussion & Analysis

### Onward & Upward: To Recovery and Beyond

We have concluded FY2023 on a far less vibrant note than we had hoped. However, our subdued set of results is largely the consequence of a temporary glove oversupply situation coupled with pandemic driven customer stockpiling. Notwithstanding this, the reality is that glove industry fundamentals remain solid and its prospects are as strong as ever.

#### Fact

Gloves will always be an essential item in the healthcare, industrial and F&B sectors with usage expanding rapidly to other industries.

#### Fact

Gloves continue to be a single-use item with no viable replacement, stimulating continual demand growth.

#### Fact

While we have been experiencing a period of lower glove demand, actual glove usage itself has not decreased. Conversely, glove usage has risen post-pandemic spurred by elevated levels of hygiene and health awareness.

In light of these immutable truths, we know we are capable of so much more, both as a business and as an industry. Despite a difficult road ahead for the interim, we are filled with a profound sense of optimism for the future, encouraged by the uptrend in glove orders which indicates customer glove inventory build-up from the pandemic is close to bottoming out. As the glove oversupply situation also continues to ease, we believe it is a matter of time before global glove demand resumes a more reflective 8% to 10% growth per annum. With this, we have every confidence that we are well on our way to recovery and that the long-term outlook for the glove industry can only grow brighter over time.

#### In Appreciation

As we reflect on the past financial year, we do so with a tremendous sense of gratitude for the many people whose support has enabled us to skillfully navigate a most challenging season. On behalf of the Board, we wish to express our heartfelt appreciation to:



**Team Top Glove** whose unparalleled dedication, resilience and industriousness have seen the Group through the best of times and the worst of times. Thank you for all your ongoing efforts and positive contributions which enable us to continue upholding our stakeholder commitments, year after year. We have no doubt that the indomitable Top Glove spirit which has been forged in fire will prevail and carry us out of this difficult season well into recovery and beyond.

**TAN SRI DR LIM WEE CHAI**  
Executive Chairman  
Top Glove Corporation Bhd  
28 November 2023



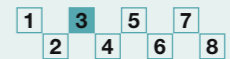
**Our fellow directors** for your judicious guidance, insights and experience which have been invaluable in steering us through the turbulence onto calmer waters and in time, safely to shore. We take this opportunity to express our deepest appreciation to our Independent Non-Executive Directors, Datuk Noripah Kamso and Dato' Kong Sooi Lin, who retired from the Board at our Annual General Meeting 2023 on 6 January 2023. We also warmly welcome our two new Independent Non-Executive Directors, Dr Chong Su-Lin and Ms Rowina Ghazali Seth, whose timely addition will serve to enrich our board composition and collective experience.



**Our loyal customers, vendors, shareholders and other stakeholders** for your unwavering support and continued confidence in the Group. We deeply value the win-win partnerships we have built over the years, and are wholly committed to continue delivering the value you have come to expect and deserve.

**LIM CHEONG GUAN**  
Managing Director  
Top Glove Corporation Bhd  
28 November 2023

SECTION 3 HOW WE CREATE VALUE



## The Market and Trends that Shape Us

The glove industry has witnessed remarkable growth and transformation in recent years, driven by various market trends that have reshaped the industry landscape. Gloves have evolved from basic protective gear to sophisticated, technologically advanced products that cater to a wide range of applications. We consistently monitor the key trends that have an impact on our long-term business sustainability.

### Increased Health & Hygiene Awareness

The global COVID-19 pandemic has profoundly altered the way individuals and societies view health and hygiene. Heightened awareness of the importance of health and hygiene practices has led to significant shifts in consumer behaviour, public policy, and business strategies. As an inexpensive protective barrier for people, demand of gloves can be seen during health threats such as SARS, H1N1 and most recently, COVID in 2020. Increasing health and safety concerns have led to a surging demand for personal protective equipment including disposable gloves.



Emerging markets and developing economies are projected to modestly grow 4.0% in 2023 and 4.1% in 2024<sup>1</sup>. Driven by the growing economy, governments can devote more resources to the national health budget to improve domestic health systems. The global health expenditure per capita recorded an increase from USD999 in 2015 to USD1,129 in 2020 and is estimated to increase to USD1,515 by 2050.<sup>2</sup>

### Ageing Population and Higher Life Expectancy



The world is experiencing a demographic shift characterised by an ageing population and higher life expectancy. This transformation in the age structure of societies has far-reaching implications for healthcare, social systems and the economy. According to World Health Organisation, by 2050, the world's population aged 60 years and above will double to about 2.1 billion people<sup>3</sup>. Between 2015 and 2050, the proportion of the world's population over 60 years will nearly double from 12% to 22%. Common health conditions are associated with ageing as senior population are prone to different diseases and require more medical check-ups. The rising number of the aging population has pushed the demand for healthcare products and services, resulting in higher glove consumption.

### Global Macroeconomic Outlook

According to the IMF<sup>4</sup>, global growth is projected to fall from 3.5 percent in 2022 to estimated 3.0 percent in both 2023 and 2024. Global headline inflation is expected to fall from 8.7 percent in 2022 to 6.8 percent in 2023 and 5.2 percent in 2024. Fears of a global recession are falling, but concerns are rising about geopolitical and domestic political issues.

The rise in central bank policy rates to fight inflation continues to weigh on economic activity. Economists are expecting the pace of interest rate rises to slow in inflation-prone economies<sup>5</sup>. The Federal Reserve raised the target range for the fed funds rate at 22-year high of 5.25% to 5.50% during its July 2023 meeting<sup>6</sup>. The central bank said it expects one more hike before the end of the year and 2 rate cuts in 2024. Over the longer term, Federal Open Market Committee members pointed to a funds rate of 2.9% in 2026<sup>7</sup>. That's above what the Federal Reserve considers the "neutral" rate of interest that is neither stimulative nor restrictive for growth.



## The Market and Trends that Shape Us

### Wider Applications of Gloves Across Industries

With gloves being very versatile in nature, other industries, such as food and beverages, biotechnology etc., have adopted gloves. The emerging 5G technology, AI and IoT, have driven the demand of gloves used in research and development, industry and electronics. Governments globally also have mandated stricter occupational safety regulations, requiring corporations to provide safer work environments for its workers.

To further improve workers' safety, corporations have implemented the ISO45001 occupational health and safety management systems to regulate and improve safety in the work environment. For the food and beverage industry, developed countries have developed guidelines and recommendations for hygiene purposes by wearing gloves to prevent foodborne diseases. Hence, these factors would likely contribute to glove demand in the future.



### Product Structure Transformation and Technology Upgrading



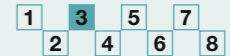
Natural rubber latex gloves, being more comfortable and higher dexterity than nitrile latex gloves, have been the mainstay for the medical and industrial sectors for some years. However, concerns over latex allergies have motivated glove manufacturers to improve the performance of their nitrile latex gloves and nowadays, nitrile latex gloves are almost as comfortable and permeable as natural rubber latex gloves. In addition, nitrile latex gloves can be sterilised without any effect on its physical characteristics. Thus, with its excellent performance, many industries have opted for nitrile latex gloves.

Consumers are also seeking personalised and customised glove options to cater to their specific needs and preferences. Manufacturers are increasingly offering customisation services, allowing customers to choose colours, materials and sizes. This trend reflects a growing consumer desire for unique and personalised products, even in traditionally semi-commoditised industries like gloves.

Sources:

- <https://www.imf.org/en/Publications/WEO/Issues/2023/07/10/world-economic-outlook-update-july-2023>
- <https://www.statista.com/statistics/856380/per-person-health-spending-globally>
- <https://www.who.int/news-room/fact-sheets/detail/ageing-and-health>
- <https://www.imf.org/en/Publications/WEO/Issues/2023/07/10/world-economic-outlook-update-july-2023>
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- <https://tradingeconomics.com/united-states/interest-rate>
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SECTION 3 HOW WE CREATE VALUE



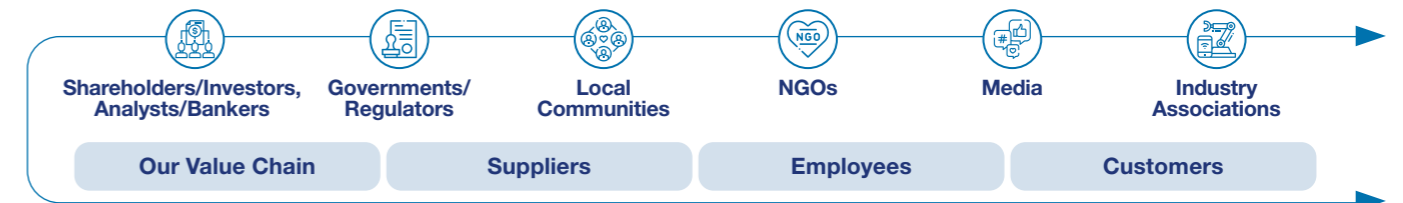
# Stakeholder Engagement

All content and data in the Stakeholder Engagement & Material Matters sections have been verified and assured by the external assessor, SIRIM QAS International Sdn Bhd

We are committed to actively involve our stakeholders through various channels, addressing their concerns, and meeting their expectations. This approach allows us to align our key priorities with the broader interests of the economy, society, and the environment. The outcomes of these engagements not only help us identify emerging market trends but also anticipate challenges. Consequently, we can adjust our sustainability strategy and business activities to harmonise with the evolving needs and expectations of all stakeholders.

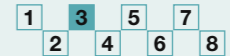
# Stakeholder Engagement

## HOW ARE OUR STAKEHOLDERS CONNECTED?



STAKEHOLDERS	ENGAGEMENT CHANNELS AND FREQUENCY	TOP 5 MATERIAL MATTERS CONCERNED	TOP GLOVE'S RESPONSE	VALUE CREATED FOR STAKEHOLDERS	CAPITAL
<p><b>Employees</b></p> <p>Employees are the vital force behind the Group's operations. Effective leadership is essential to navigate the Company and maintain its operations in pursuit of Top Glove's long-term objectives.</p>	<ul style="list-style-type: none"> <li>• <b>Weekly</b> Employee assembly</li> <li>• <b>Weekly</b> Engagement and announcement in Viva Engage Platform</li> <li>• <b>Bi annual</b> Performance appraisal review</li> <li>• <b>Annual</b> Employee satisfaction survey</li> </ul> <p><b>As needed</b></p> <ul style="list-style-type: none"> <li>• Recreational, training and empowerment activities</li> <li>• Corporate events</li> <li>• Newsletters</li> </ul>	<ol style="list-style-type: none"> <li>1. Labour Management Relations</li> <li>2. Product Quality &amp; Safety</li> <li>3. Environmental Compliance</li> <li>4. Human Rights</li> <li>5. Customer Experience</li> </ol>	<ol style="list-style-type: none"> <li>1. Independent social compliance audit</li> <li>2. Townhall session for employees</li> <li>3. Employee engagement survey</li> <li>4. Employee accommodation upgraded according to standards</li> <li>5. Product quality &amp; safety, social and environment training</li> <li>6. Tightened quality control</li> </ol>	<ol style="list-style-type: none"> <li>1. Greater productivity</li> <li>2. Enhanced employer-employee</li> <li>3. Employee well-being improvement</li> </ol>	<ul style="list-style-type: none"> <li>• Human</li> <li>• Social &amp; Relationship</li> <li>• Intellectual</li> </ul>
<p><b>Customers</b></p> <p>Our products ensure safe human protection globally. Fulfilling global customers' needs is our responsibility.</p>	<ul style="list-style-type: none"> <li>• <b>Annual</b> Business trips</li> <li>• <b>Annual</b> Tradeshows</li> </ul> <p><b>As needed</b></p> <ul style="list-style-type: none"> <li>• Meetings</li> <li>• Social compliance audit</li> <li>• Customer portal</li> </ul>	<ol style="list-style-type: none"> <li>1. Environmental Compliance</li> <li>2. Supply Chain Management</li> <li>3. Product Quality &amp; Safety</li> <li>4. Customer Experience</li> <li>5. Human Rights</li> </ol>	<ol style="list-style-type: none"> <li>1. Environmentally friendly practices in manufacturing processes</li> <li>2. Traceability taskforce</li> <li>3. Product pre-inspection before delivery to customer</li> <li>4. Customer satisfaction survey</li> <li>5. Quality testing from finished product</li> <li>6. Independent social compliance audit, BSCI &amp; SMETA</li> </ol>	<ol style="list-style-type: none"> <li>1. Enhanced customer relationship</li> <li>2. Increased brand relevance globally</li> <li>3. Customer satisfaction</li> <li>4. Business permits and product license renewal</li> </ol>	<ul style="list-style-type: none"> <li>• Financial</li> <li>• Social &amp; Relationship</li> </ul>
<p><b>Shareholders/Investors, Analysts/Bankers</b></p> <p>Shareholders and investors invest in the Group's business and we are compelled to deliver financial performance and strategic decisions for future prospect.</p>	<ul style="list-style-type: none"> <li>• <b>Quarterly</b> Analyst briefing</li> <li>• <b>Annual</b> Feedback forms</li> <li>• <b>Annual</b> General meetings</li> </ul> <p><b>As needed</b></p> <ul style="list-style-type: none"> <li>• Analyst/fund managers/investor meetings</li> <li>• Roadshows and conferences</li> <li>• Social media platform</li> </ul>	<p><b>Shareholders</b></p> <ol style="list-style-type: none"> <li>1. Environmental Compliance</li> <li>2. Supply Chain Management</li> <li>3. Product Quality &amp; Safety</li> <li>4. Customer Experience</li> <li>5. Human Rights</li> </ol> <p><b>Investors, Analysts/Bankers</b></p> <ol style="list-style-type: none"> <li>1. Labour Management Relations</li> <li>2. Ethics, Integrity &amp; Governance</li> <li>3. Environmental Compliance</li> <li>4. Human Rights</li> <li>5. Supply Chain Management</li> </ol>	<ol style="list-style-type: none"> <li>1. R&amp;D and innovation</li> <li>2. Automation and digitalisation investment</li> <li>3. ISO 37001 Anti-Bribery Management System certification</li> <li>4. Natural rubber traceability</li> <li>5. Updated corporate website</li> </ol>	<ol style="list-style-type: none"> <li>1. Retained investors' confidence</li> <li>2. Transparency in corporate governance reporting and practices</li> <li>3. Wider product range</li> <li>4. Consistent product quality and lower production cost</li> </ol>	<ul style="list-style-type: none"> <li>• Financial</li> <li>• Human</li> <li>• Social &amp; Relationship</li> <li>• Intellectual</li> <li>• Manufactured</li> </ul>
<p><b>Suppliers</b></p> <p>Suppliers are essential for sourcing materials and services critical to our production and customer deliveries. We prioritise close and positive relationships with them.</p>	<ul style="list-style-type: none"> <li>• <b>Annual</b> Audit and site visit</li> </ul> <p><b>As needed</b></p> <ul style="list-style-type: none"> <li>• Meetings and dialogue sessions</li> <li>• Electronic procurement network</li> <li>• Trainings</li> </ul>	<ol style="list-style-type: none"> <li>1. Environmental Compliance</li> <li>2. Ethics, Integrity &amp; Governance</li> <li>3. Product Quality &amp; Safety</li> <li>4. Labour Management Relations</li> <li>5. Supply Chain Management</li> </ol>	<ol style="list-style-type: none"> <li>1. Environmentally and responsible handling, store, use and dispose of materials</li> <li>2. Business Partners' Code of Conduct</li> <li>3. Quality testing from finished product</li> <li>4. Supplier assessment/audit</li> </ol>	<ol style="list-style-type: none"> <li>1. Sustainable sourcing</li> <li>2. Business reputation and integrity assurance</li> <li>3. Enhanced supplier relationship</li> </ol>	<ul style="list-style-type: none"> <li>• Manufactured</li> <li>• Intellectual</li> <li>• Financial</li> </ul>

SECTION 3 HOW WE CREATE VALUE



Stakeholder Engagement

Stakeholder Engagement

STAKEHOLDERS	ENGAGEMENT CHANNELS AND FREQUENCY	TOP 5 MATERIAL MATTERS CONCERNED	TOP GLOVE'S RESPONSE	VALUE CREATED FOR STAKEHOLDERS	CAPITAL
<p><b>Governments/Regulators</b></p> <p>Governmental bodies regulate our day-to-day business activities. We are committed to adhering to all relevant local, national, and international laws and regulations.</p>	<p><b>As needed</b></p> <ul style="list-style-type: none"> <li>Formal meetings</li> </ul>	<ol style="list-style-type: none"> <li>Environmental Compliance</li> <li>Human Rights</li> <li>Labour Management Relations</li> <li>Waste &amp; Effluent</li> <li>Ethics, Integrity &amp; Governance</li> </ol>	<ol style="list-style-type: none"> <li>Compliance to Environmental Quality Act, 1974</li> <li>ISO 14001 Environmental Management System certification</li> <li>Compliance to Department of Environment's (DOE) standards</li> <li>Steering committee for Human Rights and social compliance audit</li> <li>ISO 37001 Anti-Bribery Management System</li> </ol>	<ol style="list-style-type: none"> <li>Sustainable sourcing</li> <li>Business reputation and integrity assurance</li> <li>Business permits and product license renewal</li> <li>Compliance to governmental regulations</li> </ol>	<ul style="list-style-type: none"> <li>Social &amp; Relationship</li> <li>Natural</li> <li>Intellectual</li> </ul>
<p><b>Local Communities</b></p> <p>We acknowledge that our activities may impact neighbouring communities. Our commitment is to address their concerns and contribute positively to the community's well-being.</p>	<p><b>As needed</b></p> <ul style="list-style-type: none"> <li>Engagement with local councils and residence associations</li> <li>Community support programmes</li> </ul>	<ol style="list-style-type: none"> <li>Waste &amp; Effluent</li> <li>Environmental Compliance</li> <li>Occupational Health &amp; Safety</li> <li>Human Rights</li> <li>Physical Impacts of Climate Change</li> </ol>	<ol style="list-style-type: none"> <li>Compliance to Department of Environment's (DOE) standards</li> <li>Direct and indirect emission monitoring</li> <li>Independent audits on social compliance</li> <li>Top Glove Global Doctors (TGGD) Medical &amp; Dental Clinic is open to local communities</li> </ol>	<ol style="list-style-type: none"> <li>Enhanced relationship with local communities</li> <li>Safer and cleaner living environment for the local communities</li> <li>Harmonious community</li> </ol>	<ul style="list-style-type: none"> <li>Social &amp; Relationship</li> <li>Natural</li> </ul>
<p><b>Non-Governmental Organisations</b></p> <p>Non-Governmental Organisations (NGOs) offer valuable insights into our social and environmental initiatives. They also serve as a crucial link connecting us with other stakeholders.</p>	<p><b>As needed</b></p> <ul style="list-style-type: none"> <li>Formal/casual meetings</li> <li>Campaigns</li> <li>Collaborations</li> </ul>	<ol style="list-style-type: none"> <li>Environmental Compliance</li> <li>Human Rights</li> <li>Labour Management Relations</li> <li>Ethics, Integrity &amp; Governance</li> <li>Waste &amp; Effluent</li> </ol>	<ol style="list-style-type: none"> <li>ISO 14001 Environmental Management System certification</li> <li>Independent audits on social compliance</li> <li>ISO 37001 Anti-Bribery Management System certification</li> <li>Compliance to Department of Environment's (DOE) standards</li> </ol>	<ol style="list-style-type: none"> <li>Enhanced relationship with NGOs</li> <li>Enhanced reputation of the company among the general public</li> </ol>	<ul style="list-style-type: none"> <li>Social &amp; Relationship</li> <li>Intellectual</li> </ul>
<p><b>Media</b></p> <p>The media has great influence over the public perception of the Group. Positive or negative media reporting may respectively boost or damage the Group's reputation.</p>	<ul style="list-style-type: none"> <li><b>Quarterly</b> Financial results briefings</li> </ul> <p><b>As needed</b></p> <ul style="list-style-type: none"> <li>Interviews</li> <li>Media inquiries</li> </ul>	<ol style="list-style-type: none"> <li>Labour Management Relations</li> <li>Human Rights</li> <li>Environmental Compliance</li> <li>Ethics, Integrity &amp; Governance</li> <li>Physical Impacts of Climate Change</li> </ol>	<ol style="list-style-type: none"> <li>Independent audits on social compliance</li> <li>Adherence to Environmental Quality Act, 1974</li> <li>ISO 37001 Anti-Bribery Management System</li> <li>FY2025 Sustainability Roadmap Blueprint</li> </ol>	<ol style="list-style-type: none"> <li>Improved reputation and brand relevance</li> <li>Transparency in providing information to all pertinent stakeholders</li> </ol>	<ul style="list-style-type: none"> <li>Social &amp; Relationship</li> </ul>
<p><b>Industry Associations</b></p> <p>Different associations offer unique market perspectives. Meaningful engagement and partnerships with them have the potential to enhance the Group's long-term growth prospects.</p>	<p><b>As needed</b></p> <ul style="list-style-type: none"> <li>Formal meetings</li> </ul>	<ol style="list-style-type: none"> <li>Human Rights</li> <li>Product Quality &amp; Safety</li> <li>Ethics, Integrity &amp; Governance</li> <li>Labour Management Relations</li> <li>Environmental Compliance</li> </ol>	<ol style="list-style-type: none"> <li>Independent audits on social compliance</li> <li>Innovation through R&amp;D</li> <li>Investment in automation and digitalisation</li> <li>Whistleblowing channel</li> <li>ISO 14001 Environmental Management System certification</li> </ol>	<ol style="list-style-type: none"> <li>Continuous support from industry peers</li> <li>Informational updates about the industry</li> <li>Stronger relationship with our peers</li> <li>Industry peers assured of business integrity and sustainability</li> </ol>	<ul style="list-style-type: none"> <li>Social &amp; Relationship</li> <li>Intellectual</li> </ul>

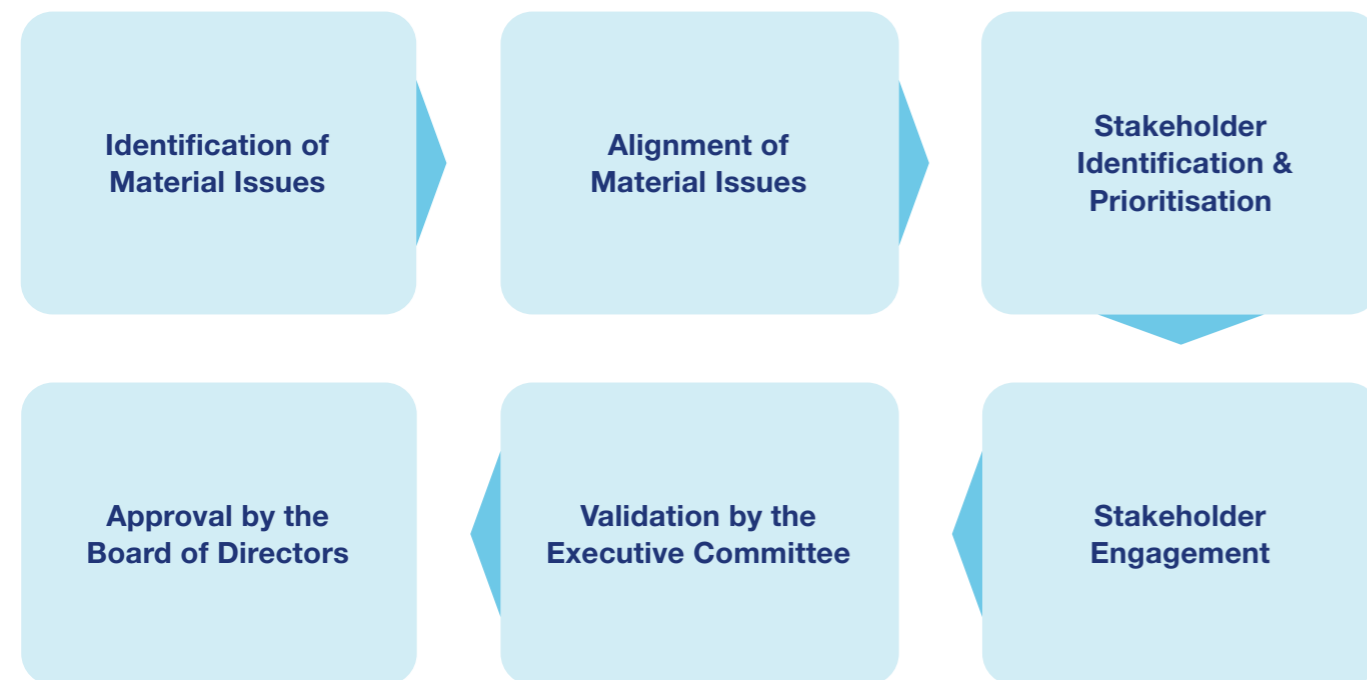
# Material Matters

Top Glove conducts a comprehensive materiality assessment at least once every four years and minor assessment every two years.

## Materiality Methodology

In July 2022, we conducted a minor materiality assessment<sup>1</sup>, building on the formal and comprehensive assessment performance in FY2021. This additional assessment was prompted by the ongoing transition phase that the glove industry is still navigating post-pandemic. For minor materiality assessment, we identified 17 material matters crucial to our operations and sustainability initiatives.


<sup>1</sup> For additional details regarding our FY2022 materiality assessment and matrix, kindly consult the Top Glove Sustainability Report for FY2022.



For FY2023, we took the important step of conducting a materiality validation, which has been thoroughly reviewed and received approval from our Board of Directors. This validation process considered a range of internal and external factors, including:

- 1) External and internal stakeholder expectation
- 2) Peer assessment
- 3) Global mega trends and global risk
- 4) External ESG ratings requirement

**Materiality Assessment Guideline**



Scan the QR Code to view Materiality Assessment Guideline

<https://www.topglove.com/download/governance/policies/57/materiality-assessment-guideline>

After conducting a thorough review and validation process, we have identified 16 material issues that are integral to our operations. This refined list now excludes Infectious Diseases and Indirect Economic Impacts as material topics. Furthermore, we have recognised Greenhouse Gases (“GHG”) Emissions as a vital component of our material matters for FY2023. GHG emissions are a crucial focus area for our sustainability efforts, reflecting our commitment to addressing environmental concerns and reducing our carbon footprint.

# Material Matters

<b>Environmental</b>	<b>Social</b>	<b>Governance</b>
Physical Impacts of Climate Change	Occupational Health & Safety	Ethics, Integrity & Governance
Greenhouse Gases (GHG) Emissions	Human Rights	Product Quality & Safety
Energy Consumption	Labour Management Relations	Supply Chain Management
Environmental Compliance	Diversity, Equity & Inclusion	Customer Experience
Water Management	Security Management	
Waste & Effluent	Local Communities	

### PHYSICAL IMPACTS OF CLIMATE CHANGE

**Affected Stakeholders**  
Employees, Customers, Shareholders/Investors, Suppliers, Governments/Regulators

**Approach, Initiatives and Metrics**  
Read more on Sustainability Report 2023, pages 19 to 24

#### Related UN SDGs



### GREENHOUSE GASES (GHG) EMISSIONS

**Affected Stakeholders**  
Employees, Customers, Shareholders/Investors, Suppliers, Governments/Regulators

**Approach, Initiatives and Metrics**  
Read more on Sustainability Report 2023 page 25

#### Related UN SDGs



### ENERGY CONSUMPTION

**Affected Stakeholders**  
Employees, Customers, Shareholders/Investors, Suppliers, Governments/Regulators

**Approach, Initiatives and Metrics**  
Read more on Sustainability Report 2023, pages 26 and 27

#### Related UN SDGs



### ENVIRONMENTAL COMPLIANCE

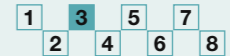
**Affected Stakeholders**  
Employees, Customers, Shareholders/Investors, Suppliers, Governments/Regulators, Local Communities, NGOs

**Approach, Initiatives and Metrics**  
Read more on Sustainability Report 2023 page 28

#### Related UN SDGs



SECTION 3 HOW WE CREATE VALUE



Material Matters

Material Matters

WATER MANAGEMENT

Affected Stakeholders

Employees, Customers, Shareholders/Investors, Suppliers, Local Communities

Approach, Initiatives and Metrics

Read more on Sustainability Report 2023, pages 29 and 30

Related UN SDGs



WASTE & EFFLUENT

Affected Stakeholders

Governments/Regulators, Local Communities, NGOs

Approach, Initiatives and Metrics

Read more on Sustainability Report 2023, pages 31 to 35

Related UN SDGs



OCCUPATIONAL HEALTH & SAFETY

Affected Stakeholders

Employees, Customers, Shareholders/Investors, Suppliers, Governments/Regulators

Approach, Initiatives and Metrics

Read more on Sustainability Report 2023, pages 40 to 44

Related UN SDGs



HUMAN RIGHTS

Affected Stakeholders

Employees, Customers, Shareholders/Investors, Governments/Regulators, Local Communities, NGOs

Approach, Initiatives and Metrics

Read more on Sustainability Report 2023, pages 45 to 49

Related UN SDGs



LABOUR MANAGEMENT RELATIONS

Affected Stakeholders

Employees, Shareholders/Investors, Suppliers, Governments/Regulators, NGOs

Approach, Initiatives and Metrics

Read more on Sustainability Report 2023, pages 45 to 49

Related UN SDGs



DIVERSITY, EQUITY & INCLUSION

Affected Stakeholders

Employees, Customers, Shareholders/Investors, Suppliers, Local Communities

Approach, Initiatives and Metrics

Read more on Sustainability Report 2023, pages 50 to 58

Related UN SDGs



SECURITY MANAGEMENT

Affected Stakeholders

Employees, Local Communities

Approach, Initiatives and Metrics

Read more on Sustainability Report 2023, pages 60 to 62

Related UN SDGs



LOCAL COMMUNITIES

Affected Stakeholders

Employees, Local Communities, NGOs

Approach, Initiatives and Metrics

Read more on Sustainability Report 2023, pages 63 to 70

Related UN SDGs



ETHICS, INTEGRITY & GOVERNANCE

Affected Stakeholders

Employees, Customers, Shareholders/Investors, Suppliers, Governments/Regulators, NGOs

Approach, Initiatives and Metrics

Read more on Sustainability Report 2023, pages 71 to 78

Related UN SDGs



PRODUCT QUALITY & SAFETY

Affected Stakeholders

Employees, Customers, Shareholders/Investors, Suppliers

Approach, Initiatives and Metrics

Read more on Sustainability Report 2023, pages 80 to 82

Related UN SDGs



SUPPLY CHAIN MANAGEMENT

Affected Stakeholders

Employees, Customers, Shareholders/Investors, Suppliers

Approach, Initiatives and Metrics

Read more on Sustainability Report 2023, pages 83 to 85

Related UN SDGs



CUSTOMER EXPERIENCE

Affected Stakeholders

Employees, Customers, Shareholders/Investors

Approach, Initiatives and Metrics

Read more on Sustainability Report 2023 page 86

Related UN SDGs



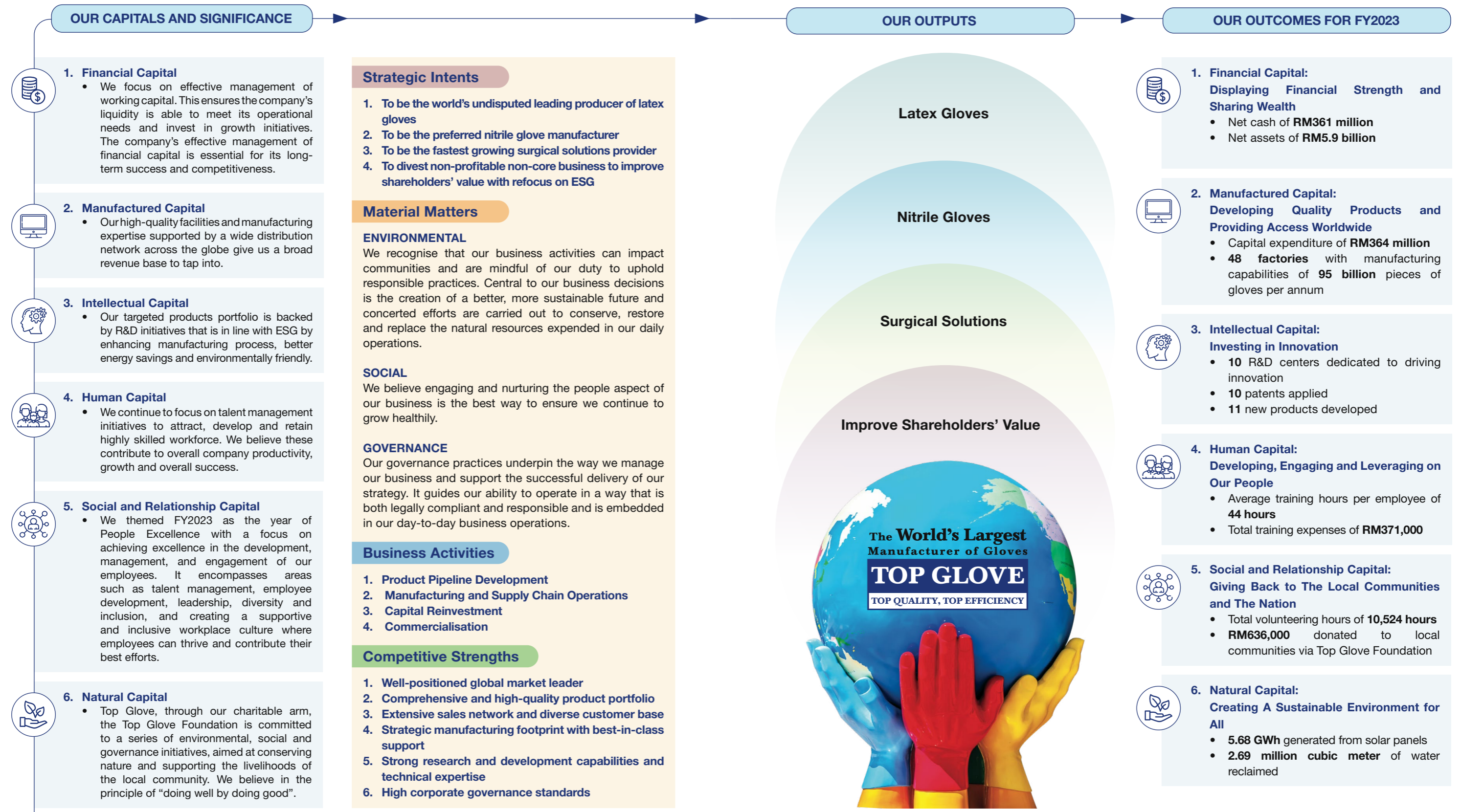
# Our Value Creation Model

# Our Value Creation Model

Our model is strategically designed with a strong commitment to sustainability and responsibility. We harness the power of the six capitals to propel our strategic intents, taking into account our most significant concerns and competitive advantages. These considerations subsequently result in tangible outputs and outcomes that reflect the value we generate for our stakeholders.

**OUR VISION**  
To be your world class partner in gloves and healthcare products

**OUR MISSION**  
Ensuring safe human protection globally



## Our Business Strategies

With the challenging business environment and recent development, we decided to further refine the Group's strategy to remain agile for the continuous growth and delivery of sustainable returns beyond 2025. The refined corporate strategy, TG25+, will enable us to cultivate new capabilities, particularly in the realms of technology and talent, to ensure the organisation's continued relevance and competitiveness beyond the year 2025.

Our focus areas are cost efficiency, product quality, customer service, and non-core asset rationalisation. We seek to rationalise our non-core assets to streamline our portfolio, in order to better focus on our core businesses which drive business competitiveness and create meaningful value for stakeholders.

## Our Business Strategies

### Our Focus Areas



Cost Efficiency



Product Quality



Customer Service



Non-Core Asset Rationalisation

### Strategic Intent 1:

To be the world's undisputed leading producer of latex gloves

#### Affected Capitals:

- **Financial**  
Increased spending on technology upgrades
- + **Manufactured**  
System upgrades to production lines
- + **Intellectual**
  1. Improved quality and efficiency in production processes
  2. Stronger brand reputation
- + **Social & Relationship**  
Stronger customer & stakeholder management

Our Focus Areas  
Cost Efficiency



#### Progress Made in FY2023

Group revenue recorded RM2.26 billion with total production capacity achieved 95 billion pieces

#### Priorities in FY2024

Innovate and automate our production facilities to enhance productivity and cost optimisation

### Strategic Intent 2:

To be the preferred nitrile glove manufacturer

#### Affected Capitals:

- **Financial**  
Increased capital expenditures
- + **Manufactured**  
Improved production efficiency
- + **Intellectual**
  1. New developments in R&D
  2. Operational excellence in glove segment
- + **Human**  
Technology experts positions recruited and retained
- + **Social & Relationship**  
Improved shareholders' confidence

Our Focus Areas  
Product Quality



#### Progress Made in FY2023

1. Improved overall efficiency via consolidation orders to produce at newer and more efficient plant
2. Decommissioned two old plants with combined capacity of five billion pieces per annum

#### Priorities in FY2024

1. Enhance manufacturing process for better product quality
2. Outgrow competition in preferred growth markets

### Strategic Intent 3:

To be the fastest growing surgical solutions provider

#### Affected Capitals:

- **Financial**  
Increased capital spending in expanding production capacity
- + **Manufactured**  
Greater production capacity of surgical gloves
- + **Intellectual**  
Digitalised systems to enhance productivity
- + **Social & Relationship**  
Stronger customer relations

Our Focus Areas  
Customer Service



#### Progress Made in FY2023

Improved in-house Gamma sterilisation plant capacity to serve customer better

#### Priorities in FY2024

Create greater value to our customer via new product development

### Strategic Intent 4:

To divest non-profitable non-core business to improve shareholders' value with refocus on ESG

#### Affected Capitals:

- + **Financial**  
Divestment generates cash inflow to the business
- **Intellectual**  
Less diversification and product offerings
- + **Social & Relationship**  
Improved confidence and security in stakeholders

Our Focus Areas  
Non-Core Asset Rationalisation



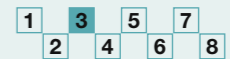
#### Progress Made in FY2023

1. Disposed our 49% stakes in ULMA International GmbH, a small distribution arm in Germany, via partnering with our valued customer
2. Part of the divestment exercise, we also mothballed our rapid test kit productions to relocate the resources to core division

#### Priorities in FY2024

1. To continue reviewing our portfolio and divestment of non-profitable non-core assets with the goal of optimising its invested capital
2. Preserve our cash position as a war chest to invest in operational efficiency and prepare the Group for rebound

SECTION 3 HOW WE CREATE VALUE



# Our Sustainability Strategy

All content and data in Our Sustainability Strategy section have been verified and assured by the external assessor, SIRIM QAS International Sdn Bhd

## TOP GLOVE'S ONGOING SUSTAINABILITY TRANSFORMATION STRATEGY

Top Glove embarked on a significant sustainability transformation journey last year with the release of our comprehensive plan, "Top Glove's Sustainability Transformation: A Blueprint for FY2025" firmly grounded in our company's mission and vision. This year, we remain committed to the ongoing pursuit of the objectives outlined in our FY2025 blueprint. In response to changing business dynamics, we have made a strategic decision to re-evaluate and prioritise our operational strategies.

These initiatives are integral to our comprehensive strategy, aimed at broadening the coverage of our GHG emissions and further aligning our actions with our science-based target commitments. We remain committed to making a positive contribution to the environment and upholding our responsibility to stakeholders, society, and the planet.

**Sustainability Report 2023**



Scan the QR Code to view the Sustainability Report 2023

[https://tgapp.topglove.com/IAR/2023/Sustainability\\_Report\\_2023/index.php](https://tgapp.topglove.com/IAR/2023/Sustainability_Report_2023/index.php)

Looking forward to FY2024, we are poised to take further steps in our sustainability journey. Our forthcoming plans include the establishment of an in-house Greenhouse Gases ("GHG") guideline to ensure even more precise calculations, and we will place a heightened focus on stakeholder engagement. Moreover, we anticipate expanding our scope 3 categories in FY2024.

# Our Sustainability Strategy

## FY2025 Sustainability Goals

### Legend: Progress Tracking to FY2025

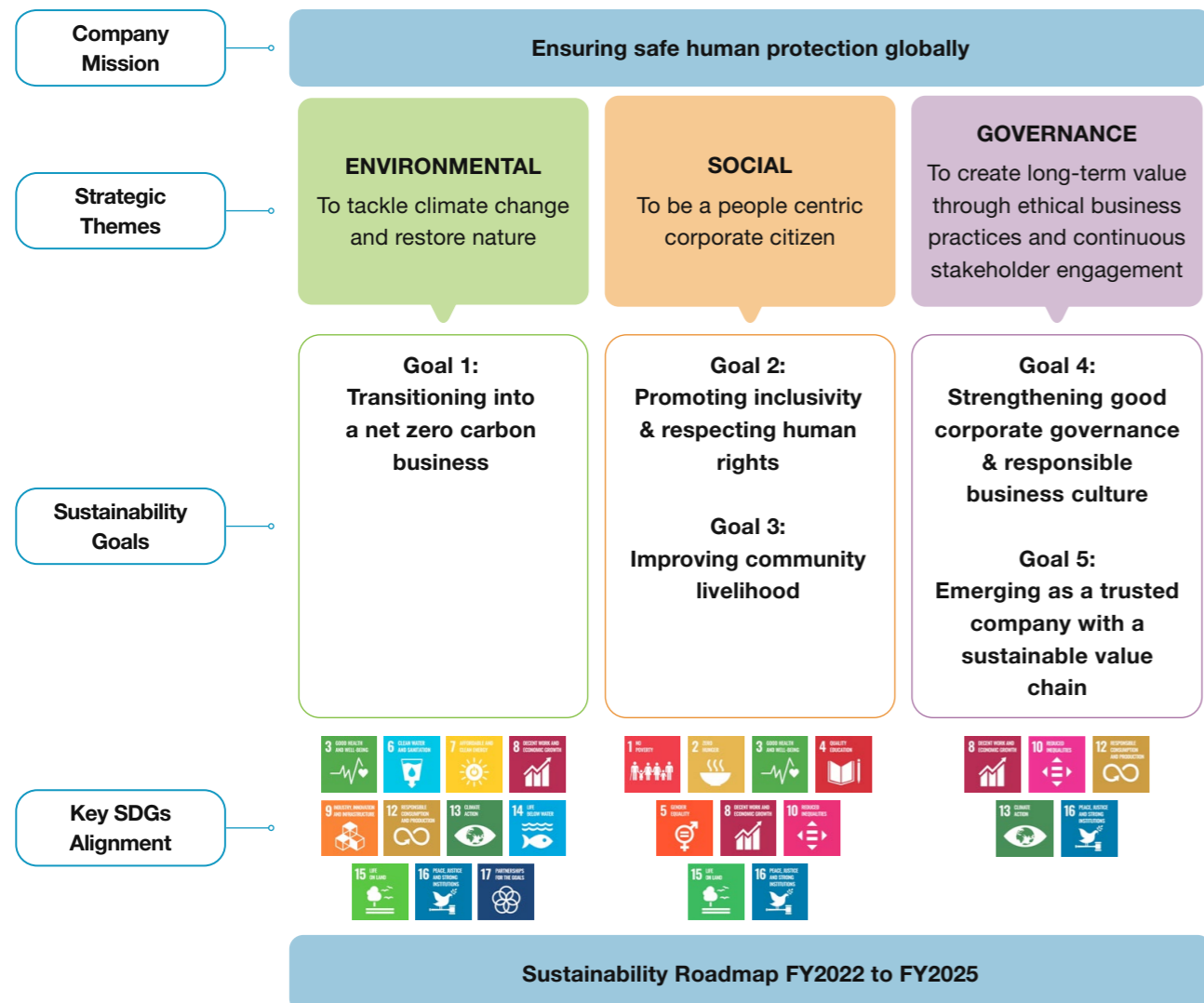
- ○ ○ *Progressing well and on track to achieve targets by FY2025*
- ● ○ *Progressing with slight delay, to review current approach*
- ○ ○ *Progressing but lagging, to review and revise targets (if necessary)*

## Goal 1: Transitioning into a net zero carbon business

FY2025 Target	FY2023 Interim Goals	FY2023 Performance	Related Material Topics
1. Reduce carbon emission intensity by 10% to 0.0176 tonnes/1,000 pcs glove <sup>1*</sup>	Reduce carbon emission intensity by 4% to 0.0187 tonnes/1,000 pcs glove <sup>1</sup>	○ ○ ○ Carbon emission intensity is at, 0.0207 tonnes CO <sub>2</sub> /1,000 pcs glove	GHG Emissions
2. Reduce electricity consumption intensity by 10% to 7.76 kWh/1,000 pcs glove <sup>1</sup>	Reduce electricity consumption intensity by 5% to 8.19 kWh/1,000 pcs glove <sup>1</sup>	● ○ ○ Electricity intensity is at 9.35 kWh/1,000 pcs glove	Energy Consumption
3. Reduce natural gas consumption intensity by 10% to 0.279 MMBtu/1,000 pcs glove <sup>1</sup>	Reduce natural gas consumption intensity by 3% to 0.300 MMBtu/1,000 pcs glove <sup>1</sup>	○ ● ○ Natural gas consumption intensity 0.313 MMBtu/1,000 pcs glove	Energy Consumption
4. Reduce municipal water consumption intensity by 34% to 0.151 m <sup>3</sup> /1,000 pcs glove	Reduce municipal water consumption intensity by 19% to 0.186 m <sup>3</sup> /1,000 pcs glove	○ ○ ● Achieved 22% reduction, 0.1796/1,000 pcs glove	Water Management
5. Reduce scheduled waste intensity by 13% to 0.140 kg/1,000 pcs glove	Reduce scheduled waste intensity by 7% to 0.148 kg/1,000 pcs glove	○ ○ ● Achieved 7% reduction, 0.147kg/1,000 pcs gloves	Waste & Effluent
6. Divert disposal of scheduled waste from licensed landfill by 74%	Divert disposal of scheduled waste from licensed landfill by 70%	○ ○ ● 73% scheduled waste diverted from license landfill	Waste & Effluent
7. Reduce solid waste by 20% to 8,248 tonnes	Reduce solid waste by 10% to 9,139 tonnes	○ ○ ● Achieved 70% reduction of solid waste	Waste & Effluent
8. 95% quantity of purchased of inner boxes made with 100% recycled material or FSC paper	85% quantity of purchased of inner boxes made with 100% recycled material or FSC paper	○ ○ ● Achieved 86% purchased of inner box from 100% recycled material	Physical Impacts of Climate Change
9. Reduce a total of 25 types of plastic bag thickness by 0.01mm	Reduce 5 types of plastic bag thickness by 0.01mm	○ ● ○ Reduced 2 types of plastic thickness	Physical Impacts of Climate Change
10. Procure bottles made with 50% recycled plastic materials	Procure bottles made with 25% recycled plastic materials	● ○ ○ Identified bottles with recycled plastic materials but nil procured due to changes in business landscape	Physical Impacts of Climate Change
11. Procure refill packs for liquid detergent by 50% of the quantity of bottles purchased	Procure refill packs for liquid detergent by 25% of the quantity of bottles purchased	● ○ ○ Explored the refill packs but nil procured due to changes in business landscape	Physical Impacts of Climate Change
12. Reduce usage of virgin plastic resin in stretch film packaging by 40%	Reduce usage of virgin plastic resin in stretch film packaging by 20% (from 12-micron to 9-micron size)	○ ○ ● Reduced the usage of virgin plastic resin by 19.2%	Physical Impacts of Climate Change
13. Reduce paper usage by 80% to 12,600 kg	Reduce paper usage by 40% to 37,800 kg	○ ○ ● Reduced 80.8% of paper usage	Waste & Effluent
14. Achieve 122 million pieces of sales of Green Series Product	Achieve 85 million pieces of sales of Green Series Product	○ ○ ● Sold 196 million pieces of Biodegradable Nitrile Glove	Physical Impacts of Climate Change
15. Supply chain collaboration	One supply chain collaboration	○ ○ ● One collaboration with nitrile supplier	Physical Impacts of Climate Change

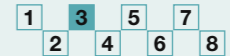
## TOP GLOVE FY2025 SUSTAINABILITY BLUEPRINT STRUCTURE

To set key focus areas and measurable ESG targets or key performance indicators both quantitative & qualitative for FY2025



Note: All targets are set against FY2021 baseline unless stated otherwise  
<sup>1</sup> Targets have been established based on the FY2022 baseline in line with the refinement of GHG accounting  
 \* Reduction target for scope 1 & scope 2

SECTION 3 HOW WE CREATE VALUE



## Our Sustainability Strategy

Legend: Progress Tracking to FY2025

- ○ ○ Progressing well and on track to achieve targets by FY2025
- ○ ○ Progressing with slight delay, to review current approach
- ○ ○ Progressing but lagging, to review and revise targets (if necessary)

### Goal 2: Promoting inclusively and respecting human rights

FY2025 Target	FY2023 Interim Goals	FY2023 Performance	Related Material Topics
1. BSCI: 100% factories audited achieve "A" rating	BSCI: 100% factories audited achieve "A" rating	<span style="color: green;">●</span> <span style="color: grey;">○</span> <span style="color: grey;">○</span> BSCI: Achieved "B" rating for 1 out of 1 factory	Human Rights, Labour Management Relations
2. SMETA: 100% factories audited achieve not more than 5 NC/factory	SMETA: 100% factories audited achieve not more than 10 NC/factory	<span style="color: green;">●</span> <span style="color: grey;">○</span> <span style="color: grey;">○</span> SMETA: 17 out of 17 factories audited with below 10 NC	
3. Conduct Human Rights Due Diligence (HRDD) for 100% Top Glove's own operation	Conduct Human Rights Due Diligence (HRDD) for 100% Top Glove's own operation	<span style="color: green;">●</span> <span style="color: grey;">○</span> <span style="color: grey;">○</span> Conducted 100% HRDD at Top Glove's own operation	Human Rights, Labour Management Relations
4. Create 30,000 job opportunities	Create 7,500 job opportunities	<span style="color: orange;">●</span> <span style="color: grey;">○</span> <span style="color: grey;">○</span> 1,820 job opportunities created 8,198 job opportunities created since FY2022	Diversity, Equity & Inclusion
5. Achieve 50% female leadership in managerial positions (manager and above)	Achieve 46% female leadership in managerial positions (manager and above)	<span style="color: green;">●</span> <span style="color: grey;">○</span> <span style="color: grey;">○</span> Achieved 52% female leadership	Diversity, Equity & Inclusion
6. Reduce occupational accident rate to 2.77 per 1,000 workers	Reduce occupational accident rate to 3.0 per 1,000 workers	<span style="color: green;">●</span> <span style="color: grey;">○</span> <span style="color: grey;">○</span> Reduced accident rate by 2.85	Occupational Health & Safety
7. 95% of contractors to pass safety evaluation	85% of contractors to pass safety evaluation	<span style="color: green;">●</span> <span style="color: grey;">○</span> <span style="color: grey;">○</span> 100% contractor passed evaluation	Occupational Health & Safety

Note: All targets are set against FY2021 baseline unless stated otherwise

### Goal 3: Improving community livelihood

FY2025 Target	FY2023 Interim Goals	FY2023 Performance	Related Material Topics
1. Education Pillar • Top Glove Scholarship Award: Provide scholarships to degree students • EduShare Programme: Provide reconditioned laptops to underprivileged students	• Provide 3 scholarships to degree students • Provide 60 reconditioned laptops to underprivileged students	<span style="color: green;">●</span> <span style="color: grey;">○</span> <span style="color: grey;">○</span> • Awarded 3-degree scholars  <span style="color: green;">●</span> <span style="color: grey;">○</span> <span style="color: grey;">○</span> • Distributed 64 reconditioned laptops	Local Communities
2. Environment Pillar • Mangrove Nursery & Planting: Project to plant 4,000 mangrove trees • Grow Green Project: Propagate 5,363 potted plants to create a greener work environment	• The planting of a cumulative total of 2,000 mangrove trees • Propagate a cumulative total of 840 potted plants	<span style="color: green;">●</span> <span style="color: grey;">○</span> <span style="color: grey;">○</span> • Planted cumulative total 2,150 mangrove trees since FY2022  <span style="color: green;">●</span> <span style="color: grey;">○</span> <span style="color: grey;">○</span> • Propagated 312 plants, bringing the total to 850 potted plants	Local Communities, Physical Impacts of Climate Change
3. Community Pillar • Lend A Hand (LAH) Project: Support 12,960 underserved families in cash/kind	Support 3,150 underserved families in cash/kind	<span style="color: green;">●</span> <span style="color: grey;">○</span> <span style="color: grey;">○</span> • Supported 3,564 families	Local Communities

Note: All targets are set against FY2021 baseline unless stated otherwise

## Our Sustainability Strategy

Legend: Progress Tracking to FY2025

- ○ ○ Progressing well and on track to achieve targets by FY2025
- ○ ○ Progressing with slight delay, to review current approach
- ○ ○ Progressing but lagging, to review and revise targets (if necessary)

### Goal 4: Strengthening good corporate governance & responsible business culture

FY2025 Target	FY2023 Interim Goals	FY2023 Performance	Related Material Topics
1. Achieve ISO 45001 Occupational Health & Safety Management System certification for 100% of our operating factories (26 of manufacturing plants operating in FY2023) <sup>1</sup>	To certify 2 additional factories with ISO 45001 Occupational Health & Safety Management System	<span style="color: blue;">●</span> <span style="color: grey;">○</span> <span style="color: grey;">○</span> Additional 1 factory certified  <i>Total 7 factories were certified as of FY2023</i>	Occupational Health & Safety
2. Achieve ISO 14001 Environmental Management System certification for 100% of our operating factories. (26 of manufacturing plants operating in FY2023) <sup>1</sup>	To certify additional 8 factories with ISO 14001 Environmental Management System	<span style="color: green;">●</span> <span style="color: grey;">○</span> <span style="color: grey;">○</span> Additional 5 factories certified in FY2023  <i>Total 23 factories were certified as of FY2023</i>	Environmental Compliance
3. Achieve ISO 50001 Energy Management System Certification for 100% of the selected factories. (6 selected operating factories) <sup>2</sup>	To certify 3 selected factories with ISO 50001 Energy Management System	<span style="color: blue;">●</span> <span style="color: grey;">○</span> <span style="color: grey;">○</span> Retained certification for 3 factories	Energy Consumption
4. Maintain ISO 9001 Quality Management System Certification for 100% of our operating factories	To certify all new glove and non glove factories with QMS or HACCP within 8 to 10 months	<span style="color: green;">●</span> <span style="color: grey;">○</span> <span style="color: grey;">○</span> Retained certification for all existing glove and non glove factories	Product Quality & Safety
5. Achieve ISO 37001 Anti-Bribery Management System certification for 100% entities. (15 entities)	To certify 1 additional entity with ISO 37001 Anti-Bribery Management System	<span style="color: blue;">●</span> <span style="color: grey;">○</span> <span style="color: grey;">○</span> Retained certification for existing 8 entities	Ethics, Integrity & Governance
6. Certify related factories with FSC certification within 6 months of customer request	Certify related factories with FSC certification within 6 months of customer request	<span style="color: green;">●</span> <span style="color: grey;">○</span> <span style="color: grey;">○</span> Retained certification for existing 4 factories	Environmental Compliance, Human Rights, Supply Chain Management

<sup>1</sup> The number of factories has been reduced from 43 to 26 due to changes in the number of operating factories.

<sup>2</sup> The number of selected factories decreased from 12 to 6 due to changes in number of operating factories.

### Goal 5: Emerging as a trusted company with a sustainable value chain

FY2025 Target	FY2023 Interim Goals	FY2023 Performance	Related Material Topics
1. Conduct supplier audit to 100% active critical suppliers (new and existing) on ESG metrics	Conduct supplier audit to 100% active critical suppliers (based on total purchase) on ESG metrics	<span style="color: green;">●</span> <span style="color: grey;">○</span> <span style="color: grey;">○</span> Accomplished 100% of active critical suppliers audited	Supply Chain Management, Environmental Compliance, Human Rights
2. To ensure 50% of active suppliers within Grade A & B to comply to ESG metrics	To ensure 10% of active suppliers within Grade A & B to comply to ESG metrics	<span style="color: green;">●</span> <span style="color: grey;">○</span> <span style="color: grey;">○</span> 45% of all active suppliers are within Grade A & B	Supply Chain Management, Environmental Compliance, Human Rights
3. Achieve 70% traceability to plantations of natural rubber sourcing	Achieve 100% traceability up to collecting point of own concentrated latex processing plant	<span style="color: blue;">●</span> <span style="color: grey;">○</span> <span style="color: grey;">○</span> Achieved 100% traceability up to collecting point of own concentrated latex processing plant	Physical Impacts of Climate Change



## Managing Our Risks and Opportunities

For financial year ended 31 August 2023, the significant risks to the Group are as follows:

### BUSINESS

#### Risk

Glove consumption has been steadily increasing underpinned by rising hygiene and health awareness especially after pandemic. However, this surge in consumption is incommensurate to a higher glove demand due to the excess glove inventory. Influx of new supply during the pandemic coupled with the softer demand led to market disequilibrium. As the excess glove inventory is depleting, manufacturers have taken actions such as scrapping aging production lines and temporarily ceasing factory operations. These measures are expected to alleviate the glove supply situation.

#### Mitigation

1. The Group is committed to enhancing its market resilience by continuously monitoring industry trends, fostering agile response strategies, and cultivating strong relationships with stakeholders to remain competitive as a key player in the market.
2. A profound strategy for production rationalisation and cost management has been formulated with its first imperative to sustain a smooth operation by reducing wastages and enhancing its production efficiencies.

#### Opportunities

The Group is optimistic that the oversupply situation is likely to be improved as small and new player are gradually reducing and shutting down their production lines together with the deferment of expansion by other players in the market. The Group remains its commitment to continue meeting the global market demand on an appropriate manner with its ability to shift promptly from growth plan to deferment of capacity expansion and back when the market recovers.

### OPERATION

#### Risk

Resuming operations after a temporary closure presented the Group with production challenges, primarily stemming from operational and workforce constraints. Notably, the Group's facilities must continuously keep pace with the evolving advanced technology offered in the market, and the Group's resilience and adaptability allow us to make steady progress towards achieving operational excellence.

#### Mitigation

1. Continuously assess the impact of technology advancements.
2. Develop contingency plans for various scenarios, including potential disruptions caused by technology disparities.

#### Opportunities

Optimisation of operational capabilities and workforce can be achieved through a stable and cost-effective platform.

### INFORMATION TECHNOLOGY, DIGITALISATION AND CYBER

#### Risk

With the Group's automation and digitalisation initiatives increase integration complexity of the production facilities and may introduce vulnerabilities such as data security breaches, operational disruptions, and workforce adjustments. Subsequently, such vulnerabilities can adversely affect the Group's reputation, business and financial results.

#### Mitigation

1. The Group's IT department continuously upgrades and enhancements to its security system.
2. Additionally, IT department stays vigilant in identifying and addressing any potential cyber threats.
3. Strategic workforce planning to consistently bolster the Group's business growth and development efforts.

#### Opportunities

In embracing automation and digitalisation, the Group is able to increase its efficiency from the use of technology to further automate the factories' production lines, reducing manual labour and improving the quality of its product with lower operation cost.

## Managing Our Risks and Opportunities

### GLOBAL GOVERNANCE

#### Risk

The glove manufacturing sector is subjected to multiple rules and regulations by various regulatory bodies globally. This includes the potential changes of legislation in Malaysia or other countries since the Group's products are exported globally. In addition, the Group also have operational presence in USA, Brazil, Germany, Thailand, China and Vietnam. Any non-compliance by the Group to the relevant legislation and regulations in those countries could impact the Group's financial and business prospects, it could also put the Group's reputation at stake.

#### Mitigation

1. A dedicated compliance function is established to ensure a centralised compliance oversight are in place within the Group.
2. The Group's in-house Legal Department and Regulatory Affairs proactively advise the Group on the applicable laws and regulatory obligations to ensure that compliances are met.
3. In-depth regulatory review prior to commitment to any new project.

#### Opportunities

1. Adherence to the local and international laws provide reasonable assurance that the Group operates in line with key regulatory requirements in all of its operating countries.
2. The Group's reputation is protected from any adverse impact.

### PEOPLE

#### Risk

The Group exports globally and produces different type of glove catering for different customer's needs of different markets. The manufacturing process is reliant upon the dedicated efforts of the Group's employees along its production line. The Group's operational landscape involves complex supply chains, spanning from raw material sourcing to various aspects of production. Given the complex nature of this manufacturing and supply chain ecosystem, the Group is susceptible to potential human labour-related hazards, including talent retention challenges from commonly high turnover rates in competitive manufacturing industry. These hazards have the capacity to influence both factory production and office operation which could impact the Group's reputation.

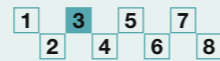
#### Mitigation

1. The Group's in-house Legal Department and Human Resources Department continue to stay vigilant on the development in laws and regulations and provide proactive update to ensure the Group stays current with the latest regulatory changes.
2. The Group constantly monitors and improves its labour practices and committed to comply with the United Nations Guiding Principles on Business and Human Rights and Internal Labour Organisation's best practices to promote the resilience of glove industry.
3. A dedicated manpower utilisation plan is established and reviewed on a regular basis to ensure sufficient talent pool in catering the Group's needs.
4. The Group has continually move towards the adoption of technology and automation to minimise human reliance, together with the diversification of its operations internationally to other countries such as Vietnam and Thailand.

#### Opportunities

Regular and continuous improvement of the Group's labour practice and employee welfare in line with the commitment to protect human rights and safeguard employee's wellbeing. The Group also continuously adhere to the Human Rights & Ethical Conduct, which stipulates fair and ethical labour practices in accordance with the Sedex Members Ethical Trade Audit (SMETA) and Business Social Compliance Initiative (BSCI), Code of Conduct which is applicable to the Group's employees and supply chain such as suppliers, business partners and customers. Subsequently this will elevate the confidence level among both existing and prospective stakeholders and shareholders in relation to the Group's commitment to uphold human rights.

SECTION 3 HOW WE CREATE VALUE



## Managing Our Risks and Opportunities

### MARKET

#### Risk

An export-oriented manufacturing entity, the Group's financial performance is exposed to the risks of fluctuation in foreign currency exchange rates and volatility in commodity prices; particularly the main raw material in glove manufacturing which are natural rubber latex and nitrile latex. Fluctuation in key foreign currency exchange rates such as US Dollar and the related commodity prices will create a short-term impact on the Group's financial performance due to time lag effect of the cost pass-through mechanism. Furthermore, the inflationary pressure in general economy has a bearing on its production cost and could expose the Group to a further margin compression in the near term.

#### Mitigation

1. The Group constantly monitors these risk factors and endeavours to achieve an effective and efficient cost pass-through mechanism with the aim to minimising the impact on its finance performance caused by the macro factors.
2. Certain cost reduction and cost avoidance exercises have been implemented by the Group to ensure cost efficiency in operations and aim to maintaining a healthy cash flow level.

#### Opportunities

An optimal capital structure will enable the Group to properly manage its funds and maximising its market value while minimising the cost of capital.

### SUSTAINABILITY

#### Risk

Since the Group produces various types of gloves to meet diverse customer needs and ensure its sustainability in the glove market, it may encounter the supply chain disruptions arising from global manufacturing and production crisis. There is a risk receiving mediocre quality goods and facing shortages of upstream materials due to the Group's dependency on a limited number of specific local or international suppliers for unique raw material components, particularly during the material scarcity period. Apart from the traditional key considerations to be scrutinised in its supply chain, the increasing scrutiny on ESG matters will primarily expose the Group to a further stringent process in selecting its key suppliers, with the aim of meeting ESG standards at a sustainable cost. As one of the natural rubber latex manufacturer based in Thailand, the Group also could potentially face the risk of non-compliance with the emerging EU Deforestation Regulation (EUDR) which aim to preserve natural forests and its biodiversity. Furthermore, there is increasing scrutiny of the Group's environmental risks with regards to water consumption, energy usage, effluent and emission discharge and other climate-related risk.

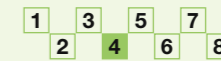
#### Mitigation

1. The Group continues its effort to actively source for alternative materials or suppliers to ensure smooth supply of materials and assembly well ahead of time to provide a buffer against short term disruptions.
2. The Group has also pursued a potential alternate source of supply or substitution of materials which have limited supplies in the market.
3. The Group has ventured into multiple upstream business units such as chemical, former, latex and packaging material plant in the effort to mitigate the supply chain disruption of these materials.
4. The Group incorporates its ESG framework into the business operation and regularly perform diligence check on key suppliers based on a broad spectrum of standards.
5. Board Sustainability Committee oversees the Group's sustainability efforts and steers ESG strategies into a competitive advantage to generate long-term value of stakeholders.

#### Opportunities

The Group's ongoing efforts to localise supply chains and placing priorities to local and Asia vendors in sourcing of the raw materials whenever possible which may indirectly stimulate domestic and Asia economic growth. In the effort to support good governance and sustainability efforts, the Group is committed to collaborate with transparent, ethical as well as socially and environmentally responsible vendors. In addition to that is the Group's regular monitoring of changes in requirement to ensure adhere and to provide reasonable assurance that the Group operates in line with environmental and social requirements in all operating countries.

SECTION 4 CREATING SUSTAINABLE VALUE



## 2023 Sustainability Highlights

All content and data in this Creating Sustainability Value section have been verified and assured by the external assessor, SIRIM QAS International Sdn Bhd

### Top Index Recognition

Secured the fifth consecutive year on the prestigious Dow Jones Sustainability Indices (DJSI) in 2023, ranked in the **Top 3% in the Healthcare Equipment and Supplies Industry**, and **recognised in S&P Global's annual Sustainability Yearbook 2023 as an 'Industry Mover'**.

Member of  
**Dow Jones Sustainability Indices**  
Powered by the S&P Global CSA

#### The Sustainability Yearbook - 2023 Rankings

- Industry Mover
  - Sustainability Yearbook Member
- Top Glove Corporation Bhd.



**Second consecutive year of inclusion in the Bloomberg Gender Equality Index (GEI).**



FTSE4Good

**Maintained FTSE4Good 4-Star rating in 2023**, signifying Top Glove's position in the **Top 25% of ESG ratings among PLCs in the FBM Emas Index**, as assessed by FTSE Russell.

**Top 13% in the FTSE Russell ESG Ratings among companies in the Healthcare Sector**, marking a notable improvement from our previous position in Top 16%.

### Membership Associations



Network  
Malaysia & Brunei

**UN Global Compact Network Malaysia & Brunei (UNGCMYB)**

member to raise SDG Ambition together.

### CEO Action Network (CAN)

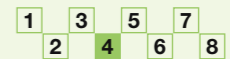
member towards shaping future ready and ESG-integrated business models and ecosystems.



**Supporter of the Task Force on Climate-related Financial Disclosures (TCFD)** in September 2023.



SECTION 4 CREATING SUSTAINABLE VALUE



# Environmental: To Tackle Climate Change and Restore Nature

## Environmental

### GOAL 1 : TRANSITIONING INTO A NET ZERO CARBON BUSINESS



At Top Glove, we understand that protecting the environment is not just about regulatory compliance; it's about securing a sustainable future for generations to come. We are unwavering in our commitment to environmental responsibility, seeking innovative solutions, and pushing the boundaries of what's possible to minimise our ecological footprint.

Material Topics	Initiatives	Value Creation
<ul style="list-style-type: none"> <li>Physical Impacts of Climate Change</li> <li>GHG Emissions</li> <li>Energy Consumption</li> <li>Environmental Compliance</li> <li>Waste &amp; Effluent</li> <li>Water Management</li> </ul>	<ul style="list-style-type: none"> <li>ISO 50001:2018 &amp; ISO 14001:2018 certifications</li> <li>Internal energy audit conducted by engineering team</li> <li>Utilisation of renewable electricity from rooftop solar panel</li> <li>Implementation of comprehensive water management system, including in house water treatment plant and recycling system.</li> <li>Upcycling project that converts scheduled waste into bricks</li> <li>Implementation of operational resource optimisation and waste reduction initiatives</li> <li>Biodegradable and renewable product series</li> <li>Emphasis on open innovation and collaboration with raw material supplier</li> <li>Adoption of sustainable packaging material</li> </ul>	<ul style="list-style-type: none"> <li>Improved energy management and reduced environmental impact</li> <li>Cost savings through identifying and rectifying energy inefficiencies</li> <li>Lower carbon emissions and a positive environmental impact</li> <li>Decreased reliance on non-renewable energy sources and transition to cleaner energy</li> <li>Aligns with consumer preferences for eco-conscious products and packaging</li> </ul>

#### TASK FORCE ON CLIMATE-RELATED FINANCIAL DISCLOSURES ("TCFD")

Having initiated our TCFD disclosure journey last year, we are now committed to providing a more comprehensive, quantitative assessment of our climate-related risks and opportunities. This approach enhances our environmental responsibility and financial transparency, with the disclosure available in FY2023 Sustainability Report. Additionally, we have partially adopted International Financial Reporting Standards (IFRSs) S1 and S2, aligning us with global reporting norms, improving financial quality and consistency. These measures signify our commitment to meeting international standards, fostering sustainability, and serving the evolving needs of our stakeholders.

### FY2023 ENVIRONMENTAL HIGHLIGHTS

Enhanced scope 3 reporting to include

**downstream leased assets**



Additional 5 factories certified for

**ISO 14001:2018**

(Total 23 factories certified as of FY2023)



Received 3 awards for  
**Prime Minister's Hibiscus Awards 2021/2022**



Expanded Top Glove's total solar capacity from

**5.34MWP to 7.74MWP**



Full compliance to

**Department of Environment (DOE)**



Planted  
**2,150 mangrove trees** in FY2023 (Total harvested 3,450 mangrove propagules)



**5.68 GWh** green electricity being utilised (avoided emission of 4,430 tonnes of CO<sub>2</sub> eq)



**35,089 kg** of nitrile waste was reduced (avoided emission of 103.3 tonnes of CO<sub>2</sub> eq)



**103,288 trees** planted in Bangka Belitung since 2020



**93,899** formers reglazed and reused in FY2023



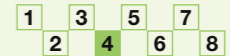
3 gloves factories retained **ISO 50001:2018** certification as at FY2023



Diverted **73%** of scheduled waste from being sent to the landfill



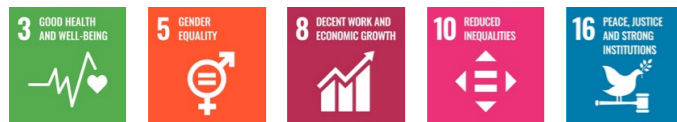
SECTION 4 CREATING SUSTAINABLE VALUE



Social

**Social:**  
To be a People Centric Corporate Citizen

**GOAL 2 :  
PROMOTING INCLUSIVITY & RESPECTING HUMAN RIGHTS**



Top Glove firmly believes that the greatest innovation arises from a passionate and culturally diverse workforce. We foster inclusivity to cultivate a healthy work environment that promotes optimal growth.

Material Topics	Initiatives	Value Creation
<ul style="list-style-type: none"> <li>Occupational Health &amp; Safety</li> <li>Human Rights</li> <li>Labour Management Relations</li> <li>Diversity, Equity &amp; Inclusion (DEI)</li> </ul>	<ul style="list-style-type: none"> <li>ISO 45001:2018 certifications</li> <li>An established Safety and Health Committee and internal audit team</li> <li>Implemented the Top Glove Good Safe online reporting tool</li> <li>Promoted physical and mental health with wellness programs</li> <li>Established a comprehensive framework for Business and Human Rights (BHR)</li> <li>Conducted internal and external human rights audits and due diligence with active critical suppliers</li> <li>Fostered work-life integration to support diverse employee needs</li> <li>Embraced DEI through women's empowerment, festive celebrations, leadership programs, and enhanced performance reviews</li> </ul>	<ul style="list-style-type: none"> <li>Enhances safety and health practices, mitigating risks</li> <li>Ensuring a secure work environment for our employees</li> <li>Ethical responsibility and compliance, fostering trust among stakeholders and promoting ethical practices</li> <li>Strengthens employee morale, engagement, and productivity, leading to a more inclusive and innovative workplace</li> </ul>

**GOAL 3 :  
IMPROVING COMMUNITY LIVELIHOOD**



Our commitment extends beyond providing global human protection through our products to encompass a diverse range of educational, environmental, and community projects.

Material Topics	Initiatives	Value Creation
<ul style="list-style-type: none"> <li>Security Management</li> <li>Local Communities</li> </ul>	<ul style="list-style-type: none"> <li>ISO18788:2015 certification</li> <li>Auxiliary police and in-house security teams</li> <li>Community development through various communities' project</li> <li>Environmental conservation for better living environment</li> </ul>	<ul style="list-style-type: none"> <li>Ensuring a safe and secure environment for all stakeholders</li> <li>Strengthens community relationships and fosters positive community impact</li> <li>Supporting social responsibility and goodwill</li> <li>Healthier and more sustainable living environment</li> </ul>

FY2023 SOCIAL HIGHLIGHTS

Additional 1 factory certified with  
**ISO 45001:2018**  
*(Total 7 factories certified as of FY2023)*



**Lost Time Injury Frequency Rate (LTIFR)**  
reduction to **0.81**



**Zero fatality**  
cases in FY2023



**14 factories achieved Grade A**  
in DOSH OSHA audit



**117,572 training hours**  
delivered for technical, soft skills,  
and core training



As of FY2023, a total of  
**RM32 million**  
was contributed to various charitable endeavours



Employees collectively volunteered  
**10,524 hours**  
in FY2023



**SMETA audited factories**  
with an achievement rate  
of maintaining fewer than  
10 non-compliances per audit



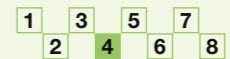
Maintained  
**ISO 18788:2015**  
certification for  
Private Security Management Systems



**RM635,517**  
was invested to support various social  
causes initiated by Top Glove Foundation  
(TGF)



SECTION 4 CREATING SUSTAINABLE VALUE



Governance



## Governance: To Create Long-Term Value Through Ethical Business Practices and Continuous Stakeholder Engagement

### GOAL 4 : STRENGTHENING GOOD CORPORATE & RESPONSIBLE BUSINESS CULTURE



Top Glove instills Business Ethics 'Honesty, Integrity and Transparency' in every employee from day one, ensuring trust from stakeholders and fostering sound corporate governance.

Material Topics	Initiatives	Value Creation
<ul style="list-style-type: none"> <li>Ethics, Integrity &amp; Governance</li> </ul>	<ul style="list-style-type: none"> <li>Incorporated a culture of good governance culture from Board and top management</li> <li>ISO 37001:2017 certification</li> <li>The Board has imposed ESG metrics linked to 40% of the Management's KPI</li> <li>Strengthening cybersecurity measures</li> </ul>	<ul style="list-style-type: none"> <li>Promote transparency, accountability, and ethical behavior</li> <li>Enhance the organisation's reputation, mitigate legal risks</li> <li>Aligns corporate objectives with sustainability goals</li> <li>Safeguards the organisation's sensitive data, preserves customer trust, and reduces the risk of costly data breaches</li> </ul>

### GOAL 5 : EMERGING AS A TRUSTED COMPANY WITH A SUSTAINABLE VALUE CHAIN



We aim to inspire our suppliers and business partners to adopt sustainability practices, creating a sustainable value chain while delivering exceptional customer experiences.

Material Topics	Initiatives	Value Creation
<ul style="list-style-type: none"> <li>Product Quality &amp; Safety</li> <li>Supply Chain Management</li> <li>Customer Experience</li> </ul>	<ul style="list-style-type: none"> <li>Conformance to international standards for products</li> <li>ISO 9001, ISO 13485, HACCP, GMP and BRC certification</li> <li>Traceability taskforce for natural rubber derived product</li> <li>ESG assessment for suppliers</li> <li>Annual training and supplier engagement</li> <li>Ethical marketing practices</li> </ul>	<ul style="list-style-type: none"> <li>Ensures the quality and safety of products, enhancing customer satisfaction and market reputation</li> <li>Improves product traceability, reducing supply chain risks and enhancing accountability</li> <li>Encourages ethical and sustainable practices throughout the supply chain, aligning with responsible sourcing and risk reduction</li> <li>Fostering consumer trust and loyalty</li> </ul>

### FY2023 GOVERNANCE HIGHLIGHTS

**RM2.1 million**  
to enhance  
our cybersecurity system



Active critical suppliers  
**100% audited**  
with ESG assessment



**ISO 27001:2013**  
certification for Information Security  
Management Systems



**40%**  
of the Management's KPI linked  
to ESG metrics



Maintained a clean record with  
**zero cases**  
security breaches



**All operating plants  
certified**  
with QMS or HACCP



Diverse gender and skills across  
Board of Directors,  
**42%** of female directors



**Zero incidents**  
of non-compliance with selected regulations  
and **zero product recall** cases



**Achieved 100%  
traceability**  
of natural rubber sourced was traceable  
up to collecting point of own concentrated  
latex processing plant



▲ Top Glove's Directors, Executive Committee Members and Corporate Advisor at the Company's Board Away Day held on 5 August 2023

## Board of Directors

## Board of Directors

## TAN SRI DR LIM WEE CHAI

Executive Chairman



65

Male

- ▶ **DATE OF APPOINTMENT**  
4 September 2000 (Founder)
- ▶ **LENGTH OF SERVICE (AS AT 11 DECEMBER 2023)**  
23 years 3 months
- ▶ **DATE OF LAST RE-ELECTION**  
6 January 2023
- ▶ **BOARD COMMITTEE(S) (AS AT 11 DECEMBER 2023)**

ESOSC

ESGPC

**Qualifications:**

- Bachelor of Science Degree in Physics with Honours from University of Malaya, Malaysia, 1982
- Master of Business Administration from Sul Ross State University, Texas, United States of America, 1985
- Doctor of Philosophy in Management from University of Selangor, Malaysia, 2015
- Honorary Doctorate in Business Administration from Oklahoma City University, United States of America, 2016
- Honorary Doctorate in Entrepreneurship from Management & Science University, Malaysia, 2018
- Honorary Doctor of Philosophy (PhD) Degree in Business Management from University of Cyberjaya, Malaysia, 2020
- Honorary Professor from University of Cyberjaya, Malaysia, 2020

**Present Directorship(s):**

- **Listed entity:** Nil
- **Other public company:** Trustee of Top Glove Foundation

**Present Appointment(s):**

- President Emeritus since 2019 and Council Member of the Federation of Malaysian Manufacturers since 2010
- Honorary President of the Associated Chinese Chambers of Commerce and Industry of Malaysia (ACCCIM) since 2017
- Life Honorary Advisor of the Federation of Chinese Associations Malaysia since 2011
- Life Honorary President of the Federation of Hokkien Associations of Malaysia since 2017
- Honorary President of the Kuala Lumpur and Selangor Chinese Chamber of Commerce and Industry (KLSCCCI) since 2017
- Honorary President of the Malaysia-China Chamber of Commerce since 2012

**Present Appointment(s) (cont'd):**

- Honorary President of the Lim Association of Malaysia since 2018
- Honorary Fellow of Institut Fizik Malaysia (IFM) since 2019
- Tzu Chi Foundation Commissioner and Volunteer since 2017
- Director of Kuen Cheng High School since 2008

**Past Appointment(s) and Working Experience:**

Tan Sri Dr Lim has been actively involved in many associations and organisations in Malaysia. He was the Chairman in 2019 and Non-Independent Non-Executive Director of Tropicana Corporation Berhad from 2017 to January 2022 as well as the Director and Board Member of the Employees Provident Fund from 2015 to 2020. He was also the President of the Federation of Malaysian Manufacturers (FMM) in 2016/17. He served as the Director and Board Member of University of Malaya from 2015 to 2018, Council Member of the East Asia Business Council (EABC) from 2011 to 2015, and Director of the Association of Malaysian Medical Industries (AMMI). In addition, he was a Board Member of the Malaysian Rubber Board from 1998 to 1999 and also the President of the Malaysian Rubber Glove Manufacturers Association (MARGMA) from 1997 to 1999. Prior to that, he served as Vice-President, Honorary Secretary and Treasurer of MARGMA for seven (7) years.

**Family Relationship with any Director(s) and/or Substantial Shareholder(s) of the Company:**

Spouse of Puan Sri Tong Siew Bee and brother of Mr Lim Hooi Sin, both are indirect Substantial Shareholders of the Company. Mr Lim Hooi Sin is also a Director of the Company. Tan Sri Dr Lim is also the father of Mr Lim Jin Feng.

Note: He is a healthy vegetarian.



58

Male

- ▶ **DATE OF APPOINTMENT**  
31 August 2006
- ▶ **LENGTH OF SERVICE (AS AT 11 DECEMBER 2023)**  
17 years 3 months
- ▶ **DATE OF LAST RE-ELECTION**  
6 January 2023
- ▶ **BOARD COMMITTEE(S) (AS AT 11 DECEMBER 2023)**

ESOSC

ESGPC

**Qualifications:**

- Member of Malaysian Institute of Certified Public Accountants since 1994
- Member of Malaysian Institute of Accountants since 1993
- Bachelor of Accounting, University of Malaya, Malaysia, 1990

**Present Directorship(s):**

- **Listed entity:** Nil
- **Other public company:** Nil

**Present Appointment(s):**

- Head of the Sustainability Steering Group since 2019
- Chairman of the Risk Management Committee since 2014
- Advisor to the Administrative Committee of Top Glove Foundation since 2008

**Past Appointment(s) and Working Experience:**

Mr Lim Cheong Guan began his career as a Graduate Audit Trainee with Price Waterhouse (now known as PricewaterhouseCoopers PLT) in April 1990 and subsequently held various key positions in a number of public listed companies in Malaysia whose business activities spanned over manufacturing, plantation, trading and property development.



## LIM CHEONG GUAN

Managing Director

## Board of Directors

**LIM HOOI SIN***Executive Director*

- ▶ **DATE OF APPOINTMENT**  
4 September 2000
- ▶ **LENGTH OF SERVICE (AS AT 11 DECEMBER 2023)**  
23 years 3 months
- ▶ **DATE OF LAST RE-ELECTION**  
6 January 2022
- ▶ **BOARD COMMITTEE(S) (AS AT 11 DECEMBER 2023)**  
Nil

**Qualifications:**

- Charter Financial Consultant Diploma from American College, Pennsylvania, United States of America, 1995
- Master of Business Administration (Specialised in Applied Statistics) from Arizona State University, United States of America, 1986
- Bachelor of Science Degree in Management Science from Oklahoma State University, United States of America, 1985

**Present Directorship(s):**

- **Listed entity:** Nil
- **Other public company:** Nil

**Present Appointment(s):**

Nil

**Past Appointment(s) and Working Experience:**

Mr Lim Hooi Sin spent fourteen (14) years of his career with MetLife Financial Services, one of the largest insurance and financial services companies in the USA. Prior to this appointment, he was a Management Trainee, Associate Branch Manager, Regional Marketing Specialist, Agency Director and a Director of Asian Markets. His experience includes product development, marketing, recruiting, training and supervision of a large highly productive sales force. He was previously a Director of AAAA (Arizona Asian American Association).

He has more than twenty (20) years of experience in the USA glove market, having been the founder of TG Medical (U.S.A.), Inc. (a wholly-owned subsidiary of the Company) in 1994 and served as its Executive Vice President from 2001 to 2005 and President since 2005. He was also the Administrator (President) of Kevenoll Do Brasil (a wholly-owned subsidiary of the company) since 2019 and sits on the Board of several private limited companies.

**Family Relationship with any Director and/or Substantial Shareholder of the Company:**

Brother of Tan Sri Dr Lim Wee Chai, a Director and Substantial Shareholder of the Company and brother-in-law of Puan Sri Tong Siew Bee, an indirect Substantial Shareholder of the Company.

**NG YONG LIN***Executive Director*

- ▶ **DATE OF APPOINTMENT**  
1 August 2022
- ▶ **LENGTH OF SERVICE (AS AT 11 DECEMBER 2023)**  
1 year 4 months
- ▶ **DATE OF LAST RE-ELECTION**  
6 January 2023
- ▶ **BOARD COMMITTEE(S) (AS AT 11 DECEMBER 2023)**  
Nil

**Qualification:**

- Bachelor of Engineering Degree, Computer Aided Design and Manufacture from University of Malaya, 2009

**Present Directorship(s):**

- **Listed entity:** Nil
- **Other public company:** Nil

**Present Appointment(s):**

Nil

**Past Appointment(s) and Working Experience:**

Mr Ng Yong Lin was appointed as the Chief Operating Officer in September 2021.

Mr Ng joined the Group in June 2009 as a Manufacturing Engineer. Subsequently, he was promoted to Senior Manager, Technical Assistant to Chairman in April 2016, Deputy General Manager, Technical Assistant to Chairman in April 2017, General Manager, Technical Assistant to Chairman in April 2018, Senior General Manager, Technical Assistant to Chairman in February 2019, Director, Joint Manufacturing Council in February 2020, Executive Director (subsidiary level), Joint Manufacturing Council in February 2021, prior to his appointment as the Chief Operating Officer in September 2021.

**DATO' LEE KIM MEOW***Non-Independent  
Non-Executive Director*

- ▶ **DATE OF APPOINTMENT**  
15 October 2003
- ▶ **LENGTH OF SERVICE (AS AT 11 DECEMBER 2023)**  
20 years 1 month
- ▶ **DATE OF LAST RE-ELECTION**  
6 January 2022

**BOARD COMMITTEE(S) (AS AT 11 DECEMBER 2023)**

BRICC BNRC BSC

**Qualifications:**

- Bachelor of Law Degree from University of London, United Kingdom, 1991
- Bachelor of Commerce Degree from University of New South Wales, Australia majoring in Accounting, Finance and Systems, 1983

**Present Directorship(s):**

- **Listed entity:** Nil
- **Other public companies:**
  - Trustee of Top Glove Foundation
  - Trustee of Malaysian Rubber Council

**Present Appointment(s):**

- Chairman of the Asean Rubber Glove Manufacturers Association (ARGMA) since 2013
- Council Member of the Klang Chinese Chamber of Commerce & Industry (KCCCI) since 2018

**Past Appointment(s) and Working Experience:**

Prior to joining Top Glove in 1997, Dato' Lee has more than fifteen (15) years of experience in the financial services, trading and manufacturing business having worked in established financial institutions and with a well-known conglomerate with diversified interest in the ASEAN region.

In the past twenty-three (23) years, Dato' Lee has been actively contributing to the development of the rubber glove industry in Malaysia as well as the ASEAN region.

He has served for seventeen (17) years as a Board Member of the Malaysian Rubber Export Promotion Council (MREPC) from 2002 to 2016 and from 2018 to 2021. He was a Board Member of the Malaysian Rubber Board (MRB) and the Tun Abdul Razak Research Centre (TARRC) from 2010 to 2011 as well as a Past President of the Malaysian Rubber Glove Manufacturers Association (MARGMA) from 2009 to 2011. He was also the Chairman of the Organising Committee of the International Rubber Glove Conference and Exhibition (IRGCE) in 2014 and 2016.

Dato' Lee was the Managing Director of Top Glove from April 2009 to July 2022.

**SHARMILA SEKARAJASEKARAN***Senior Independent  
Non-Executive Director*

- ▶ **DATE OF APPOINTMENT**  
18 March 2015
- ▶ **LENGTH OF SERVICE (AS AT 11 DECEMBER 2023)**  
8 years 8 months
- ▶ **LAST RE-ELECTION**  
6 January 2021

**BOARD COMMITTEE(S) (AS AT 11 DECEMBER 2023)**

BSC BAC BNRC ESOSC ESGPC

**Qualifications:**

- Barrister-At-Law, Middle Temple, United Kingdom since 1996
- Advocate & Solicitor, High Court of Malaya, Malaysia since 1998
- B.A. Law & Economics (Honours), Keele University, United Kingdom, 1993
- Adjudicator, Asian International Arbitration Centre (Malaysia) (formerly Kuala Lumpur Regional Centre for Arbitration)

**Present Directorship(s):**

- **Listed entity:** Kumpulan Perangsang Selangor Berhad
- **Other public company:** Nil

**Present Appointment(s):**

- Independent Non-Executive Director of Kumpulan Perangsang Selangor Berhad since September 2021
- Consultant in the Legal, Operations and Industry Development Departments of the RIM Group since January 2015
- Partner of Jerald Gomez & Associates since 2011, areas of practice are Intellectual Property, Banking Litigation, Corporate Advisory, Estate Claims and Family Law matters

**Past Appointment(s) and Working Experience:**

Ms Sharmila began her career as a legal assistant in year 1998 with Messrs. Chooi & Co., and joined Messrs. Tay & Partners as a Senior Legal Assistant in the Intellectual Property Department in 2004.

She joined the RIM Group in 2005 and held various positions in the RIM Group.

SECTION 5 OUR PILLARS OF TRUST




Board of Directors



**DATUK DR. NORMA MANSOR**  
*Independent Non-Executive Director*

- ▶ **DATE OF APPOINTMENT**  
12 May 2017
- ▶ **LENGTH OF SERVICE (AS AT 11 DECEMBER 2023)**  
6 years 6 months
- ▶ **DATE OF LAST RE-ELECTION**  
6 January 2021

 **66** **Female**

▶ **BOARD COMMITTEE(S) (AS AT 11 DECEMBER 2023)**

**BNRC** **BRIC** **ESOSC** **ESGPC**

**Qualifications:**

- Doctor of Philosophy (PhD) from University of Liverpool, 1985
- Master of Public Administration (MPA) from University of Liverpool, 1981
- Bachelor of Economics (Honours) Degree from University of Malaya, 1980

**Present Directorship(s):**

- **Listed entity:** Nil
- **Other public companies:** Nil

**Present Appointment(s):**

- Director of Yayasan MEA since 2018
- President of Malaysian Economic Association since 2019
- Director of Social Wellbeing Research Centre of University of Malaya since October 2012
- Member of Minimum Wages Council since October 2017
- Member of Employment Insurance System Board since January 2018

**Past Appointment(s) and Working Experience:**

Datuk Norma was a professor at the Faculty of Economics and Administration of University of Malaya from 2000 to 2017. She held the position as the Executive Director of International Institute of Public Policy and Management from 2001 to 2004 and was subsequently appointed as Dean of the Faculty of Economics and Administration from 2004 to 2009.

Her past appointment includes the Ragnar Nurkse Visiting Professor of the School of Innovation and Governance at Tallinn University of Technology in Estonia in 2014. She was also seconded to the National Economic Advisory Council (NEAC) from 2009 to 2011.



**AZRINA ARSHAD**  
*Independent Non-Executive Director*

- ▶ **DATE OF APPOINTMENT**  
8 January 2019
- ▶ **LENGTH OF SERVICE (AS AT 11 DECEMBER 2023)**  
4 years 11 months
- ▶ **DATE OF LAST RE-ELECTION**  
6 January 2022

 **54** **Female**

▶ **BOARD COMMITTEE(S) (AS AT 11 DECEMBER 2023)**

**BNRC** **BSC**

**Qualifications:**

- Post Graduate Diploma in Architecture (LAM, PAM, RIBA Part II), Oxford Brookes University, United Kingdom, 1992
- Diploma in Architecture (LAM, PAM, RIBA Part I), Universiti Institut Teknologi MARA, Malaysia, 1990

**Present Directorship(s):**

- **Listed entity:** Nil
- **Other public companies:**
  - i. Trustee of Yayasan Arshad Ayub
  - ii. Trustee of Tabung PPUM Care

**Present Appointment(s):**

- Project Director of Zalaraz Sdn Bhd since 2010
- Director and Partner of I-Partnership (M) Sdn Bhd since 1997
- Freelance Project Architect & Project Manager of FOCUS Architects and Urban Planners Sdn Bhd since 2015
- Director of Arah Muara Sdn Bhd since February 2008

**Past Appointment(s) and Working Experience:**

Puan Azrina started her career in 1993 as an Assistant Architect in Arca-3 Arkitek Sdn Bhd, Kuala Lumpur and thereafter worked in various capacities in several architectural firms such as FOCUS Architects and Urban Planners Sdn Bhd in Selangor. She was also a part-time lecturer in Universiti Teknologi Malaysia (UTM) in year 1994.

She was appointed as a Non-Independent and Non-Executive Director of Sanichi Technology Berhad from January 2010 to August 2011. She was the Founder and Director of The Teapot Café Sdn Bhd from 1996 to 2012 and The Teapot Deli since 11 February 2016. She has given talks organised by the American Hardwood Export Council in Guangzhou and Chengdu in 2005.



**MARTIN GILES MANEN**  
*Independent Non-Executive Director*

- ▶ **DATE OF APPOINTMENT**  
25 January 2022
- ▶ **LENGTH OF SERVICE (AS AT 11 DECEMBER 2023)**  
1 year 10 months
- ▶ **DATE OF LAST RE-ELECTION**  
6 January 2023

 **68** **Male**

▶ **BOARD COMMITTEE(S) (AS AT 11 DECEMBER 2023)**

**BAC** **BRIC** **BSC** **ESOSC** **ESGPC**

**Qualifications:**

- Member of the Malaysian Institute of Certified Public Accountants, 1980
- Member of the Malaysian Institute of Accountants, 1988

**Present Directorship(s):**

- **Listed entity:** Bermaz Auto Berhad
- **Other public companies:**
  - i. BOS Wealth Management Malaysia Berhad
  - ii. Hong Leong MSIG Takaful Berhad

**Present Appointment(s):**

- Independent Non-Executive Director of Bermaz Auto Berhad since November 2020
- Independent Non-Executive Director of Channel Micron Holdings Company Limited since September 2020
- Independent Non-Executive Director of BOS Wealth Management Malaysia Berhad since 2019
- Independent Non-Executive Chairman and Director of Hong Leong MSIG Takaful Berhad since 2018
- Independent Trustee of HBSACM Foundation (an approved charitable foundation set up by the Harvard Business School Alumni Club of Malaysia) since 2015

**Past Appointment(s) and Working Experience:**

Mr Manen was an Independent Non-Executive Director from August 2008 to May 2021 and Chairman of the Audit and Risk Management Committee from November 2010 to May 2021 of Heineken Malaysia Berhad and an Independent Non-Executive Director from July 2009 to April 2018 and Chairman of the Audit & Risk Management Committee from November 2009 to April 2018 of Unisem (M) Berhad. Mr Manen held various positions at Sime Darby Berhad from 1986 to 2007, including as an Executive Director from May 2001 to January 2005. Prior to joining Sime Darby Berhad, he worked in the audit, tax and advisory departments of KPMG in Kuala Lumpur and London between 1975 and 1985.

Mr Manen has held independent non-executive directorships in other public companies, including in Hong Leong Investment Bank Berhad from July 2009 to July 2019.



**DR NGO GET PING**  
*Independent Non-Executive Director*

- ▶ **DATE OF APPOINTMENT**  
9 March 2022
- ▶ **LENGTH OF SERVICE (AS AT 11 DECEMBER 2023)**  
1 year 9 months
- ▶ **DATE OF LAST RE-ELECTION**  
6 January 2023

 **65** **Male** (Singapore Permanent Resident)

▶ **BOARD COMMITTEE(S) (AS AT 11 DECEMBER 2023)**

**BRIC** **BAC** **BNRC** **ESOSC** **ESGPC**

**Qualifications:**

- Doctorate of Philosophy in Metallurgy from University of Oxford, United Kingdom, 1985
- Bachelor of Science (Structural Engineering) from University of Sussex, United Kingdom, 1981

**Present Directorship(s):**

- **Listed entity:** Nil
- **Other public company:** Nil

**Present Appointment(s):**

Nil

**Past Appointment(s) and Working Experience:**

Dr Ngo Get Ping served as an Independent Non-Executive Director ("INED") of OSK Ventures International Berhad from 2013 and was redesignated as Senior Independent Non-Executive Director from 2017 to 2023. He was the Chairman of both Risk Management Committee and Nomination and Remuneration Committee as well as a Member of Audit Committee.

Dr Ngo was an engineer of Intraco (Singapore) Pte Ltd, a Soil Specialist Engineering Firm from 1985 to 1986. Then, he joined Government Investment of Singapore (GIC) as Investment Officer from 1986 to 1987. He was an Associate Director of Sales in Equity Department of James Capel (Singapore) Pte Ltd from 1988 to 1994 and Senior Vice President of Singapore/Malaysia Investment Bank operation at Nomura Research Institute (Singapore) Pte Ltd from 1994 to 1996. Thereafter, he joined CLSA (Singapore) Pte Ltd as an Executive Director and Deputy Country Head for Singapore and Malaysia covering Securities and Corporate Banking.

Dr Ngo has held independent non-executive directorships in Malaysia and Singapore companies including RHB Merchant Bank Division and Board of RHB Asset Management Bhd, both in Malaysia and Singapore operations and FDCS (Singapore) Pte Ltd.

Dr Ngo served as the Chairman of both the Risk Management Committee and Nomination and Remuneration Committee as well as a Member of Audit Committee at OSK Holdings Bhd, Chairman of Risk Management Committee and Member of both Nomination and Remuneration Committee and Audit Committee for OSK Property Bhd and Chairman of both Audit Committee and Nomination and Remuneration Committee at Tiong Nam Logistics Holdings Berhad. He was the Chairman of Nomination and Remuneration Committee and Member of both the Audit Committee and Risk Management Committee of Ezra (Singapore) Ltd. He was also a Member of both the Audit Committee and Nomination and Remuneration Committee of Medi-Flex Pte Ltd, a wholly owned subsidiary of Top Glove in Singapore.

SECTION 5 OUR PILLARS OF TRUST



Board of Directors



**DR CHONG SU-LIN**

Independent Non-Executive Director

- ▶ **DATE OF APPOINTMENT**  
6 January 2023
- ▶ **LENGTH OF SERVICE (AS AT 11 DECEMBER 2023)**  
11 months
- ▶ **DATE OF LAST RE-ELECTION**  
Nil
- ▶ **BOARD COMMITTEE(S) (AS AT 11 DECEMBER 2023)**  
BAC



**Qualifications:**

- Bachelor of Medicine and Bachelor of Surgery, Royal Free Hospital School of Medicine, University of London (currently known as University College London Medical School), United Kingdom, 1984
- Master of Business Administration, London Business School, University of London, United Kingdom, 1992

**Present Directorship(s):**

- **Listed entity:** Cengild Medical Berhad
- **Other public companies:**
  - i. AIA Berhad
  - ii. Hospis Malaysia
  - iii. ECRI Berhad

**Present Appointment(s):**

- Independent Non-Executive Director of Cengild Medical Berhad since 4 May 2021
- Independent Non-Executive Director of AIA Berhad since 18 December 2017
- Non-Executive Independent Member of Council of Hospis Malaysia since 21 June 2018
- Independent Non-Executive Director of ECRI Berhad since 9 June 2022
- Board of Director of Naluri Hidup Sdn Bhd since 1 September 2020
- Founder & Consultant of HealthPDM Sdn Bhd since 5 September 2011
- Senior Advisor Healthcare Operations of TVM Capital Healthcare since 31 January 2019

**Past Appointment(s) and Working Experience:**

Dr Chong Su-Lin began her career in 1984 as a medical practitioner in the National Health Service in United Kingdom. She was the CEO of Sunway Medical Centre, CEO of Prince Court Medical Centre and Executive Director of Beacon Specialist Hospital as well as CEO of the Healthcare arm of the International Medical University.

Dr Chong was the "Lab" leader for the healthcare National Key Economic Areas blueprint planning by the Malaysia Government in 2010 and more recently a member of the task force appointed by the Minister of Health to look into workplace culture in the Ministry of Health hospitals.



**ROWINA GHAZALI SETH**

Independent Non-Executive Director

- ▶ **DATE OF APPOINTMENT**  
6 January 2023
- ▶ **LENGTH OF SERVICE (AS AT 11 DECEMBER 2023)**  
11 months
- ▶ **DATE OF LAST RE-ELECTION**  
Nil
- ▶ **BOARD COMMITTEE(S) (AS AT 11 DECEMBER 2023)**  
BSC



**Qualification:**

- Bachelor of Science Degree in Computer Science from Northern Illinois University, United States, 1984

**Present Directorship(s):**

- **Listed entities:**
  - i. UEM Edgenta Berhad
  - ii. Velesto Energy Berhad
- **Other public company:** Hong Leong Islamic Bank Berhad

**Present Appointment(s):**

- Independent Non-Executive Director of UEM Edgenta Berhad since 1 August 2018
- Independent Non-Executive Director of Velesto Energy Berhad since 23 June 2017
- Director of Hong Leong Islamic Bank Berhad since 24 October 2017
- Director and Founder of RG Kreatif Sdn Bhd since 11 August 2018

**Past Appointment(s) and Working Experience:**

Puan Rowina began her career at Shell in the Information Technology Division in 1985, where she assumed various local and global positions in Shell's upstream, downstream and business operations. She rose to senior positions, including as Shell Malaysia's General Manager, Corporate Affairs and Director of Shell Business Services Sdn. Bhd.

As a senior member of Shell's management, she has more than thirty (30) years of experience in the Oil & Gas industry. Her last position was Director, Government Affairs at Shell Malaysia, building the function from inception and pioneering the lead role.

**Note:**

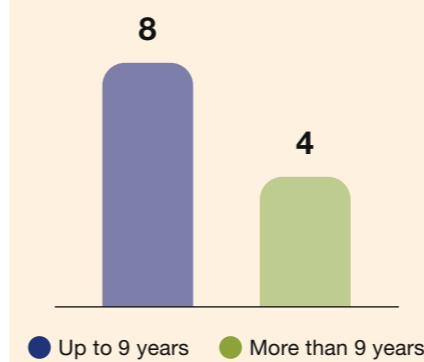
Save as disclosed, all other Directors have no family relationship with any Director(s) and/or Substantial Shareholder(s) of the Company, have no conflict of interest with the Company, have not been convicted of any offence within the past five (5) years other than traffic offences, if any, and have no public sanction or penalty imposed by the relevant regulatory bodies during the financial year.

**Board Committee Key:**

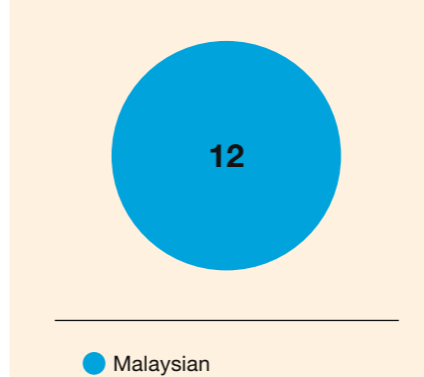
- Board Committee Chairman
- Board Committee Member
- BAC** Board Audit Committee
- BRICC** Board Risk, Investment and Compliance Committee
- BNRC** Board Nomination and Remuneration Committee
- BSC** Board Sustainability Committee
- ESOSC** Employees Share Option Scheme Committee
- ESGPC** Employees Share Grant Plan Committee

An Empowered Board

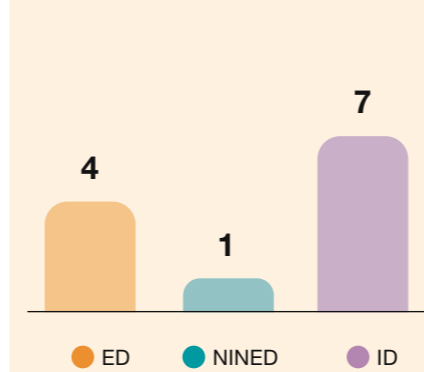
Length of Tenure (As at 11 December 2023)



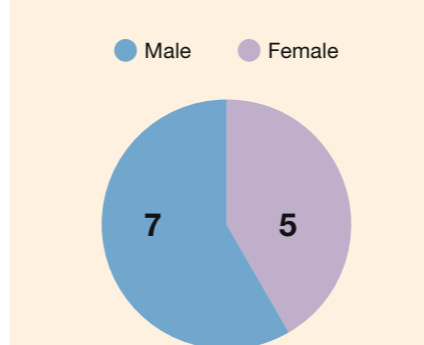
Nationality



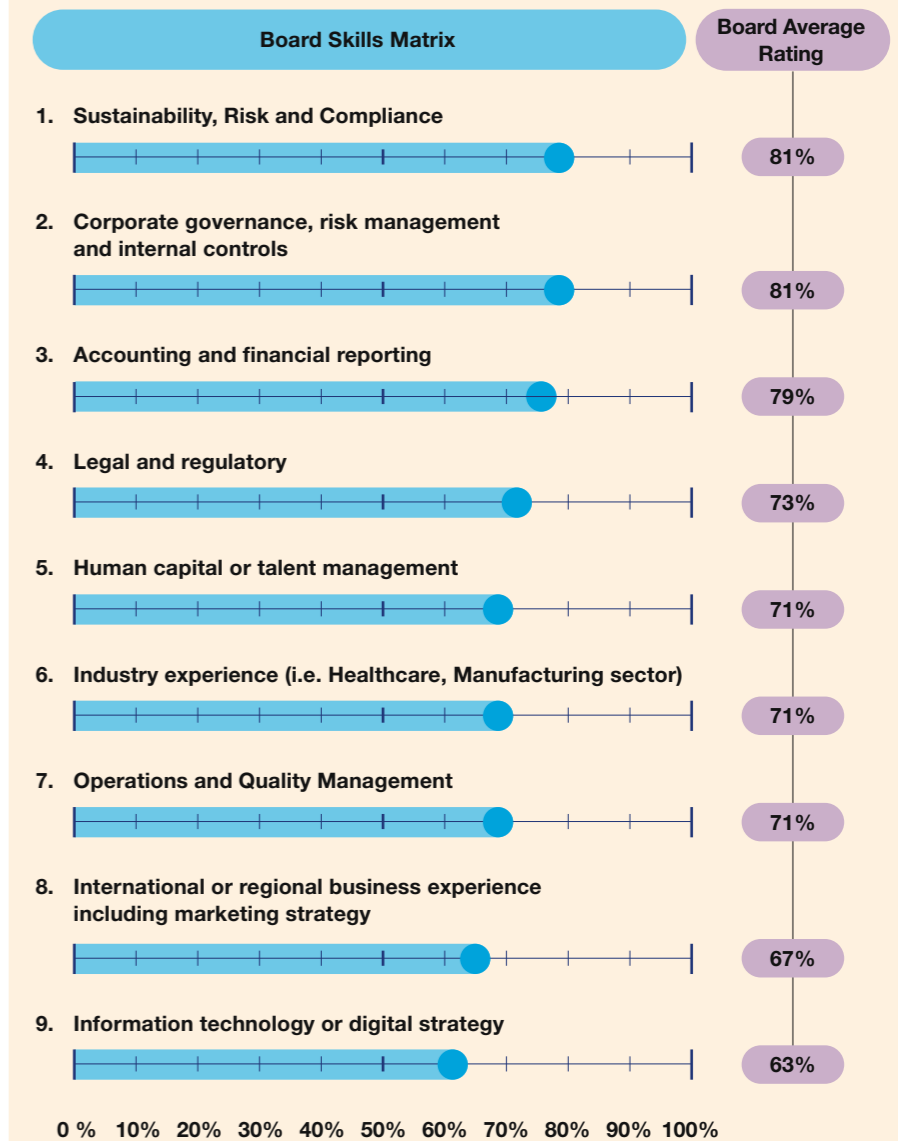
Composition



Gender

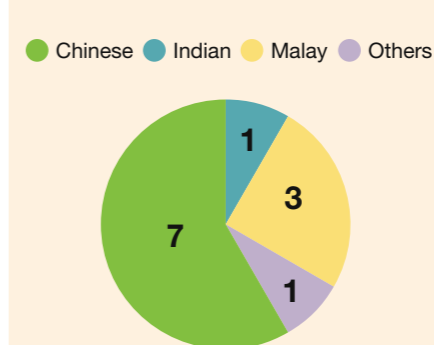


The current composition of Board Members comprised appropriate mix of Skills and Experience as follows:

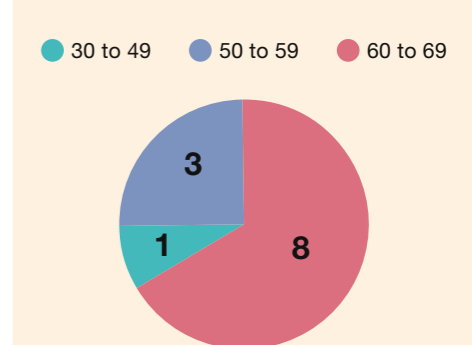


Please refer to page 60 of this Integrated Annual Report for further details on Board Balance, Composition and Diversity.

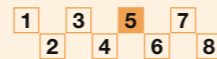
Ethnicity



Age



SECTION 5 OUR PILLARS OF TRUST



## Executive Committee

The Executive Committee is headed by the Executive Chairman, Tan Sri Dr Lim Wee Chai and consist of the following key senior management:

 <b>TAN SRI DR LIM WEE CHAI</b> Executive Chairman	 <b>LIM CHEONG GUAN</b> Managing Director	 <b>LIM HOOI SIN</b> Executive Director	 <b>NG YONG LIN</b> Executive Director
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Please refer to pages 44, 45 and 46 of this Integrated Annual Report for the profiles of Tan Sri Dr Lim Wee Chai, Lim Cheong Guan, Lim Hooi Sin and Ng Yong Lin.

 <b>AARON LAM YAT HING</b> Director, Marketing  <b>Qualification(s)</b> Diploma in Material Engineering <b>Experience</b> More than 20 years of experience in the marketing field <b>Date of Appointment</b> 2 February 2021	 <b>HUE KON FAH</b> Executive Director (Subsidiary), Joint Manufacturing Council  <b>Qualification(s)</b> BA (Honours) Economics, MMIM, DPRIM <b>Experience</b> More than 40 years of experience in the manufacturing field <b>Date of Appointment</b> 2 February 2021
 <b>CHOOKIAD USAHA</b> Senior General Manager, Manufacturing  <b>Qualification(s)</b> Bachelor of Science, Engineering (Electrical) <b>Experience</b> More than 40 years working experience in various industries in Malaysia, China and Thailand <b>Date of Appointment</b> 1 December 2023	 <b>LIM HWA CHUAN</b> Senior General Manager, Joint Manufacturing Council  <b>Qualification(s)</b> Bachelor of Science, Industrial Chemistry <b>Experience</b> More than 18 years of experience in the glove manufacturing industry <b>Date of Appointment</b> 1 September 2023
 <b>MICHELLE ANG PECK KEAN</b> General Manager, Sourcing & Procurement  <b>Qualification(s)</b> Diploma in Commerce, Business Management <b>Experience</b> More than 27 years of experience in the manufacturing industry, particularly in total supply chain management <b>Date of Appointment</b> 1 September 2023	 <b>LIM JIN FENG*</b> General Manager, Marketing  <b>Qualification(s)</b> Bachelor of Science in Business Administration, International Business Option <b>Experience</b> More than 10 years of experience in the glove manufacturing industry <b>Date of Appointment</b> 1 January 2022

**Notes:**  
\*Mr Lim Jin Feng is the son of Tan Sri Dr Lim Wee Chai and Puan Sri Tong Siew Bee.

- Save as disclosed in the profile of Board of Directors and above, none of the key senior management has:
- any directorship in public companies and listed issuers;
  - any family relationship with any directors and/or major shareholders of the Company;
  - any conflict of interest with the Company;
  - any conviction for offences (other than traffic offences) within the past five (5) years; and
  - any public sanction or penalty imposed by the relevant regulatory bodies during the financial year.

SECTION 6 STRENGTH OF OUR GOVERNANCE PRACTICES



## Corporate Governance Overview Statement

### OUR APPROACH AND COMMITMENT TOWARDS BEST GOVERNANCE PRACTICES

With governance underpinning the foundations of an organisation, we remain committed to sustainable business practices and embracing the highest standards of corporate governance in managing our business and successful delivery of our strategies despite the rapidly changing regulatory and business environment.

Our Board continues to play a crucial role in ensuring the stability of the business during challenging times by delivering effective leadership and drive strong and sustainable financial and operational performance for the Group and long-term value creation for our stakeholders.

At Top Glove, we recognise that our people are our greatest asset as we have declared 2023 as the 'Year of People Excellence'. The resilience and commitment of our people in keeping our operations running safely and providing the highest quality of products and service to our customers despite the challenges encountered are testament to the quality of our people.

The Group believes that good governance is particularly important in times of macroeconomic uncertainty. We emphasise on our continual commitment to high corporate governance standards and fostering a healthy and responsible culture throughout the Group. We view corporate governance as an ongoing and fundamental discipline that generates value for our stakeholders and underpins our success.

In the current challenging economic environment, effective oversight of strategy and risk is vital for the long-term sustainability of the Group. Our Board seeks to be responsive to evolving regulatory environment and societal expectations, ensuring alignment between the Group's culture, purpose and values, as well as ensuring that the Company has the necessary financial and human resources to deliver its strategies successfully.

Our Board is aware on its responsibility towards its stakeholders and is committed to setting the Company's purpose, values and high standards with the Board Chairman and all Non-Executive Directors having the support of the Executive Directors and the Management team, embedded throughout the Group. Leading by example, we aim to demonstrate Top Glove's strong corporate values and culture, ultimately promoting the long-term sustainable success of the Company for the benefit of all our stakeholders.

This Statement makes reference to the three (3) broad principles of the Malaysian Code on Corporate Governance ("MCCG"):

- A** Principle A: Board Leadership and Effectiveness
- B** Principle B: Effective Audit and Risk Management
- C** Principle C: Integrity in Corporate Reporting and Meaningful Relationship with Stakeholders



Scan the QR code for more information about Our Corporate Governance Policies and Disclosures

<https://www.topglove.com/governance-manual/>



Scan the QR code for more information about Our Corporate Governance Report 2023

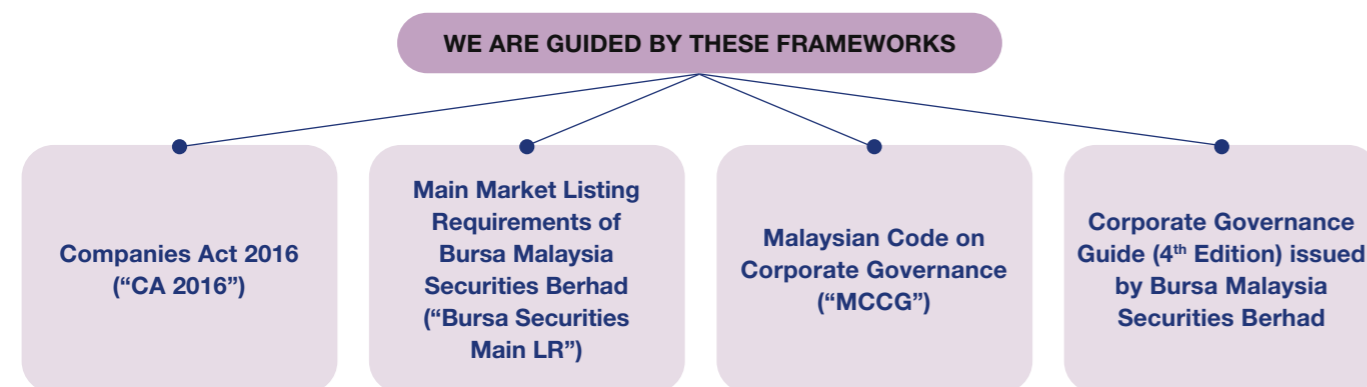
[https://tgapp.topglove.com/IAR/2023/CG\\_Report\\_2023/index.php](https://tgapp.topglove.com/IAR/2023/CG_Report_2023/index.php)

## Corporate Governance Overview Statement

### SUMMARY OF CORPORATE GOVERNANCE PRACTICES

For the financial year ended 31 August 2023 (“FY2023”), Top Glove Corporation Bhd (“Top Glove” or “the Company”) has applied all the Practices and adopted all the step-ups encapsulated in MCCG. We will continue our efforts to further strengthen our governance practices in ensuring its robustness to continuously safeguard the interests of our stakeholders while driving growth.

The detailed explanation of how the Company has applied, complied with and adopted the MCCG Principles and Practices are outlined in the Corporate Governance Report 2023, which is available on our website at <https://www.topglove.com/governance-manual/>



OUR GOVERNANCE PRACTICES EXCEED  
WHAT IS GENERALLY REQUIRED

**MSWG-ASEAN  
Corporate Governance  
Award 2021**

Ranked  
**No. 44**

in the list of Top 100 Companies for overall  
Corporate Governance Disclosure 2021



## Corporate Governance Overview Statement

### A PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS

#### OUR BALANCED AND EXPERIENCED BOARD DELIVERS AND DRIVES OUR STRATEGIES

##### BOARD OF DIRECTORS

Led by the Board Chairman, the Board takes primary responsibility and sets the tone in defining the Group’s strategic direction, risk appetite and control environment aiming to promote long-term values to stakeholders.

Key responsibilities of the Board are as follows:



The Board Charter duly adopted by the Board clearly established the functions reserved for the Board and those delegated to Management. It is a reference and induction literature in providing the Board and Management an insight into the functions of the Board.

The Board Charter is accessible through the Company’s website : <https://www.topglove.com/governance-manual/>

##### Board Committees

Presently, the Board is supported by four (4) Board Committees with delegated responsibilities to oversee the Group’s affairs and authorise to act on behalf of the Board in accordance with their respective Terms of Reference (“TOR”).

The Board 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.

Each Board Committee will review, report and make recommendations to the Board during the Board meeting on key matters discussed at their respective Board Committee meetings. The Chairman of the respective Board Committee will provide highlights to the Board and the minutes of the respective Board Committees meeting will also be tabled at the quarterly Board meetings so as to keep the Board abreast of the decisions and deliberations made by each Board Committee.

Similar to the Board, each Board Committee is supported by the Company Secretary and has access to independent advice as required for the performance of its duties.

##### EXCO

Executive Committee (“EXCO”) assists the Executive Chairman in ensuring that the Board’s decision, strategies set, business plans, budgets, policies, procedures, strategic business and operational issues approved by the Board are implemented, executed and/or monitored efficiently and effectively by the Group’s Executive Management.

The EXCO will review and consider the transactions or activities put forth by the Management and approve them within its delegated authority or recommend them to the appropriate Board Committee and/or the Board.

##### Company Secretaries

Company Secretaries play an advisory role to the Board and support the Board in ensuring that all governance matters and Board procedures are followed through and applicable laws and regulations are complied with.

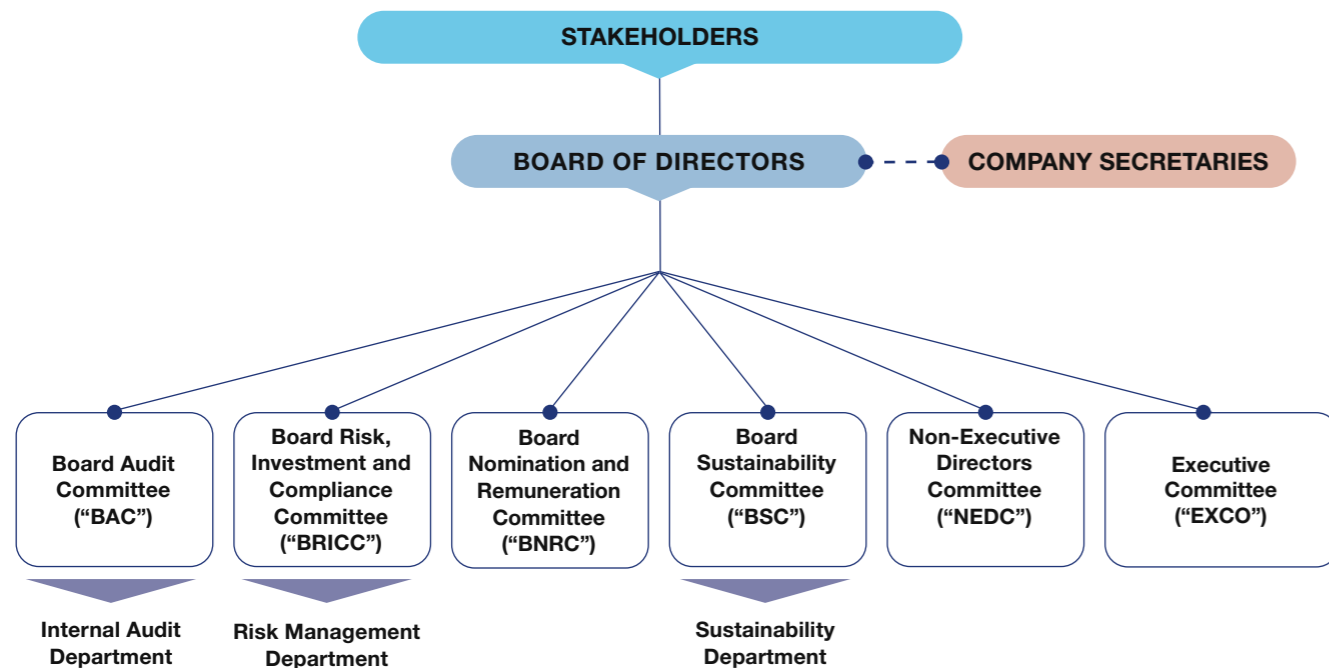
The Board is regularly updated by the Company Secretaries on changes in the relevant statutory and regulatory requirements, particularly in areas relating to the duties and responsibilities as well as disclosure requirements of the Directors.

The Company Secretaries also facilitate the communication of key decisions and policies between the Board, Board Committees and the Group’s Management as well as the Board induction programmes and assisting with Directors professional developments.

## Corporate Governance Overview Statement

## Corporate Governance Overview Statement

### CORPORATE GOVERNANCE FRAMEWORK



### ROLES

#### Executive Chairman ("EC")

The EC leads the Board and manage the interface between the Board and Management. He is also responsible for the orderly conduct and effective function of the Board.

#### Executive Directors ("ED")

The EDs are responsible for the day-to-day operations of the Group whereby operational issues are discussed, major transactions and matters relating to the Group are reviewed and operational strategies are formulated.

#### Independent Non-Executive Directors ("INED")

The INEDs deliberate and discuss policies and strategies formulated and proposed by the Management with the view of long-term interests of all stakeholders.

The INEDs provide independent and unbiased view, advice and judgement to ensure a balanced and unbiased decision-making process to safeguard the long-term interests of all stakeholders.

#### Managing Director ("MD")

The MD spearheads and is responsible for the overall businesses and day-to-day management of the Group in accordance with the strategic plans and within the budgets approved by the Board.

#### Senior Independent Non-Executive Director ("SINED")

The SINED serves as an intermediary to other Directors when necessary and be available to all stakeholders if they have any concerns which require resolution.

#### Non-Independent Non-Executive Director ("NINED")

The NINED provide in-depth knowledge and insights from the Group's perspective.

The NINED ensures that the knowledge and insight contributed will lead to a comprehensive, balanced and unbiased decision-making process that serves in the best interests of the Group and to protect the interests of shareholders.

### BOARD MEETING

The Board meets at least six (6) times in each financial year to review the formal schedule of matters specifically reserved for its approval. 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 will be sought via circulation of written resolutions with supported information and detailed explanations to enable the Board to make an informed decision and the same practice applies to the Board Committees.

The meetings of the Board, Board Committees and AGM were scheduled before the start of the new financial year and the calendar of meetings are drawn up and tabled to the Board in advance. This is to ensure all Directors and Board Committees' schedules are booked and to also facilitate the Management's planning for the whole financial year. The Board's decisions made at the Board meeting shall be by a majority vote as prescribed by the Constitution of the Company.

In FY2023, the Board met six (6) times. The Internal and External Auditors, Corporate Advisor and the Company Secretary will attend the Board meeting upon invitation. The Senior Management will attend the Board meetings to present their proposal and provide explanation on matters relating to their spheres of responsibility.

The Board has adopted the 75% Board Meeting attendance requirement to be in line with good governance practices, having viewed that technology has made it more convenient for meeting participation. In FY2023, all Directors complied with the 75% Board meeting attendance requirement.

#### Directors' attendance at Board, Board Committees Meetings and General Meeting held during the FY2023

	Name of Directors	Designation	Board Meeting ("BOD")	General Meeting ("GM")	Board Committees			
					BAC	BRICC	BNRC	BSC
1.	Tan Sri Dr Lim Wee Chai	EC	6/6	1/1	-	-	-	-
2.	Lim Cheong Guan	MD	6/6	1/1	-	-	-	-
3.	Lim Hooi Sin	ED	6/6	1/1	-	-	-	-
4.	Ng Yong Lin	ED	6/6	1/1	-	-	-	-
5.	Dato' Lee Kim Meow <sup>a</sup>	NINED	6/6	1/1	-	2/3	3/3	3/3
6.	Sharmila Sekarajasekaran	SINED	6/6	1/1	8/8	-	5/5	4/4
7.	Datuk Noripah Kamso <sup>b</sup>	INED	3/3	1/1	5/5	2/2	-	-
8.	Datuk Dr. Norma Mansor	INED	6/6	1/1	-	4/4	5/5	-
9.	Azrina Arshad	INED	6/6	1/1	-	-	5/5	4/4
10.	Lo Kai Yiu, Anthony <sup>c</sup>	INED	1/1	-	-	-	-	1/1
11.	Martin Giles Manen	INED	6/6	1/1	8/8	4/4	-	4/4
12.	Dato' Kong Sooi Lin <sup>d</sup>	INED	3/3	1/1	-	-	-	-
13.	Dr Ngo Get Ping <sup>e</sup>	INED	6/6	1/1	3/3	2/2	5/5	-
14.	Lester Garson Huang <sup>f</sup>	INED	-	-	-	-	-	-
15.	Dr Chong Su-Lin <sup>g</sup>	INED	3/3	-	2/2	-	-	-
16.	Rowina Ghazali Seth <sup>h</sup>	INED	3/3	-	-	-	-	2/2
<b>Total number of Meetings:</b>			<b>6</b>	<b>1</b>	<b>8</b>	<b>4</b>	<b>5</b>	<b>4</b>

<sup>a</sup> Dato' Lee Kim Meow was appointed as a member of BRICC on 20 September 2022, a member of BNRC on 3 October 2022 and a member of BSC on 14 December 2022.

<sup>b</sup> Datuk Noripah Kamso retired as an INED during the 2023 AGM held on 6 January 2023 and stepped down as Chairman of BRICC and a member of BAC on 6 January 2023.

<sup>c</sup> Lo Kai Yiu, Anthony resigned as an INED and stepped down as a member of BSC on 3 October 2022.

<sup>d</sup> Dato' Kong Sooi Lin retired as an INED during the 2023 AGM held on 6 January 2023.

<sup>e</sup> Dr Ngo Get Ping was appointed as Chairman of BRICC and a member of BAC on 6 January 2023.

<sup>f</sup> Lester Garson Huang resigned as an INED and stepped down as a member of BSC on 13 September 2022.

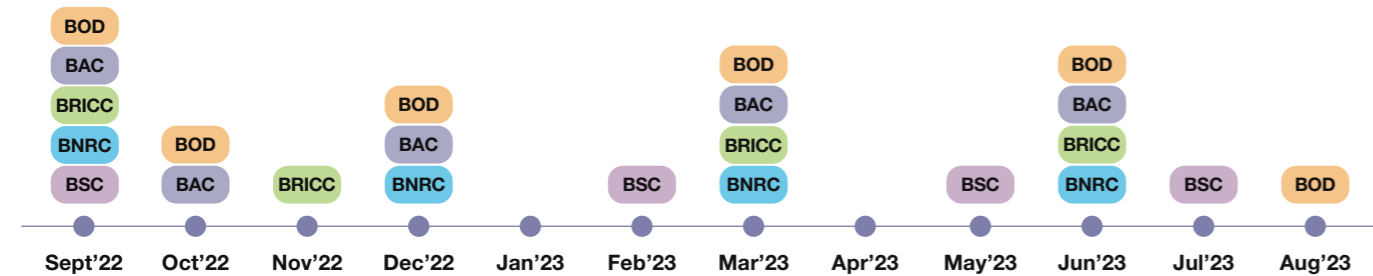
<sup>g</sup> Dr Chong Su-Lin was appointed as an INED effective 6 January 2023 and a member of BAC on 16 March 2023.

<sup>h</sup> Rowina Ghazali Seth was appointed as an INED effective 6 January 2023 and a member of BSC on 16 March 2023.

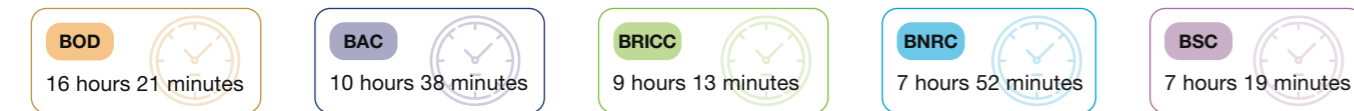
## Corporate Governance Overview Statement

## Corporate Governance Overview Statement

### FY2023 Board and Board Committees' Meeting Calendar



### Total hours for Board and Board Committees' Meetings FY2023



### Board's Key Areas of Focus during FY2023:

<b>Strategy</b>	1. Business strategy brainstorming, setting strategic direction and strategic plans progress updates
	2. Annual Group financial budget setting and review
	3. Reviewed Balanced Scorecard for the Group
	4. Reviewed the Group's Investment Policy and Procedure
	5. Set Strategic Plan and Turnaround Plan to overcome current business challenges
<b>Financial Performance</b>	6. Quarterly, half-yearly and yearly financial performance reports
	7. Shares performances on Bursa Securities and Singapore Exchange
	8. Capital structure review and balance sheet management
	9. Dividend Policy and Procedure
<b>Risk and Internal Controls</b>	10. Enterprise Risk Management Framework and report
	11. Material risks and mitigation plans
	12. Business Continuity Management Policy and Framework
	13. Jurisdictional Regulatory Framework
<b>Corporate Governance and Compliance</b>	14. Board Charter, Board Manual and Terms of Reference of Board Committees
	15. Board and Board Committees size and composition
	16. Board appointment, renewal and re-election
	17. Board remuneration policy review
	18. Board Effectiveness Evaluation and actionable improvement plan
	19. Corporate Governance disclosure review and updates
	20. Reappointment of Auditors
	21. Board Policies adoption and revision
	22. Board and Senior Management succession planning
	23. Group Organisation Chart and Corporate Structure
	24. Integrated Annual Report and Shareholders Statement
	25. Summary of Shareholders Questions and Feedback of Annual General Meeting
	26. Employees' satisfaction survey
<b>Sustainability</b>	27. Business and Human Rights Policy and Framework
	28. Sustainability Initiatives progress updates
	29. Labour practices management and social compliance
	30. Materiality Assessment for Sustainability matters
	31. Sustainability Roadmap and Strategies Framework
	32. Integration of Sustainability into Business Strategy
	33. Remuneration payment linked to ESG metrics
	34. Review sustainability key performance indicators for Senior Executives

### BOARD AWAY DAY

Held annually, the Board had its Board Away Day in August 2023 with the theme "Perfect Response to Perfect Storm" which reinforced Top Glove's objective "How can Top Glove Emerge or Ride Out from This Perfect Storm?" facilitated by the Company's Corporate Advisor.

The Board together with the Executive Committee ("EXCO") were divided into two (2) groups during the Board Away Day to brainstorm the priority items, strategic intents and desired outcomes by having a reality check and focusing on the action plans to overcome all challenges faced by the Group.

The action plans concluded will be reviewed by the EXCO and its progress of implementation will be updated at the EXCO meeting held quarterly, followed by the Board during its quarterly Board meeting. The Board brings objectivity by scrutinising the Management's accountability and implementation in ensuring the goals and targets set for Management are met within the stipulated timeline and in line with the Company's long-term objectives.

### INDEPENDENCE

The Board recognises the significant contribution by the INEDs to the Company in bringing independent and objective judgment to the Board in decision-making.

An annual independency assessment has been carried out by the BNRC to reaffirm the independence of all INEDs based on the provisions of Bursa Securities Main LR, including a self-declaration of any involvement or relationship which could interfere with an independent judgement and ability to act in the best interests of the Company. An independent confirmation based on the independency assessment is also obtained before appointment of INED.

During FY2023, the Board was satisfied that none of the INEDs had any relationship that could materially interfere with or be perceived to materially interfere with their unfettered and independent judgement and ability to act in the best interests of the Company.

The Board has adopted and further updated the Independent Director Tenure Policy which sets the limit on the tenure of Independent Directors to nine (9) years without further extension. Upon completion of nine (9) years tenure, an Independent Director will vacate his/her Board seat from the Company.

### SUPPLY AND ACCESS TO INFORMATION

The Board and Board Committees received pertinent information from the Management on a timely basis to fulfil their roles. Besides, all the Board Committees and Executive Committee ("EXCO") meetings minutes and meeting highlights were tabled in Board meeting for Directors' attention and notation.

All Directors are provided with the Board meeting agenda and Board papers in advance, containing information such as the Company's financial performance, business outlook and respective Board Committees' Reports prior to the Board meeting to facilitate informed decision-making process. The Managing Director and Executive Director would lead the presentation of Board papers and provide comprehensive explanations of strategy and business plans, business performance, potential mergers and acquisitions and other pertinent issues.

Proposals and recommendations by the Management will be discussed at the EXCO level and then the recommendation from EXCO will be put forth to the relevant Board Committees for deliberation and endorsement. Thereafter, the Chairman of the respective Board Committees will brief the Board and seek its approval. All matters raised, deliberations, decisions and conclusions including dissenting views made at the Board meetings with clear actions to be taken by responsible parties are recorded in the minutes.

Notice on the closed period for dealing in Top Glove's securities are served to Directors, key management personnel and principal officers who are deemed to be privy to any sensitive information for the applicable periods especially the regular annual scheduled Board meetings to approve the quarterly financial results. This is to comply with Bursa Securities Main LR and the Capital Markets and Services Act 2007 requirements where Directors, key management personnel and principal officers of the Company and the Group are prohibited from dealing in securities based on price sensitive information which have not been publicly announced within thirty (30) calendar days before the targeted date of announcement of the quarterly financial results up to the date of announcement.

The Directors are also notified of any corporate announcements released to Bursa Securities and the impending restrictions on dealing with the securities of the Company prior to the announcement.

## Corporate Governance Overview Statement

### ENGAGEMENT SESSION BETWEEN TOP GLOVE'S NON-EXECUTIVE DIRECTORS AND FACTORY OPERATIONS STAFF & WORKERS REPRESENTATIVES

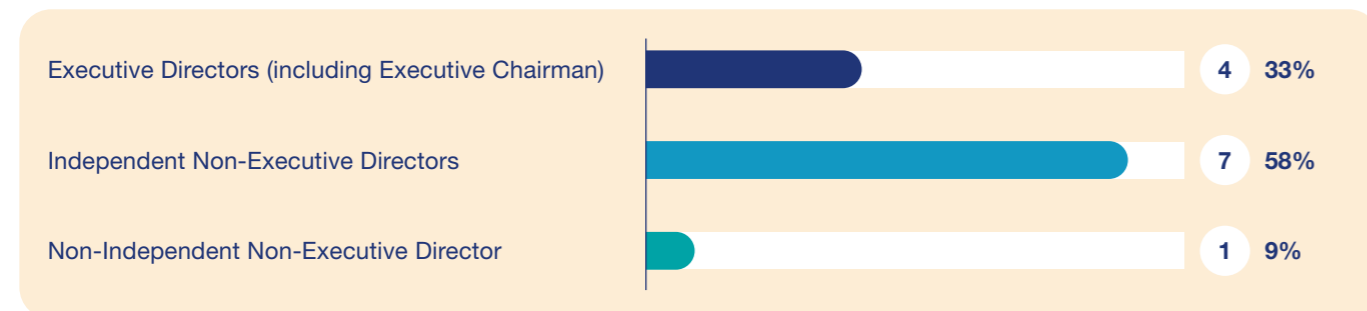
In adhering to their fiduciary duties, the Non-Executive Directors (“NEDs”) had set aside their busy schedule to engage with factory operations staff and workers representatives on 6 October 2023. The engagement session involved workers from different nationalities and staff of different job levels. The NEDs had taken this opportunity to visit the Kenangan Meru hostel and to have a better understanding on the occupants’ safety and wellbeing. The NEDs were apprised of various matters and as feedback, the NEDs also shared some invaluable recommendations for the betterment of the working and living condition of both staff and workers. The issues such as enhanced security measures and road safety at accident-prone areas, adequate lighting at the hostel and factories, medical issues and local council collection matters were discussed. As a proper engagement follow-through, the Human Resources department will provide the NEDs with status updates on the action plans in due course and as and when required.

### BOARD BALANCE, COMPOSITION AND DIVERSITY

The Board regularly review its composition to ensure that the composition best fits the Company’s needs and is adequate and effective in discharging its duties and responsibilities.

In the course of identifying experienced, qualified and fit-for-purpose candidates, the BNRC had approached several external sources including the Institute of Corporate Directors Malaysia (“ICDM”) and independent human resources advisors. BNRC has made reference to the Board Skills Matrix Assessment and Board Effectiveness Evaluation exercise conducted for FY2023 in the selection of potential Board candidates. The BNRC also shared the Board skills matrix with external sources in recruiting the desired candidate who met the Company’s requirements.

As at 31 August 2023, the Board comprise twelve (12) Board members as below:



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.

There is a clear division between the roles of Chairman and the Managing Director to preserve a balance of authority and accountability to avoid unfettered powers of decision-making.

During the year under review, the Board through the BNRC reviewed and restructured the Board Committees’ composition to ensure that the composition best fit the Company’s need. The women Directors represented 42% of members of the Board. In recognition of its effort and achievement to embrace Diversity, Equity and Inclusion, Top Glove had been included in the Bloomberg Gender Equality Index in January 2023.

In line with the MCCG Guidance Note 5.10, the participation of women in decision-making positions should not be focused on Board position alone but should include the members of Senior Management. The Board had on December 2022 updated the existing Board Diversity Policy to maintain at least 30% women participation on its Board and Senior Management level.

The Board continues to focus on diversity and to also ensure the Board have the right mix of skills and balance to contribute to the Group’s business needs when assessing new candidates for Board members. The Board would review succession plans to ensure an appropriate focus on diversity as well.

Meritocracy remains the basis for appointment and promotion at Senior Management level whereby the incumbent must possess the pre-requisite qualification, experience, technical and leadership competencies. Having diverse key team members who have the right skill sets, experience, age, cultural background and gender will enrich the Group’s talent pool with ever ready successors.

The Board Diversity Policy is accessible through the Company’s website : <https://www.topglove.com/governance-manual/>

## Corporate Governance Overview Statement

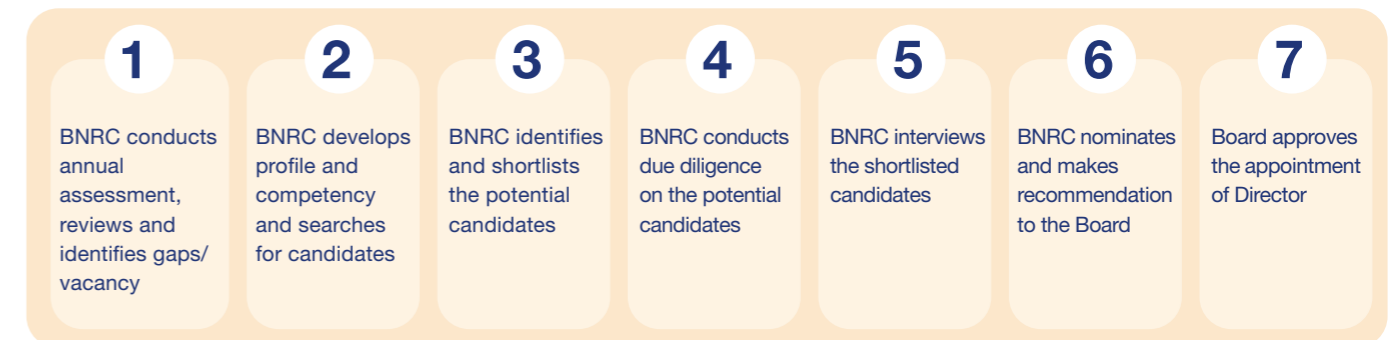
### BOARD APPOINTMENT AND SUCCESSION PLANNING

The selection, nomination and appointment of suitable candidates to the Board follow a transparent process, through the BNRC. The BNRC is also responsible for reviewing the existing composition of the Board, identifying the gaps and subsequently recommend to the Board a suitable candidate with the required skill set, expertise and experience. The Board had during its meeting held in September 2021 resolved not to consider any active politician to be on the Board.

In reviewing and recommending to the Board of any new Director’s appointment, the BNRC considers:



Top Glove’s Boardroom appointment process is as follows:



The Board, with assistance from the BNRC, is responsible for succession planning for the Directors and Key Senior Management (“Key Business Leaders”), guided by the Succession Planning Policy adopted by the Board. The succession planning is to ensure the stability and accountability of the Group by preparing for an eventual permanent change in leadership, either planned or unplanned, this is to ensure continuous support in operations and service when the Key Business Leaders leave their positions.

The Succession Planning Policy is accessible through the Company’s website : <https://www.topglove.com/governance-manual/>

### DIRECTORS’ RE-ELECTION

The BNRC and Board ensure that the annual re-election of Directors was contingent on satisfactory evaluation of Directors’ performance and contribution to the Board.

The details of the Directors standing for re-election and the justification can be found on pages 221 and 222 of the Notice of AGM.

## Corporate Governance Overview Statement

### DIRECTORS' PROFESSIONAL DEVELOPMENT

The Board has a training policy for Directors to ensure all Directors have access to learning, development and training opportunities. The aim is to better equip Directors with the skills and knowledge required to fulfil their fiduciary duties and carry out their roles and responsibilities.

The Board Induction Programme is coordinated by the Company Secretary together with the Managing Director, Executive Director and heads of business units with the objectives of providing the newly appointed Directors the necessary information and overview to assist them in understanding the industry, operations, financials, corporate strategies, current issues and challenges, structure and the management of the Company. On-site briefings or site visits are also conducted to enhance understanding of the Company's operations.

The Board through the BNRC has determined the training needs of the Directors based on the outcome of the annual Board performance and effectiveness evaluation. The Company Secretary continuously identify and recommend suitable development programmes for respective Directors based on their training need analysis. The Directors may raise any training needs with the Chairman, who ensures that the training programmes meets the needs of the Board, Directors and the business. Directors may also request training on specific issues with some attending external courses which are specific to their areas of expertise, such as risk, remuneration or audit.

Ongoing trainings in business and industry related as well as regulatory updates are provided to the Board. This ensures that the Board remains updated with the latest trends in the industry and business world as well as latest development in the regulatory and legal matters. From time to time, meetings with subject matter experts in the business are arranged for Directors who wish to gain deeper insights into a particular topic.

### Summary of Training attended by all Board members in FY2023

Training Categories	Number of Training Attended
A. Corporate Governance, Risk Management and Internal Controls	20
B. Sustainability, Risk and Compliance	17
C. International or Regional Business Experience including Marketing Strategy	14
D. Human Capital or Talent Management	8
E. Accounting and Financial Reporting	8
F. Information Technology or Digital Strategy	7
G. Industry Experience (i.e. Healthcare, Manufacturing Sector)	5
H. Legal and Regulatory	7
I. Operations and Quality Management	3
<b>Total</b>	<b>89</b>

 During FY2023, all the Board members attended various training programmes; the details of training attended by each Director can be found on pages 15 to 20 of the Corporate Governance Report 2023.

 The Training Policy for Directors is accessible through the Company's website : <https://www.topglove.com/governance-manual/>

### BOARD AND SENIOR MANAGEMENT REMUNERATION

The Remuneration Policy and Procedures for Directors and Senior Management ("the Remuneration Policy") was updated by the Board in September 2021 to reflect the current component of the remuneration packages and current structure of the Board and Senior Management. The Board had resolved to adopt the practice whereby the Executives remuneration will link to Environmental, Social and Governance (ESG) metrics and the performance evaluations of the Board and Senior Management include a review of their performance in addressing the Company's material sustainability risks and opportunities.

The Remuneration Policy comprised remuneration guiding principles, remuneration framework, remuneration elements as well as remuneration policies and procedures. The remuneration of Executive Chairman, Executives Directors and Key Senior Management is determined based on, amongst others, their scope of duties, responsibilities, skills and experience, corporate and individual performance and achievement of annual key performance indicators as well as prevailing market practice and economic situation. The remuneration of the INEDs and NINED is determined based on experience and level of responsibilities undertaken, extent of contributions, effort and time spent, number of committees served as well as prevailing market practice and economic situation.

 The Remuneration Policy is accessible through the Company's website : <https://www.topglove.com/governance-manual/>

## Corporate Governance Overview Statement

Commencing FY2023, the Group has put in place a group wide Balanced Scorecard. The Group's performance is determined in accordance with a Balanced Scorecard which includes key measurements (KPIs) such as Financial, Customers & Stakeholders, Systems & Projects and People & Culture supported by numerous strategic objectives. The Group's KPIs are cascaded to the business units and subsequently to individual goals where each employee's performance is tracked through a set of balanced goals.


Similarly, for the Executive Chairman and Managing Director, their performance will also be measured through a scorecard which covers Revenue and Cost, Meetings, Internal and External Relationships and Culture.

The Company rewards its employees and the Executive Directors with options under the Employees Share Option Scheme ("ESOS") and shares under the Employees Share Grant Plan ("ESGP"). The Executive Directors are not entitled to receive meeting allowances for the Board and Board Committees meetings they have attended. The details of the vesting of options under the ESOS and awards of shares under the ESGP are set out on pages 87 and 88 of this Integrated Annual Report under the Directors' Report of the Audited Financial Statements for FY2023.

The ESOS and ESGP Committees as below comprised majority INEDs will continue to oversee the administration as well as to ensure proper implementation of ESOS and ESGP according to the respective By-Laws:

- |  |                             |
|--|-----------------------------|
| 1. Tan Sri Dr <u>Lim</u> Wee Chai (Chairman) | 5. Sharmila Sekarajasekaran |
| 2. Lim Cheong Guan                           | 6. Martin Giles Manen       |
| 3. Lim Jin Feng                              | 7. Dr Ngo Get Ping          |
| 4. Datuk Dr. Norma Mansor                    |                             |

During FY2023, the ESOS and ESGP Committees had considered and approved the ESOS and ESGP allocation factors to the eligible employees of the Group. The Non-Executive Directors are entitled to receive meeting allowances for the Board and Board Committees meetings they have attended but are not entitled to participate in the ESOS and ESGP, save for the NINED.

 The details of the Directors' remuneration comprising remuneration received/ receivable from the Company and subsidiaries respectively in FY2023 can be found in our Corporate Governance Report 2023 which can be accessed via <https://www.topglove.com/governance-manual/>

### ETHICS AND INTEGRITY

The Board has adopted the Directors' Code of Conduct and Ethics for Directors to reflect the underlying values and commitment to lay standards of trust, integrity, responsibility, excellence, commitment, dedication, diligence, ethics and professionalism contributing towards the social and environmental growth of the surroundings in which Top Glove Group operates.

Embracing ethical culture in an organisation is fundamental in preservation of the Company's reputation and thereby increases the confidence of stakeholders. The Company has committed to uphold the practice of integrity in the organisation and has adequate policies and procedures in place driven by the Corporate Integrity Department.

 The Directors' Code of Conduct and Ethics is available on the Company's website at <https://www.topglove.com/governance-manual/>

### BOARD EFFECTIVENESS EVALUATION

The Board recognises that a structured and regular evaluation of Board is an important pillar of good corporate governance. The Board conducts a rigorous Board Effectiveness Evaluation ("BEE") process each year to review and evaluate the effectiveness of the Board as a whole, the contribution of each individual Director and peers, independence of the INEDs and Board Committees' performance including various Head of Support Functions who support the respective Board Committees.

### BEE PROCESS

For FY2023, BEE was conducted internally, facilitated by the Company Secretary via online questionnaires. Overall, it was the collective view of the Directors that the Board is effective in discharging its responsibility, operating within an open and transparent culture which allows constructive challenge on key issues. The outcome of the BEE will be referred to when the BNRC recommends for re-appointment or re-election of Directors and Board Committees' members.

The Board Committees' performance evaluation has shown that each Board Committees remained effective to support the Board. Individual director's performance and contribution was assessed through one-to-one interview with the Board Chair. The Board Chair was assessed by BNRC Chair. During the assessment session, both parties will discuss openly on their personal development, Boardroom culture and activities.

## Corporate Governance Overview Statement

### BEE process for FY2023:

#### Design

Online questionnaires developed by Company Secretary and duly endorsed by the BNRC and Board taking into consideration latest best practices in MCCG and other relevant rules on BEE.

#### Assess

Questionnaires were circulated to all Directors through Google Survey Form. Responses were collected and BEE reports which summarised the findings were prepared by the Company Secretary. The BEE reports were then reviewed and deliberated by the BNRC.

#### Recommend

BNRC will share the highlights and recommendations on areas for improvement with the Board and respective Board Committees.

### ASSESSMENT CRITERIA

The BEE assessment criteria encompassed the following key areas:

Scope of Assessment	Assessment Criteria
<b>Questionnaire Assessment</b>	
1. Board of Directors' Assessment	1. Board Mix and Composition 2. Quality of Information and Decision-Making 3. Boardroom Activities 4. Board Chairman's Role
2. Board Skills Matrix Assessment	1. Envisaged Board Skills Matrix 2. Current Board Skills Matrix
3. Directors' Self and Peer Assessment	1. Contribution and Performance 2. Calibre and Personality 3. Managing Director 4. Senior Independent Director
4. Fit and Proper Assessment	1. Probity 2. Personal Integrity 3. Financial Integrity and Reputation 4. Experience and Competence 5. Time and Commitment
5. Independent Directors' Self-Assessment	1. Background 2. Economic Relationship 3. Family Relationships 4. Tenure 5. Qualitative Assessment
6. Board Committees' Assessment	1. Composition and Governance 2. Meeting Administration and Conduct 3. Duties and Responsibilities in relation to Committees' Oversight Matters  Additional assessment for Board Audit Committee: 1. Group Synergy and Reporting Line 2. Oversight of Financial Reporting Process, including Internal Controls and Audit Processes 3. Oversight on the Internal Audit Function 4. Oversight on the External Auditor  Others: Assessment from Board Committees on Head of Support Function Assessment of Board Committees by the Board

## Corporate Governance Overview Statement

The annual evaluation process in FY2023 confirmed the continued effective operations of the Board and Board Committees. The Board is satisfied with the overall performance of individual Directors, the effectiveness of the Board and Board Committees and the independence of Independent Directors.

The Board agreed that its composition is well structured and represented, with an appropriate mix of skills, expertise and experience, contributing to the overall effectiveness of the decision-making process for the Company and the Group. The compositions of the Board and its Committees deliver an appropriate balance of experience and technical knowledge and it will continue to be monitored.

Some of the key findings, recommended areas for improvement as well as action plans arising from the BEE for FY2023 had been tabled to the BNRC for consideration and subsequently, highlighted to the Board for approval.

The BEE Framework is available on the Company's website at <https://www.topglove.com/governance-manual/>

### LOOKING AHEAD

While the business environment is expected to remain challenging and competitive, the Company takes an optimistic and long-term view of industry prospects and will continue to enhance its business sustainability practices, maintain robust governance framework and embrace ethical corporate culture in sustaining its growth, charting its way to business recovery.

Some of the priorities for FY2024 in addition to its regular activities are as follows:



## Corporate Governance Overview Statement

### BOARD NOMINATION AND REMUNERATION COMMITTEE REPORT

The Board Nomination and Remuneration Committee (“BNRC”) of Top Glove is pleased to present the BNRC Report for FY2023.

#### Composition

The BNRC comprises five (5) members as follows, all of whom are Non-Executive Directors:

Members	Date of Appointment as BNRC Member	Tenure on the BNRC as at 31 August 2023
1. Datuk Dr. Norma Mansor (Chairman)	12 May 2017	6 Years 3 Months
2. Sharmila Sekarajasekaran	18 March 2015	8 Years 5 Months
3. Azrina Arshad	1 December 2020	2 Year 8 Months
4. Dr Ngo Get Ping	27 April 2022	1 Year 4 Months
5. Dato' Lee Kim Meow	3 October 2022	10 months

#### Meetings and Attendance

In FY2023, the BNRC had met five (5) times. The Company Secretary and Managing Director were in attendance at every meeting while the Executive Director, Senior Management and other Board members would attend the BNRC meetings upon invitation, as and when required.

The Company Secretary will circulate the minutes of the BNRC meetings at Board Meetings for notation. The BNRC Chair will also brief the Board on the highlights and key issues deliberated during BNRC meetings.

Please refer to pages 57 and 58 of this Integrated Annual Report for the attendance record of BNRC members.

#### Roles and Responsibilities

BNRC was entrusted by the Board to assist in nomination for the Board and Board Committees as well as assessing their performance and remuneration package.

Key responsibilities of the BNRC are as follows:

#### Nomination

1. Review Board and Board Committees' composition and competencies
2. Nominate candidates for Board and Board Committees
3. Assess the performance and effectiveness of the Board, Individual Board members and Board Committees
4. Review Board and Key Senior Management's succession plan
5. Oversee Directors' training and development needs and its effectiveness

#### Remuneration

1. Formulate formal and transparent remuneration process for Board and Key Senior Management
2. Periodic review on Board remuneration framework to ensure that the remuneration structured to link rewards to corporate and individual performance

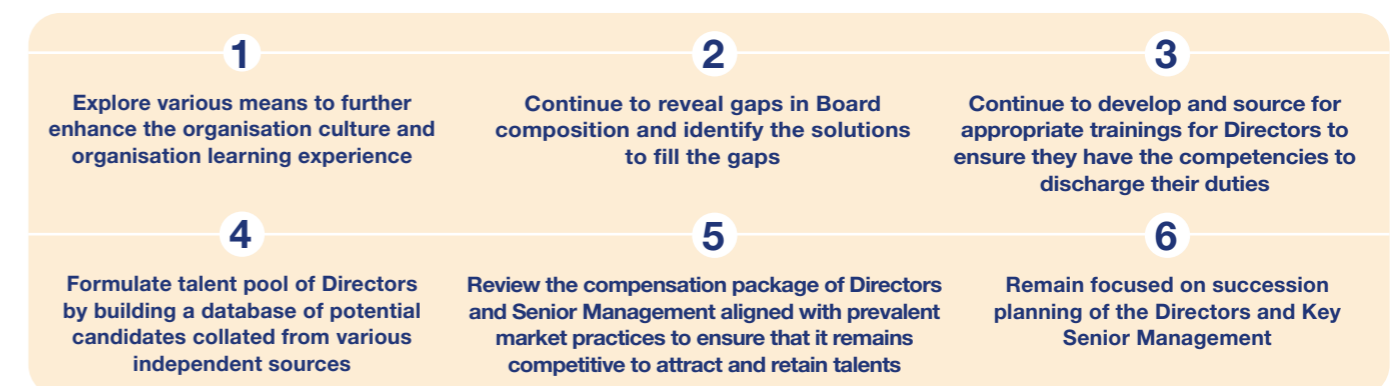
## Corporate Governance Overview Statement

### Key Areas of Focus during FY2023:

<b>Board and Board Committees' Composition and Succession Planning</b>	<ol style="list-style-type: none"> <li>1. Reviewed the size and composition of the Board and Board Committees.</li> <li>2. Reviewed the selection criteria for the potential Board candidates.</li> <li>3. Reviewed the succession plan for the Board, Board Committees, Executive Chairman and Managing Director.</li> <li>4. Conducted the engagement session to assess and review the suitability of the potential Board candidates from various sources.</li> </ol>
<b>Appointment or Re-Appointment of the Board and Senior Management</b>	<ol style="list-style-type: none"> <li>1. Reviewed the background, skills and experience of potential candidates to be appointed as the Independent Non-Executive Directors of the Company.</li> <li>2. Evaluated the contribution of Directors seeking for re-election and retention and recommend to the Board on their suitability for the Board to table to Shareholders for approval.</li> <li>3. Reviewed the Directors' service tenure.</li> <li>4. Reviewed the suitability of the potential candidates for Senior Management position.</li> </ol>
<b>Board and Senior Management Remuneration</b>	<ol style="list-style-type: none"> <li>1. Reviewed fees and benefits payable to Directors, benchmarked against industry practices.</li> <li>2. Reviewed remuneration package of Executive Directors, Non-Executive Directors, Key Senior Management and related employees.</li> <li>3. Reviewed the Organisation Chart and conducted gap analysis to identify the development needs of the Senior Management.</li> <li>4. Received the updates on the Employee Share Option Scheme and Employee Share Grant Plan allocations for FY2023.</li> </ol>
<b>Framework, Policy &amp; Guidelines</b>	<ol style="list-style-type: none"> <li>1. Reviewed and recommended the amendments made in the manual, policies and terms of reference adopted by the Board to be in line with both the Main Market Listing Requirements as well as the Malaysian Code on Corporate Governance.</li> <li>2. Reviewed and recommended further amendments made in the Board Diversity Policy to be in line with Malaysian Code on Corporate Governance best practice whereby the diversity should not be exclusive to the Board but rather across the Company including senior management.</li> <li>3. Reviewed and recommended the Business and Human Rights Framework.</li> </ol>
<b>Board Effectiveness Evaluation</b>	<ol style="list-style-type: none"> <li>1. Reviewed the questionnaires for the Board Effectiveness Evaluation (“BEE”).</li> <li>2. Reviewed outcome of the annual Board and Board Committees' performance assessments, independency of INEDs, contribution and performance of each individual director.</li> <li>3. Reviewed the results of the BEE exercise for FY2023 and recommended the proposed actionable improvement plan to the Board.</li> <li>4. Received updates for the actionable improvement plan for BEE FY2022.</li> <li>5. Reviewed Board skills matrix and level of competency to meet the current and future needs of the organisation.</li> <li>6. Reviewed the training needs of the Directors.</li> </ol>
<b>Governance</b>	<ol style="list-style-type: none"> <li>1. Reviewed Balanced Scorecard for the Company as well as the Executive Chairman and Managing Director.</li> <li>2. Reviewed outcome of annual Employee's Engagement and Job Satisfaction Survey.</li> <li>3. Reviewed the Learning and Development programme for Directors and Senior Leadership Team.</li> <li>4. Reviewed the succession planning for Senior Leadership Team: Faceless Organisational Chart.</li> <li>5. Reviewed the enabler for Business and Human Rights: Culture of Human Rights Due Diligence.</li> <li>6. Reviewed the findings from Culture Workshop.</li> <li>7. Reviewed and recommended the renaming of Independent Directors Committee to Non-Executive Directors Committee to reflect the current Board structure and to adopt its Terms of Reference.</li> </ol>

### Looking Ahead

Some of the priorities for FY2024 in addition to its regular activities are as follows:



### BNRC Effectiveness Review and Performance

During the year under review, the Board assessed the performance of the BNRC through the annual Board Effectiveness Evaluation. The Board is satisfied that the BNRC has effectively discharged its functions, duties and responsibilities in accordance with the TOR of the BNRC.

## Corporate Governance Overview Statement

## Corporate Governance Overview Statement

## BOARD SUSTAINABILITY COMMITTEE REPORT

The Board Sustainability Committee (“BSC”) of Top Glove is pleased to present the BSC Report for FY2023.

The Board recognises the importance of adopting a sound and sustainable business model which incorporates environmental, social and governance (“ESG”) criteria. The BSC, formed in March 2019, advises and assists the Board in integrating a long-term and strategic approach into day-to-day business decisions and to steer ESG strategies and initiatives into a competitive advantage for the business to generate long-term value for our stakeholders. The Board is committed to addressing the United Nations Sustainable Development Goals (UNSDGs) by aligning ESG implementation with these global goals.

Sustainability is considered a shared value throughout the Group, encompassing how Top Glove manages its businesses and manufacturing operations. This includes prioritising employees’ workplace health and safety, respecting human rights, demonstrating commitment to the community and social responsibility, minimising the Company’s impact on the environment and complying with the highest standards of corporate governance guided by the Group’s corporate values R.I.V.E.R. (Respect, Integrity, Value, Empowerment and Relationship).

In FY2023, BSC has deliberated and concluded to retain the use of terminology “ESG” instead of “EESG” (Economic, Environmental, Social and Governance). The BSC agreed that ESG should not be seen in isolation and the Company needs to strike a balance with a calibration for the economy, a fundamental pillar of sustainability. It also viewed that the existing ESG framework is comprehensive and able to meet the Company’s ESG goals as it has covered the economic aspect in decision-making processes.

## Composition

The governance of sustainability is integrated in our corporate governance structures throughout the Group, from Board-level committees to Management-level group functions and business units. In supporting the BSC, the Sustainability Steering Group and the Social Sustainability Committee have the strategic and operational responsibility to assess and manage sustainability issues.

The BSC comprises five (5) members as follows, all of whom are Non-Executive Directors:

Members	Date of Appointment as BSC Member	Tenure on the BSC as at 31 August 2023
1. Sharmila Sekarajasekaran (Chairman)	22 March 2019	4 Years 5 Months
2. Azrina Arshad	22 March 2019	4 Years 5 Months
3. Martin Giles Manen	25 January 2022	1 Year 7 Months
4. Dato’ Lee Kim Meow	14 December 2022	8 Months
5. Rowina Ghazali Seth	16 March 2023	5 Months

## Meetings and Attendance

In FY2023, the BSC had met four (4) times. The Company Secretary, Managing Director as well as Sustainability team were in attendance at every meeting while the Executive Director, Senior Management and other Board members would attend the BSC meetings upon invitation, as and when required.

The Company Secretary will circulate the minutes of the BSC meetings at Board Meetings for notation. The BSC Chair will also brief the Board on the highlights and key issues deliberated during BSC meetings.

 Please refer to pages 57 and 58 of this Integrated Annual Report for the attendance record of BSC members.

## Roles and Responsibilities

The BSC acts as an advocate of sustainability within the Company in driving the Group’s sustainability strategy and initiatives and overseeing the implementation of the Sustainability Charter and Sustainability Policy adopted by the Board, guided by the Terms of Reference (“TOR”) of the BSC.

Key responsibilities of the BSC are as follows:



 The Sustainability Charter and TOR of the BSC is available for reference on the Company’s website at <https://www.topglove.com/governance-manual/>

 The Sustainability Policy is available for reference on the Company’s website at <https://www.topglove.com/policies>

## Key Areas of Focus during FY2023:

<b>Framework, Policy &amp; Guidelines</b>	<ol style="list-style-type: none"> <li>1. Reviewed Sustainability Department’s key deliverables.</li> <li>2. Reviewed Business and Human Rights Framework (“BHR”) and Board’s role in BHR.</li> <li>3. Reviewed and deliberated on enhanced Sustainability Reporting Framework according to Bursa Malaysia Main Market Listing Requirements.</li> </ol>
<b>Sustainability Plan</b>	<ol style="list-style-type: none"> <li>1. Reviewed and deliberated the Group’s sustainability initiatives which include ESG indices rating updates.</li> <li>2. Reviewed and deliberated the Group’s sustainability blueprint and ESG targets.</li> <li>3. Reviewed and deliberated the Enabler for Business and Human Rights.</li> </ol>
<b>Sustainability Governance</b>	<ol style="list-style-type: none"> <li>1. Reviewed ESG targets for carbon emission.</li> <li>2. Reviewed materiality assessment for sustainability matrix.</li> <li>3. Reviewed the Sustainability Statement/Report for inclusion in the Integrated Annual Report.</li> <li>4. Assessed the KPIs linked to ESG metrics.</li> <li>5. Reviewed ESG gap analysis between the Company’s sustainability practices and international best practices to further improve the Company’s ESG ranking.</li> <li>6. Reviewed the industrial rating of the Group’s sustainability performance and discussed the areas for improvement.</li> <li>7. Deliberated on Health, Safety and Environment programme and annual plan of the Group.</li> <li>8. Reviewed the ESG training for the Management and Staff of the Group.</li> <li>9. Reviewed collaboration opportunity with third party in enhancing the Group’s sustainability practices.</li> <li>10. Reviewed the Terms of Reference of BSC.</li> </ol>

## Looking Ahead

The BSC will continue its role in supporting the Board and overseeing the processes, standards and strategies from its development, implementation, measures and the reporting of the Group’s ESG performance. In addition, BSC will strengthen its role and place stronger emphasis on overseeing the impact of the Group’s long-term strategy on emerging sustainability issues. This will ultimately support the Group’s objective to operate sustainably for current and future generations.

Some of the priorities for FY2024 are as follows:



## BSC Effectiveness Review and Performance

During the year under review, the Board assessed the performance of the BSC through the annual Board Effectiveness Evaluation. The Board is satisfied that the BSC has effectively discharged its functions, duties and responsibilities in accordance with the TOR of the BSC.

## NON-EXECUTIVE DIRECTORS COMMITTEE REPORT

The Non-Executive Directors Committee (“NEDC”) of Top Glove is pleased to present the NEDC Report for FY2023.

The Board had on 16 March 2023, renamed the Independent Directors Committee (“IDC”) to NEDC and adopted its revised Terms of Reference to reflect the current Board composition and meet the business needs of the Group. The NEDC adds value by providing a broader perspective of the Company’s issues and protecting the interests of stakeholders.

## Corporate Governance Overview Statement

## Composition

The NEDC members comprises all Non-Executive Directors as follows. It is led by the Senior Independent Non-Executive Director:

Members	Meeting attendance
1. Sharmila Sekarajasekaran (Chairperson)	3/3 (100%)
2. Datuk Dr. Norma Mansor	3/3 (100%)
3. Azrina Arshad	2/3 (66%)
4. Martin Giles Manen	3/3 (100%)
5. Dr Ngo Get Ping	3/3 (100%)
6. Dato' Lee Kim Meow	1/3 (33%)
7. Dr Chong Su-Lin	2/3 (66%)
8. Rowina Ghazali Seth	3/3 (100%)

Note: Both Datuk Noripah Kamso and Dato' Kong Sooi Lin had stepped down as NEDC members upon their retirements from the Board during the Company's 24<sup>th</sup> AGM held on 6 January 2023.

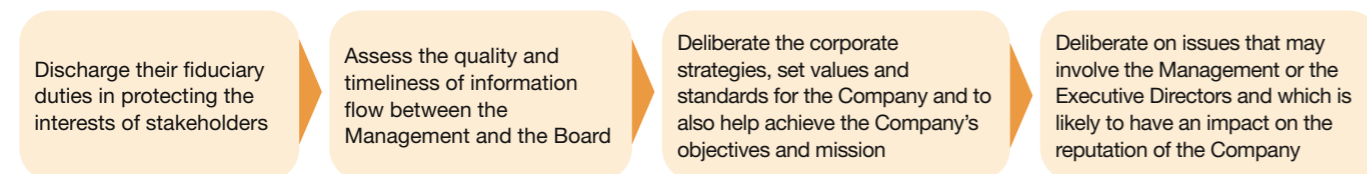
## Meetings and Attendance

In FY2023, the NEDC met three (3) times without the presence of the Executive Directors and/or the Management to discuss among others, strategic, governance and operational issues relating to the Group. The Managing Director, Executive Director and certain Management personnel were invited to the NEDC meeting to respond to questions from the NEDC. The Company Secretary was in attendance at every NEDC meeting.

Total hours for  
NEDC meeting for  
FY2023:  
**6 hours**

## Roles and Responsibilities

Key responsibilities of the NEDC are as follows:



## Key Areas of Focus during FY2023:

Concerns raised and matters deliberated at the NEDC meetings and recommendations of the NEDC were put forth to the Board for deliberation and endorsement. Those highlighted concerns and matters are as follow:



As part of Directors' fiduciary duty during this challenging period, the NEDC has committed their time to meet regularly to provide guidance and recommendations to the Management on certain material issues within their expertise to overcome whatsoever challenges encountered. The NEDC had also participated in an engagement session with factory operations staff and workers representatives on 6 October 2023.

With great concern on the outlook in business, high employees attrition rate, loss of market share due to stiff competition from new players post-pandemic, Non-Executive Directors ("NEDs") had in December 2022, mooted a separate session with the Management to focus on areas where transformation was urgently required. From this session, NEDs have proceeded with setting up a focus group called Board Business Action Council ("BBAC") with clearly defined Terms of Reference. BBAC consisted of Board Committees Chairs, NEDs and Key Senior Management. The existence of BBAC is for short term i.e. during the crisis period, to advise, guide and support the Management to steer from the stormy conditions. BBAC has in total conducted six (6) meetings where several key areas of improvement were adopted by the Management. BBAC was dissolved at the end of September 2023 upon achieving its objectives.

## Corporate Governance Overview Statement

## B

## PRINCIPLE B: EFFECTIVE AUDIT AND RISK MANAGEMENT

## BOARD AUDIT COMMITTEE REPORT

The Board Audit Committee ("BAC") of Top Glove is pleased to present the BAC Report for FY2023.

## Composition

The BAC comprises four (4) members as follows, all of whom are Independent Non-Executive Directors, which is in line with the Bursa Malaysia Securities Berhad ("Bursa Securities") Main Market Listing Requirements ("Main LR") and the Malaysian Code on Corporate Governance:

Members	Date of Appointment as BAC Member	Tenure on the BAC as at 31 August 2023
1. Martin Giles Manen (Chairman)	25 January 2022	1 Year 7 Months
2. Sharmila Sekarajasekaran	15 October 2015	7 Years 10 Months
3. Dr Ngo Get Ping	6 January 2023	7 Months
4. Dr Chong Su-Lin	16 March 2023	5 Months

Note: Datuk Noripah Kamso had stepped down as a BAC Member upon her retirement from the Board during the Company's 24<sup>th</sup> AGM held on 6 January 2023.

## Meetings and Attendance

In FY2023, the BAC had met eight (8) times, two (2) of which were meetings with the External Auditors, and one (1) of which was a meeting with the Head of Internal Audit, without the presence of the Executive Directors and Management.

The Company Secretary, Managing Director and Head of Internal Audit were in attendance at every meeting while the Senior Management, External Auditors and other Board members would attend the BAC meetings upon invitation, as and when required. During FY2023, the BAC had constantly engaged with the External Auditors and the Head of Internal Audit to keep abreast with the key audit issues and audit concerns affecting the Company.

The Company Secretary will circulate the minutes of the BAC meetings at Board Meetings for notation. The BAC Chair will also brief the Board on the highlights and key issues deliberated during BAC meetings.

Please refer to pages 57 and 58 of this Integrated Annual Report for the attendance record of BAC members.

## Roles and Responsibilities

BAC has been entrusted by the Board to execute its governance and oversight responsibilities in ensuring transparent financial reporting within the Group, guided by the TOR of the BAC. BAC is assisted by an in-house Internal Audit Department to establish cost-effective controls, adhering to the Internal Audit Charter adopted by the BAC.

BAC deliberates the Summary of Internal Audit Reports and the External Auditors' Reports relating to financial, operational, compliance, information technology controls, governance, risk management and control matters every quarter during BAC meeting. The findings and status of preventive and corrective actions for issues discussed are updated to the BAC to ensure that the appropriate actions are taken and being monitored.

With the amendments to Bursa Securities Main LR in relation to enhanced conflict of interest ("COI") disclosures, the scope of BAC's review of COI situation has expanded to include those that arose or persist (in addition to those that may arise) and the measures taken to resolve, eliminate or mitigate the COI. In this regard, upon the recommendation from the BAC, the Board had in October 2023 adopted a comprehensive COI Policy to ensure the Directors and Key Senior Management act in the best interests of the Group and free from any personal, financial, non-financial or other conflicts that may compromise their judgement or impartiality.

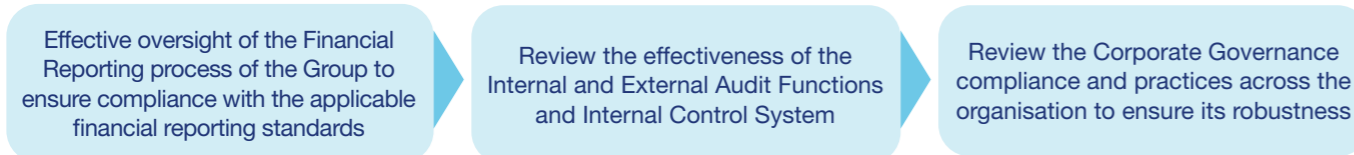
The system of internal controls therefore provides only reasonable, not absolute, assurance against material misstatement or losses. The system of internal controls does, however, provide reasonable assurance that potential issues can be identified promptly and appropriate remedial action can be taken.

The Board has not identified, nor been advised of, any failures or weaknesses which it has determined to be significant. Therefore, a confirmation of necessary actions has not been considered appropriate.

## Corporate Governance Overview Statement

## Corporate Governance Overview Statement

Key responsibilities of the BAC are as follows:



The TOR of the BAC and Internal Audit Charter are available for reference on the Company's website at <https://www.topglove.com/governance-manual/>

## Key Areas of Focus during FY2023:

<b>Financial Reporting</b>	<ol style="list-style-type: none"> <li>Reviewed all four (4) Quarter's Financial Statements and the annual Audited Financial Statements of the Company and recommended the Financial Statements for the Board's approval. Discussions focused particularly on any changes in the accounting policies and its implementation; significant and unusual events arising from audits; the going concern assumption; compliance with accounting standards and other legal requirements; significant matters highlighted in the financial statements; and significant judgements made by Management.</li> <li>Reported its findings on the financial and Management's performance and other material matters to the Board.</li> <li>Deliberated the emerging financial reporting issues pursuant to the introduction of new accounting standards and additional statutory/regulatory disclosure requirements.</li> </ol>
<b>Internal Audit</b>	<ol style="list-style-type: none"> <li>Reviewed the Internal Audit Plan proposed by the Head of Internal Audit to ensure the adequacy of the scope, and that it has the necessary authority to carry out its works.</li> <li>Reviewed salient audit issues together with recommendations from the Internal Audit. BAC considered the highlighted issues, taking into account the Management's responses, upon which approved the internal auditors' proposal for rectification and implementation of the agreed remedial actions for improvement.</li> <li>Reviewed the adequacy and competency of the Internal Audit resources required to carry out Internal Audit engagement works.</li> <li>Undertook the performance assessment of the Internal Audit Function, reviewed the effectiveness of its audit processes and assessed the performance of the overall Internal Audit Department ("IAD").</li> <li>Held separate meeting with the Head of Internal Audit to discuss the results of the assessment and other areas of concern, without the presence of the Executive Directors and Management.</li> </ol>
<b>External Audit</b>	<ol style="list-style-type: none"> <li>Discussed with the External Auditors, before the audit commences, the audit plan, nature and scope of the audit, emphasised areas of audit and ensured coordination where more than one (1) audit firms are involved as well as the External Auditors' evaluation of the system of internal controls and audit reports.</li> <li>Discussed and deliberated the External Auditors' reports and recommendations regarding opportunities for improvement of the significant risk areas, internal controls and financial matters areas based on observations made in the course of interim and final audits.</li> <li>Organised two (2) private meetings with the External Auditors without the presence of the Executive Directors and Management to discuss the areas of audit concern.</li> <li>Discussed the results of the annual assessment on the suitability and the independence of the External Auditors pursuant to the Company's External Auditors' Assessment Policy.</li> <li>Reviewed the performance of the External Auditors and recommended its re-appointment and remuneration to the Board.</li> <li>Reviewed and approved the provision of non-audit services rendered by the External Auditor.</li> </ol>
<b>Governance</b>	<ol style="list-style-type: none"> <li>Reviewed the related party transactions ("RPTs") presented by the Management, to ensure that these RPTs are undertaken in the Company's best interest and not detriment to the minority shareholders interest and are done under fair and reasonable grounds and normal commercial terms.</li> <li>Reviewed the Whistleblowing and Anti-Corruption Policies and Procedures and incidents/cases of the Group.</li> <li>Reviewed the Integrated Annual Report, covering the Value Creation Report, BAC Report, Statement on Risk Management and Internal Control and Corporate Governance Overview Statement and Report to ensure adherence to legal and regulatory reporting requirements and appropriate resolution of all accounting matters requiring significant judgement, followed by recommendation for the Board's approval.</li> <li>Reviewed the Group's cash flow budget, Business Units performance and capital expenditures.</li> <li>Verified and ensured the allocation of Employees Share Option Scheme ("ESOS") and Employees Share Grant Plan ("ESGP") complied with the criteria as stipulated in the By-Laws of ESOS and ESGP of the Company respectively.</li> <li>Reviewed and deliberated the corporate governance development and practices of the Company and areas for improvement.</li> <li>Reviewed Social Audit Compliance of the Group and the implementation of mitigation plans.</li> <li>Reviewed the initiatives by Group IT Department on cybersecurity and IT systems to strengthen control process.</li> <li>Assessed the Enablers for Business and Human Rights under BAC's purview.</li> </ol>

## Professional Development programmes

During FY2023, all the BAC members have attended various seminars, professional development programmes and conferences. The list of programmes attended is disclosed in the Corporate Governance Report 2023 on pages 15 to 20 which is available for reference on the Company's website at <https://www.topglove.com/governance-manual/>

## Internal Audit Function

The Internal Audit Department ("IAD") consists of ten (10) members and is led by Mr. Lim Lung Fui @ Jack. Mr. Lim is a member of the Malaysian Institute of Accountants and has over twenty (20) years of experience in operational and financial audits. He also has experience in fraud prevention and detection, as well as risk management.

The principal objective of the IAD is to regularly review the systems of controls, procedures and operations to provide reasonable assurance that the internal control system is sound, adequate and satisfactory. The IAD provides the BAC with independent and objective reports on the state of internal controls of the operating units within the Group and the extent of compliance by such units with the Group's established policies, plans and procedures and the regulatory requirements of the relevant authorities. The BAC reviews and approves the Internal Audit plan of the Group submitted by the Head of Internal Audit.

During FY2023, the IAD conducted audits of various departments within the head office functions as well as the Group's factories and subsidiaries. Summaries of the Internal Audit reports were issued to the BAC on a quarterly basis and discussed in the BAC meetings. Additionally, key issues were presented to top management monthly to ensure that critical issues were addressed promptly, enabling respective business units to mitigate the associated risks immediately. Detailed audit reports were provided to the respective operations management, which included audit recommendations and management's responses to any identified weaknesses in the systems and controls. The IAD conducted follow-up audits to ensure that the agreed-upon audit recommendations were implemented appropriately.

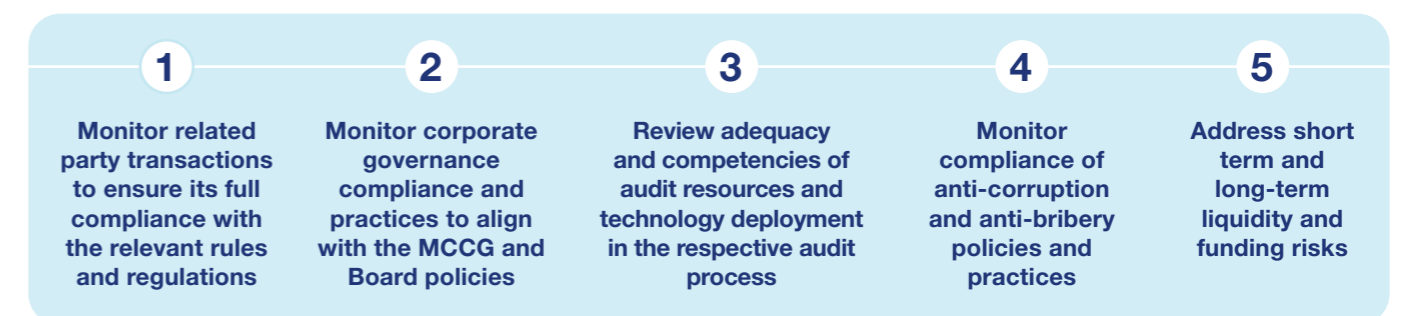
All members of the IAD actively participate in attending training programmes conducted by professional certification bodies or in-house, sharing knowledge via transfer of learning to keep abreast with the latest developments in the profession, relevant industry and regulations to effectively perform their roles. Each IAD member is required to achieve at least 45 training hours during FY2023.

The total cost incurred for the in-house Internal Audit function for FY2023 was RM1,140,565 (FY2022: RM1,018,593).

## Looking Ahead

The BAC will continue its role in supporting the Board in its governance and oversight responsibilities in ensuring the effectiveness of the Group's financial reporting, Internal and External Audit Functions.

Some of the priorities for FY2024 in addition to its regular activities are as follows:



## BAC Effectiveness Review and Performance

During the year under review, the Board assessed the performance of the BAC through the annual Board Effectiveness Evaluation. The Board is satisfied that the BAC has effectively discharge its functions, duties and responsibilities in accordance with the TOR of the BAC.

The BAC assessed the Committee as a whole as well as the Head of Internal Audit. The BNRC will then review the evaluation results. The BAC also evaluated the effectiveness of the Internal Audit function and the External Auditors' performance and their independence which will then be recommended to the Board. Based on the assessment, the Board is satisfied with the overall performance of the Internal Audit function and the External Auditors' performance and their independence.

## Corporate Governance Overview Statement

### BOARD RISK, INVESTMENT AND COMPLIANCE COMMITTEE REPORT

The Board Risk and Investment Committee (“BRIC”) of Top Glove is pleased to present the BRIC Report for FY2023. The Board had in October 2023, resolved to rename the existing BRIC to Board Risk, Investment and Compliance Committee (“BRICC”), to reinforce the Company’s commitment to compliance culture within the Group.

Acknowledging the dynamic global economy and rapid changing business environment, the Board recognises the significance of anticipating, adapting and evolving for business sustainability, particularly in risk management. The Board entrusts the responsibility of risk oversight to the BRICC and through the BRICC, the Board monitors and regularly reviews the effectiveness of the Group’s risk management and internal control systems, including controls related to financials and investments, operational, reputational, cyber security, sustainability and regulatory compliance from strategic perspective.

#### Composition

The BRICC comprises four (4) members as follows, all of whom are Non-Executive Directors with majority being Independent Directors, which met the best practices under the Malaysian Code on Corporate Governance (“MCCG”):

Members	Date of Appointment as BRICC Member	Tenure on the BRICC as at 31 August 2023
1. Dr Ngo Get Ping (Chairman)	6 January 2023	7 Months
2. Datuk Dr. Norma Mansor	12 May 2017	6 Years 3 Months
3. Martin Giles Manen	25 January 2022	1 Year 7 Months
4. Dato’ Lee Kim Meow	20 September 2022	11 Months

Note: Datuk Noripah Kamsu had stepped down as a BRICC member upon her retirement from the Board during the Company’s 24<sup>th</sup> AGM held on 6 January 2023.

#### Meetings and Attendance

In FY2023, the BRICC had met four (4) times. The Company Secretary, Managing Director and Head of Risk Management were in attendance at every meeting while the Executive Director, Head of Internal Audit, Senior Management and other Board members would attend the BRICC meetings upon invitation, as and when required.

The Company Secretary will circulate the minutes of the BRICC meetings at Board Meetings for notation. The BRICC Chair will also brief the Board on the highlights and key issues deliberated during BRICC meetings.

Please refer to pages 57 and 58 of this Integrated Annual Report for the attendance record of BRICC members.

#### Roles and Responsibilities

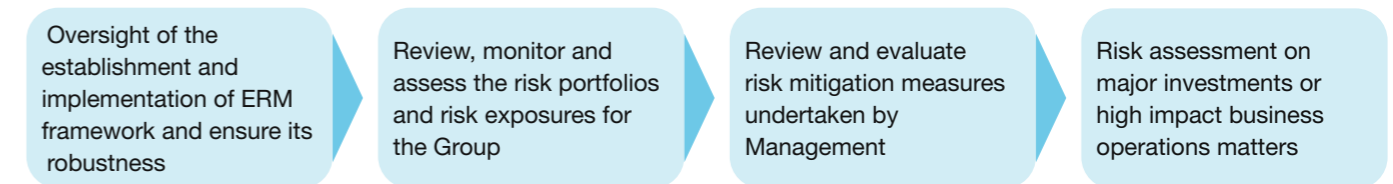
The Risk Management Department is responsible for developing the Group’s Enterprise Risk Management (“ERM”) Framework for all business processes which will be reviewed by the BRICC and approved by the Board. The ERM Framework ensures that a structured risk management process which incorporates key process relating to the identification, assessment, mitigation, monitoring and reporting of the Group’s risks and controls is adopted across the Group.

The BRICC is assisted by an in-house Risk Management Department and the Risk Management Committee to effectively discharge its responsibilities in assessing risks, recommending measures to mitigate those identified risks and ensuring effective control and governance process are in place.

The Risk Management Department presents the key risk exposures, mitigation measures as well as Risk Management updates and report to the BRICC for an overview of the Group’s significant risks and action plans to mitigate the risks at BRICC meetings held quarterly. The BRICC provides its views which are then communicated to the respective business risk owners across the Group’s operating entities. The significant risks, proceedings, findings and recommendations are then escalated to the Board for its attention upon deliberation by the BRICC.

## Corporate Governance Overview Statement

Key responsibilities of the BRICC are as follows:



The TOR of the BRICC is available for reference on the Company’s website at <https://www.topglove.com/governance-manual/>

#### Key Areas of Focus during FY2023:

<b>Framework, Policy &amp; Guidelines</b>	<ol style="list-style-type: none"> <li>1. Reviewed the ERM Framework and BRICC Terms of Reference to strengthen ERM processes.</li> <li>2. Reviewed the Risk Management Annual Plan to further enhance the Group’s resilience and governance level.</li> <li>3. Reviewed the Group Compliance Framework to elevate the Group’s compliance culture.</li> <li>4. Reviewed the Company’s Investment Policy and Guidelines.</li> </ol>
<b>Risk Monitoring</b>	<ol style="list-style-type: none"> <li>1. Reviewed the Group’s key risk exposures and mitigation measures.</li> <li>2. Ongoing Risk Management and Compliance updates and report.</li> <li>3. Ongoing external social audit findings and results.</li> <li>4. Assessed the Enablers for Business and Human Rights under BRICC’s purview.</li> <li>5. Assessed emerging risk and mitigation plans for ESG risk and reputational risk.</li> <li>6. Assessed risks associated with the Group’s IT cybersecurity.</li> </ol>
<b>Appraise New Business Ventures &amp; Corporate Proposal</b>	Risk assessment of new business ventures and major projects undertaken.

#### Looking Ahead

The BRICC will continue its supporting role to the Board in its risk oversight responsibilities to ensure the robustness of the ERM framework.

Some of the priorities for FY2024 in addition to its regular activities are as follows:



#### BRICC Effectiveness Review and Performance

During the year under review, the Board assessed the performance of the BRICC through the annual Board Effectiveness Evaluation. The Board is satisfied that the BRICC has effectively discharged their functions, duties and responsibilities in accordance with the TOR of the BRICC.

## Corporate Governance Overview Statement

## Corporate Governance Overview Statement

### C

#### Principle C: Integrity in Corporate Reporting and Meaningful Relationship with Stakeholders

The Group considers stakeholder engagement as crucial and believes in effective communication and proactive engagement to establish mutual understanding between the Group and its stakeholders, aiming for long-term success.

While most stakeholder engagement is undertaken by our experienced and dedicated Management team, the Board is continually apprised of stakeholders matters. The Directors will also make themselves available whenever required to engage directly with stakeholders, as demonstrated by Directors' participation in employee or workers forums. The Board received regular updates from the Managing Director, Executive Directors and Senior Management on stakeholder insights and feedback, enabling informed decision-making. It also allows the Board to oversee and monitor effectively the work being done within the stakeholder environment and provides opportunity for the Directors to appraise and/ or to challenge, where appropriate, the work being done by the Management and any associated decisions. The Board acknowledges that the needs and priorities of each stakeholder group may change, so it therefore seeks to understand the needs and priorities of the relevant stakeholders during the decision-making process.

Being mindful of the interests of our stakeholders is embedded in Top Glove's DNA and is inherent in the Group's decision-making processes. Therefore, while decisions are frequently made at an operational level, the Directors are confident that due consideration and regard is always given to how the decisions may impact its stakeholders and the consequences of such decisions in the long-term.

#### HAVING REGULAR AND TRANSPARENT COMMUNICATION WITH STAKEHOLDERS

The Board is fully committed in maintaining a high standard in the dissemination of relevant and material information on the developments of the Group to the stakeholders.

The Company has always been providing as much information on a voluntary basis in addition to complying with Bursa Securities Main Market Listing Requirements through media releases. The Board is mindful of the legal and regulations governing the release of material and sensitive information to avoid misleading shareholders. Therefore, information that is price-sensitive or any undisclosed material information about the Group is not disclosed to any party until it is ready for simultaneous distribution.

In addition to the existing Corporate Disclosure Policy, the Board has adopted the Shareholders Communication Policy and Procedure to ensure that communications to the public regarding the Group are timely, factual, accurate and complete. The said Policies outline the central principles and practices in communicating with investors, shareholders, media and regulators.

The Corporate Disclosure Policy and Shareholders Communication Policy and Procedure are accessible through the Company's website: <https://www.topglove.com/governance-manual/>

The Company has been using the following formal channels to communicate with shareholders and stakeholders:

- |  |   |
|--|---|
| <p><b>1. Integrated Annual Report:</b><br/><a href="https://www.topglove.com/annual-report/">https://www.topglove.com/annual-report/</a></p>                   | <p><b>4. General Meeting:</b><br/><a href="https://www.topglove.com/investor-relations-event">https://www.topglove.com/investor-relations-event</a></p> |
| <p><b>2. Website:</b><br/><a href="https://www.topglove.com">https://www.topglove.com</a></p>  | <p><b>5. Newsroom and Press Release:</b><br/><a href="https://www.topglove.com/newsroom">https://www.topglove.com/newsroom</a></p>                      |
| <p><b>3. Corporate Announcement:</b><br/><a href="https://www.topglove.com/investor-relations-event">https://www.topglove.com/investor-relations-event</a></p> | <p><b>6. Investor Relations:</b><br/><a href="https://www.topglove.com/ir-overview-en">https://www.topglove.com/ir-overview-en</a></p>                  |

The details of how the Company has been engaging with its stakeholders can be found on pages 75 to 77 of the Corporate Governance Report 2023, which is available on our website at <https://www.topglove.com/governance-manual/>

#### Financial Calendar

Release Dates of Financial Results and Holding Dates of Analyst Briefings:

<p><b>14 December 2022</b></p> <p>Unaudited consolidated results for the first quarter ended 30 November 2022</p>	<p><b>16 March 2023</b></p> <p>Unaudited consolidated results for the second quarter and half year ended 28 February 2023</p>	<p><b>16 June 2023</b></p> <p>Unaudited consolidated results for the third quarter ended 31 May 2023</p>	<p><b>6 October 2023</b></p> <p>Unaudited consolidated results for the fourth quarter and financial year ended 31 August 2023</p>	<p><b>11 December 2023: AGM Notice date</b></p> <p>Issuance of Integrated Annual Report 2023</p>
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Note: All the Quarterly Results Analyst Briefings FY2023 were held virtually on the same date as the Financial Results release date.



#### IR Contact and Feedback

Investor queries and feedback pertaining to financial performance or developments may be directed to the Head of Investor Relations team:

**Name :** Mr Lim Cheong Guan  
(Managing Director)  
**Tel :** +603 3362 3098  
**Fax :** +603 3362 3860  
**Email :** [invest@topglove.com.my](mailto:invest@topglove.com.my)



#### Corporate Matters

Corporate Announcements and General Meetings related queries and feedback may be referred to the Head of Corporate Services Department:

**Name :** Ms Kassy Lim Keat See  
(Company Secretary)  
**Tel :** +603 3362 3098  
**Fax :** +603 3362 3860  
**Email :** [topglovecosec@topglove.com.my](mailto:topglovecosec@topglove.com.my)



#### Media Enquiries

Media related enquiries and feedback may be referred to the Head of Corporate Communications Department:

**Name :** Ms Michelle Voon Wei-Ann  
**Tel :** +603 3362 3098  
**Fax :** +603 3362 3860  
**Email :** [media@topglove.com.my](mailto:media@topglove.com.my)



▲ Engagement Session between Top Glove's Non-Executive Directors and Factory Operations Staff & Workers Representatives on 6 October 2023

## Corporate Governance Overview Statement

### OTHER COMPLIANCE INFORMATION:

#### 1 Utilisation of Proceeds

There were no funds raised by the Company through any corporate proposal during FY2023.

#### 2. Audit & Non-Audit Fees

Details of statutory audit, audit-related and non-audit fees paid/payable in the FY2023 to Ernst & Young PLT are as follows:

Type of Fees	Top Glove (RM)	Top Glove Group (RM)
a) Audit fees		
• Messrs. Ernst & Young PLT, Malaysia	86,000	726,680
b) Non-Audit fees		
• Messrs. Ernst & Young PLT, Malaysia	146,620	171,620
<b>Total:</b>	<b>232,620</b>	<b>898,300</b>

Note:

The Non-Audit fees incurred by the Company were mainly on reviewing internal control and IT system, impairments of assets and goodwill assessments as well as Singapore regulatory matters.

#### 3. Recurrent Related Party Transactions

During FY2023, there were no recurrent related party transactions of a revenue or trading nature involving the Directors and/or substantial shareholders of the Company.

#### 4. Material Contracts

During FY2023, there were no material contracts entered into by the Company and its subsidiaries involving the interests of Directors, Chief Executive and/or major shareholders.

#### 5. Material Contracts Relating to Loans

During FY2023, there were no material contracts relating to loans entered into by the Company and its subsidiaries involving the interests of Directors, Chief Executive and/or major shareholders.

#### 6. Insider Trading

During FY2023, there was no insider trading reported.

#### 7. Employees Share Option Scheme ("ESOS")

The details of the ESOS for FY2023 are as follows:

Total number of ESOS options granted	7,215,000
Percentage of ESOS options granted to the Directors and Senior Management (Management Ownership)	16% of the total ESOS option granted
Total number of ESOS options exercised	819,600
<b>Total ESOS options outstanding as at 31 August 2023</b>	<b>138,527,700</b>

Other than the above, there were no issuance of convertible securities during FY2023. The number of ESOS options granted and exercised by the Directors as well as their ESOS options outstanding are disclosed on page 87 of this Integrated Annual Report.

The details of the issued and paid-up share capital of the Company as at 31 August 2023 are as follows:

	No. of Shares	RM
As at 1 September 2022	8,207,105,234	1,842,189,165.23
Ordinary Shares issued pursuant to the ESOS	819,600.00	812,822.40
ESOS compensation reserve	0	269,538.00
ESOS cost	0	(543.00)
<b>As at 31 August 2023</b>	<b>8,207,924,834</b>	<b>1,843,270,982.63</b>

## Statement on Risk Management and Internal Control

The Statement on Risk Management and Internal Control is made in accordance with Paragraph 15.26 (b) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities") and guided by the Statement on Risk Management and Internal Control - Guidelines for Directors of Listed Issuers. This Statement outlines the nature and scope of the enterprise risk management and internal control systems within the Group during the year under review.

### BOARD RESPONSIBILITY

The Board is committed to establishing and maintaining a sound, effective and efficient system of enterprise risk management and internal control to safeguard shareholders' investment and the Group's asset.

The enterprise risk management and internal control system are designed to identify and manage the Group's risks in order to achieve the Group's business objectives. The Board is aware that the enterprise risk management and internal control system can only provide reasonable and not absolute assurance against the risk of material loss or occurrences of unforeseeable circumstances.

### RISK MANAGEMENT GOVERNANCE

The Board regards risk management as an integral part of all business operations. Hence, the Board assumes the responsibility of managing major risks and ensures the implementation of a dynamic system to manage risk exposure within the acceptable level of tolerance.

To fulfil its oversight responsibility, the Board, through delegation to the Board Risk, Investment and Compliance Committee ("BRICC"), reviews the adequacy and integrity of the Group's enterprise risk management system which includes the key processes of risk identification, assessment, mitigation, monitoring and reporting. Furthermore, BRICC is also assigned with the oversight role to review key risks, funding options & costs, and investment returns associated with proposed major investments which are subject to the Board's approval prior to the submission of such proposal to the Board.

In addition, a Risk Management Committee ("RMC") was formed in May 2013 to facilitate the risk management initiative at the Management level. RMC is chaired by the Managing Director and comprises heads of business units or support functions, who are risk owners themselves, as members. RMC serves as the driving force behind the day-to-day risk management activities. Its main functions encompass provision of regular feedback on status of risk factors to facilitate informed management decision-making, execution of appropriate risk mitigation measures and progress monitoring thereof, as well as identification of new and emerging risk factors.

The establishment of Risk Management Committee acts as an accountable point of contact for an enterprise risk at the senior leadership level, who coordinates efforts to identify, mitigate and manage the risk with the person in charge who owns whole or part of the risk to ensure effective full coverage of risk assessment of all business units locally and globally.

### ENTERPRISE RISK MANAGEMENT SYSTEM

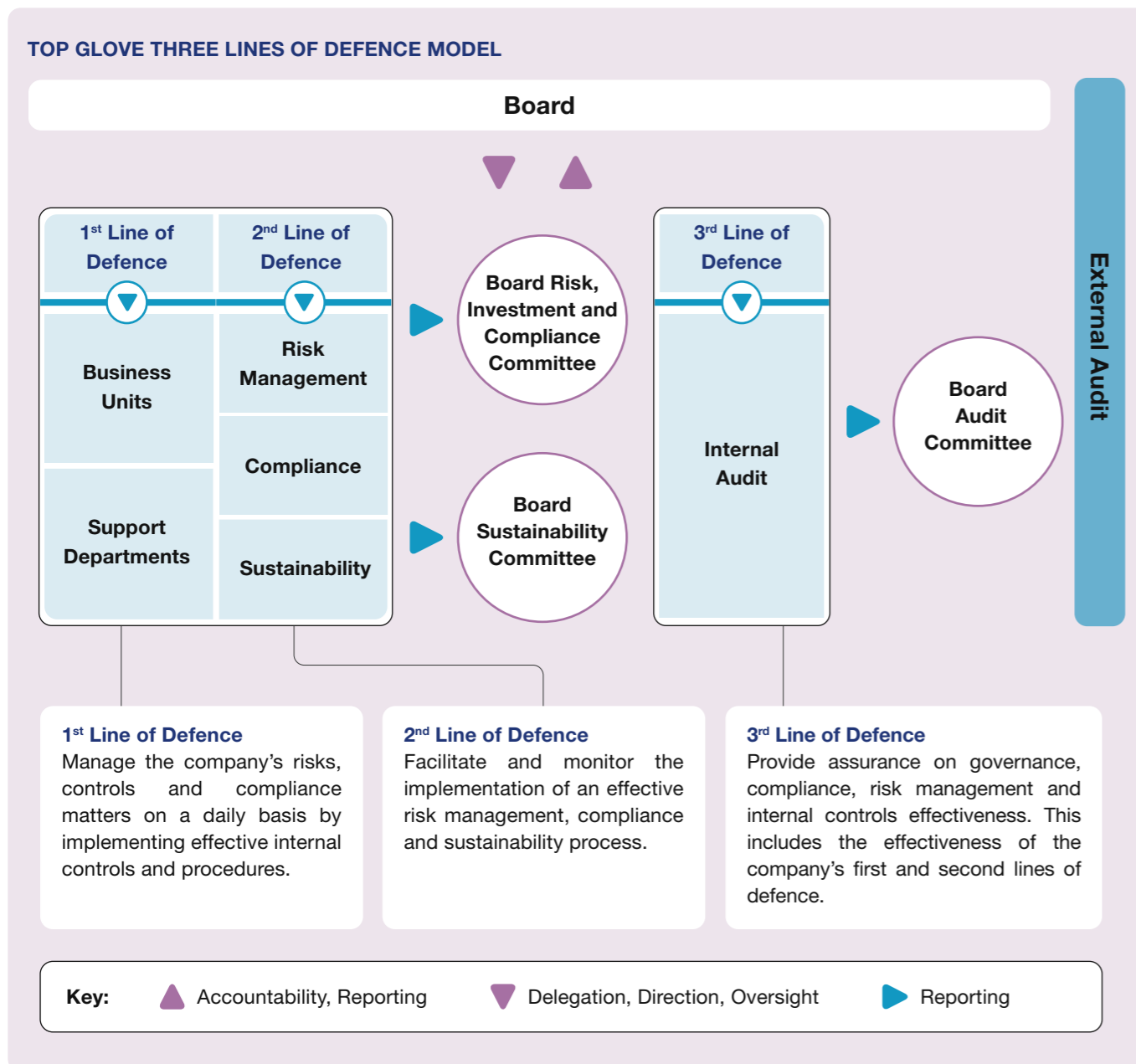
The Group's Enterprise Risk Management Framework is set up in accordance with ISO 31000:2018 Risk Management Guideline where risks arising from the business and manufacturing operations are continuously identified. These identified risks are incorporated into the risk register and are further assessed to determine if the risk rating is Extreme, High, Medium or Low. The risk rating process is guided by a matrix of possibility of occurrence and the associated impacts, of which both financial and non-financial consequences are duly considered. Thereafter, owners of these risks will drive the implementation of risk mitigation measures towards achieving a residual risk that is within the acceptable tolerance level.

Updates on the progress and adequacy of the mitigation measures are assessed and reported on a quarterly basis. In addition, any identified emerging critical risk factors will be incorporated into the risk register and managed in accordance to the Group's enterprise risk management methodology. Outcome of the RMC meetings will subsequently be escalated to the BRICC for further deliberation.

The BRICC will subsequently report the major risks to the Board of Directors to ensure that the risk exposures are acceptable and appropriate level of risk mitigation are being implemented. This approach creates a robust enterprise risk management system that is self-sustaining and will continue to evolve in response to changing business environment.

In order to provide a robust structure around risk management and internal controls within the Group, Three Lines of Defence model is adopted by the Group to ensure clear functional responsibilities and accountabilities for the management of risk, compliance and internal control. This is reflected in the Three Lines of Defence model which were adopted by the Group as depicted below.

## Statement on Risk Management and Internal Control



### INTERNAL CONTROL GOVERNANCE

The Management team, led by Executive Chairman, Managing Director and Executive Directors, comprises experienced personnel who are subject matter experts in their own specialised fields. The Management team are held accountable for the conduct and performance within their assigned business units and support functions. Internal control principles are strongly advocated and embedded into the various day-to-day operational policies and procedures of the business units and support functions concerned. These assigned business units and support functions will conduct its management meetings at regular interval to monitor its performance, action plan progress and gather further feedback for improvement purposes.

To fulfil its oversight responsibility, the Board Audit Committee ("BAC") is committed to review the adequacy and effectiveness of the Group's internal control system. In this respect, the Group's Internal Audit Department ("IAD") has been set up in financial year ended 31 August 2003 to undertake the obligation of providing control assurance services to the Group.

The External Auditor provides further assurance to the BAC 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 to the attention of the BAC through management letters and discussion at the BAC Meeting.

## Statement on Risk Management and Internal Control

### INTERNAL AUDIT FUNCTION

The Group has in place an in-house IAD which provides to the Board, through the BAC, independent assessment and assurance on the adequacy and effectiveness of the Group's system of internal controls.

The work scope of IAD encompasses the examination and evaluation of the adequacy, existence and effectiveness of the system of internal control, risk management and corporate governance of the group, which includes, inter alia, the following:



The audit reports are presented and tabled at quarterly BAC meetings to preserve its independence and objectivity. Significant internal audit findings and status update on outstanding management action plan will be brought to the attention of BAC. If deemed necessary, management representative will be required to attend BAC meeting to provide explanation and propose an action plan on the unresolved issues.

### REVIEW OF EFFECTIVENESS

The Board is dedicated to operating a sound system of risk management and internal controls, and recognises that the system must continuously evolve to support the progressive business growth of the Group.

The process for identifying, evaluating and managing risks as outlined in this Statement has been in place for the year under review and up to the date of approval of this Statement. During the financial year ended 31 August 2023, IAD advised controls to mitigate relevant operation risks, assisted to automate certain processes previously covered manually and collaborated with the other lines of defence to improve governance across the Group. Progressively, a number of cost-effective ways to reinforce internal control gaps, cost management and SAP system controls had been proposed by IAD and implemented by Management. There has been no material adverse impact to the financial performance of the Group as a result of the internal control gaps detected.

The Board, with the assurance received from the Managing Director and its Executive Director, concludes that the Group's risk management and internal control system are operating adequately and effectively, in all material aspects.

This Statement does not include the state of internal control in associate companies, which has not been dealt with as part of the Group and is aligned with the approval obtained from the Board Audit Committee Chairman.

### REVIEW OF THE STATEMENTS BY EXTERNAL AUDITORS

The External Auditors have performed limited assurance procedures on this Statement on Risk Management and Internal Control pursuant to the scope set out in Audit and Assurance Practice Guide ("AAPG") 3, Guidance for Auditors on Engagements to Report on the Statement on Risk Management and Internal Control included in the Integrated Annual Report issued by the Malaysian Institute of Accountants for inclusion in the Integrated Annual Report of the Group for the FY2023, and reported to the Board that nothing has come to their attention that causes them to believe that this Statement included in the Integrated Annual Report is not prepared, in all material respects, in accordance with the disclosures required by Paragraphs 41 and 42 of the Statement on Risk Management and Internal Control: Guidelines for Directors of Listed Issuers, nor is the Statement factually inaccurate.

AAPG 3 does not require the External Auditors to consider whether the Directors' Statement on Risk Management and Internal Control covers all risks and controls, or to form an opinion on the adequacy and effectiveness of the Group's risk management and internal control system including the assessment and opinion by the Directors and Management thereon. The report from External Auditors was made solely for, and directed solely to the Board of Directors in connection with their compliance with the Bursa Malaysia Securities Berhad Main Market Listing Requirements and for no other purposes or parties. The External Auditors do not assume responsibility to any person other than the Board of Directors in respect of any aspect of this Statement.

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## Directors' Responsibility Statement

For the Audited Financial Statements

The Directors are required by the Companies Act 2016 (CA) to prepare the financial statements for each financial year which have been made out in accordance with applicable Malaysian Financial Reporting Standards (MFRSs), the International Financial Reporting Standards (IFRSs), and the requirements of the CA in Malaysia.

The Directors are responsible to ensure that the financial statements give a true and fair view of the state of affairs of the Group and of the Company at the end of the financial year, and of the results and cash flows of the Group and of the Company for the financial year.

In preparing the financial statements, the Directors ensured that the Management has:

- adopted appropriate accounting policies and applied them consistently;
- made judgements and estimates that are reasonable and prudent; and
- prepared the financial statements on a going concern basis.

The Directors are responsible to ensure that the Group and the Company keep accounting records which disclose the financial position of the Group and of the Company with reasonable accuracy, enabling them to ensure that the financial statements comply with the CA.

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

## 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 31 August 2023.

### PRINCIPAL ACTIVITIES

The principal activities of the Company are investment holding and provision of management services.

The principal activities and other information of the subsidiaries are described in Note 18 to the financial statements.

There have been no significant changes in the nature of these principal activities during the financial year.

### RESULTS

	Group RM'000	Company RM'000
(Loss)/profit net of tax	(885,549)	202,296
(Loss)/profit attributable to:		
Owners of the parent	(925,218)	202,296
Holders of Perpetual Sukuk	46,610	-
Non-controlling interests	(6,941)	-
	(885,549)	202,296

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

In the opinion of the directors, the results of the operations of the Group and of the Company during the financial year were not substantially affected by any item, transaction or event of a material and unusual nature except for impairment losses on goodwill, property, plant and equipment and right-of-use assets of RM208.3 million and property, plant and equipment written off of RM197.2 million as disclosed in Note 11 to the financial statements.

### DIVIDENDS

The directors do not recommend the payment of any dividend for the financial year ended 31 August 2023.

Further details on dividends recognised during the financial year are disclosed in Note 47 to the financial statements.

## Directors' Report (Cont'd)

## DIRECTORS

The names of the directors of the Company in office since the beginning of the financial year to the date of this report are:

Tan Sri Dr Lim Wee Chai*	
Lim Hooi Sin*	
Lim Cheong Guan*	
Ng Yong Lin*	
Dato' Lee Kim Meow	
Sharmila Sekarajasekaran	
Datuk Dr. Norma Binti Mansor	
Azrina Binti Arshad	
Martin Giles Manen	
Dr. Ngo Get Ping	
Rowina Ghazali Seth	(Appointed on 06/01/2023)
Dr Chong Su-Lin	(Appointed on 06/01/2023)
Lester Garson Huang	(Resigned on 13/09/2022)
Lo Kai Yiu, Anthony	(Resigned on 03/10/2022)
Dato' Kong Sooi Lin	(Retired on 06/01/2023)
Datuk Noripah Binti Kamso	(Retired on 06/01/2023)

\* These directors are also directors of the Company's subsidiaries.

The names of the directors of the Company's subsidiaries in office since the beginning of the financial year to the date of this report, not including those directors listed above are:

Bong Khoon Sheng  
Chia Hock Yi  
Choh Ai Ying  
Chong Fei Meng  
Chong Fook Siong  
Chookiad Usaha  
Dato' Dr. Sharifah Fauziah Alhabshi  
Dato' Ir Haji Ahmad Bin Hassan  
Dato' Julie Wong Seng Choo  
Dr. Navindra A/L Nageswaran  
Dr. Pongsak Kerdvonbundit  
Galuh Faradisa  
Ho Chee Meng Edmund  
Ho Kim Nam  
Hue Kon Fah  
Lam Yat Hing  
Law Eng Lim  
Leong Chew Mun  
Lew Sin Chiang  
Liew Say Keong  
Lim Hwa Chuan  
Lim Jin Feng  
Lim Keuw Wei  
Ling Siew Szen  
Low Lee Lee  
Lee Sow Theng  
Masato Katayama  
Ng Seow Wei  
Norhazlin Binti Hamzah  
Oh Teik Chye  
Ong Ah Chye

## Directors' Report (Cont'd)

## DIRECTORS (CONT'D)

The names of the directors of the Company's subsidiaries in office since the beginning of the financial year to the date of this report, not including those directors listed above are (cont'd):

Phattaraporn Fueangthong	
Puah Kean Seng	
Puon Tuck Seng	
Ravi A/L Supramaniam	
Saw Eng Kooi	
Siow Chun Min	
Svami Utama Batang Taris	
Tan Chee Hoong	
Tee Sui Ling	
Thomas Petermoeller	
Wilawan Sakulsongboonsiri	
Wu Kin Yeap	
Yap Rueh Yinn	
Noraziah Binti Mahmud	(Resigned on 23/09/2022)
Chan Siao Yun	(Resigned on 28/11/2022)
Lim Jew Kiat	(Resigned on 28/11/2022)
Koek I Long	(Resigned on 08/08/2023)
See So Kim Huat	(Resigned on 25/08/2023)
Cheoh Hooi Gaik	(Resigned on 30/08/2023)
Dr. Tang Siew Fun	(Resigned on 30/08/2023)
Stephanie Thong Pei Ling	(Resigned on 27/10/2023)

## DIRECTORS' BENEFITS

Neither at the end of the financial year, nor at any time during that year, did there subsist any arrangement to which the Company was a party, whereby the directors might acquire benefits by means of the acquisition of shares in or debentures of the Company or any other body corporate, other than those arising from the share options granted under the employee share options scheme ("ESOS") and the employee share grant plan ("ESGP").

Since the end of the previous financial year, no director has received or become entitled to receive a benefit (other than benefits included in the aggregate amount of emoluments received or due and receivable by the directors or the fixed salary of a full-time employee of the Company as shown below) by reason of a contract made by the Company or a related corporation with a director or with a firm of which the director is a member, or with a company in which the director has a substantial financial interest, except as disclosed in the Note 39 to the financial statements.

The directors' benefits are as follows:

	Group RM'000	Company RM'000
Salaries and other emoluments	9,505	3,177
Fees	1,446	1,365
Pension costs - defined contribution plan	801	363
Social security contributions	83	1
Share options granted under ESOS	162	90
Benefits-in-kind	94	83
	12,091	5,079

## Directors' Report (Cont'd)

## DIRECTORS' BENEFITS (CONT'D)

The Company maintains a liability insurance for the directors and officers of the Group. The total amount of sum insured for the directors and officers of the Group for the financial year amounted to RM10,000,000 whilst the total amount of premium paid was RM70,000. The directors or officers shall not be indemnified by such insurance for any deliberate negligence, fraud, intentional breach of law or breach of trust proven against them.

## DIRECTORS' INTERESTS

According to the register of directors' shareholdings, the interests of directors in office at the end of the financial year in shares and options over shares in the Company during the financial year were as follows:

	Number of ordinary shares			
	At 1.9.2022	Acquired	Sold	At 31.8.2023
Tan Sri Dr <u>Lim</u> Wee Chai				
- direct	2,213,343,256	16,500,000	-	2,229,843,256
- indirect	680,191,448	17,500,000	5,000,000	692,691,448
Lim Cheong Guan				
- direct	418,000	-	-	418,000
Lim Hooi Sin				
- direct	100,061,244	-	-	100,061,244
- indirect	2,793,273,460	34,000,000	5,000,000	2,822,273,460
Dato' Lee Kim Meow				
- direct	2,912,100	-	-	2,912,100
- indirect	120,000	-	-	120,000
Sharmila Sekarajasekaran				
- direct	20,037,500	-	-	20,037,500
- indirect	1,736,000	-	-	1,736,000
Datuk Dr. Norma Binti Mansor				
- indirect	42,900	-	-	42,900
Azrina Binti Arshad				
- direct	10,000	-	-	10,000
Dr. Ngo Get Ping				
- direct	310,000	460,000	-	770,000

## Directors' Report (Cont'd)

## DIRECTORS' INTERESTS (CONT'D)

According to the register of directors' shareholdings, the interests of directors in office at the end of the financial year in shares and options over shares in the Company during the financial year were as follows (cont'd)

	Number of options over ordinary shares			At 31.8.2023
	At 1.9.2022	Granted	Exercised	
Tan Sri Dr <u>Lim</u> Wee Chai	5,697,100	-	-	5,697,100
Lim Hooi Sin	1,041,400	212,500	-	1,253,900
Lim Cheong Guan	923,500	115,500	-	1,039,000
Ng Yong Lin	957,700	117,500	-	1,075,200

None of the other directors in office at the end of the financial year had any interest in shares in the Company or its related corporations during the financial year.

## ISSUE OF SHARES

During the financial year, the Company increased its issued and paid-up ordinary share capital from RM1,842,189,000 to RM1,843,271,000 by way of issuance of 819,600 (2022: 241,200) ordinary shares pursuant to the Company's ESOS at an exercise price between RM0.89 to RM0.99 (2022: between RM1.54 to RM3.86) per ordinary share.

The new ordinary shares issued during the financial year ranked pari passu in all respects with the existing ordinary shares of the Company.

## EMPLOYEE SHARE OPTIONS SCHEME ("ESOS")

At an Extraordinary General Meeting held on 9 January 2018, shareholders approved the ESOS for the granting of non-transferable options that are settled by physical delivery of the ordinary shares of the Company, to the eligible employees and executive directors respectively of the Company and its subsidiaries.

The committee administering the ESOS comprise two executive directors, Tan Sri Dr Lim Wee Chai and Lim Cheong Guan; four independent non-executive directors Martin Giles Manen, Dr. Ngo Get Ping, Sharmila Sekarajasekaran and Datuk Dr. Norma Binti Mansor and one management staff Lim Jin Feng.

The salient features and other terms of the ESOS are disclosed in Note 38(i) to the financial statements.

During the financial year, the Company granted 7,215,000 share options under ESOS. These options will expire on 31 May 2028 and are exercisable if the employee has not served a notice of resignation or receive a notice of termination from the date of grant and certain conditions as detailed in Note 38(i) to the financial statements are met.

Details of the options exercised to subscribe for ordinary shares of the Company pursuant to the ESOS as at 31 August 2023 are as follows:

Expiry date	Exercise price RM	Number of options '000
31 May 2028	0.99	801.0
31 May 2028	0.89	18.6
		819.6

Details of share options granted to directors are disclosed in the section on Directors' interests in this report.

## Directors' Report (Cont'd)

## Directors' Report (Cont'd)

## EMPLOYEE SHARE GRANT PLAN ("ESGP")

At an Extraordinary General Meeting held on 6 January 2016, shareholders approved the ESGP for the eligible employees and executive directors of the Company and its subsidiaries.

The committee administering the ESGP comprise two executive directors, Tan Sri Dr Lim Wee Chai and Lim Cheong Guan; four independent non-executive directors Martin Giles Manen, Dr. Ngo Get Ping, Sharmila Sekarajasekaran and Datuk Dr. Norma Binti Mansor and one management staff Lim Jin Feng.

The salient features and other terms of the ESGP are disclosed in Note 38(ii) to the financial statements.

During the financial year, no share grants under the ESGP to eligible employees and an executive director were granted.

Details of shares granted to directors are disclosed in the section on Directors' benefits in Note 12 of this report.

## TREASURY SHARES

As at 31 August 2023, the Company held as treasury shares a total of 199,764,300 of its 8,207,925,000 issued ordinary shares. Such treasury shares are held at a carrying amount of RM1,412,270,000 and further relevant details are disclosed in Note 34 to the financial statement.

## OTHER STATUTORY INFORMATION

- (a) Before the statements of comprehensive income and statements of financial position of the Group and of the Company were made out, 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 allowance for expected credit loss and satisfied themselves that all known bad debts had been written off and that adequate provision had been made for expected credit loss; and
  - (ii) to ensure that any current assets which were unlikely to realise their values 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 which would render:
- (i) the amount written off for bad debts or the amount of the allowance for expected credit loss in the financial statements of the Group and of the Company inadequate to any substantial extent; and
  - (ii) the values attributed to the current assets in the financial statements of the Group and of the Company misleading.
- (c) At the date of this report, the directors are not aware of any circumstances which have arisen which would render adherence to the existing method of valuation of assets or liabilities of the Group and of the Company misleading or inappropriate.
- (d) At the date of this report, the directors are not aware of any circumstances 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 financial statements misleading.
- (e) At the date of this report, there does not exist:
- (i) any charge on the assets of the Group or 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 of the Group or of the Company which has arisen since the end of the financial year.

## OTHER STATUTORY INFORMATION (CONT'D)

- (f) In the opinion of the directors:
- (i) no contingent 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 or of the Company to meet their obligations when they fall due; and
  - (ii) 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 affect substantially the results of the operations of the Group or of the Company for the financial year in which this report is made.

## AUDITORS

The auditors, Ernst & Young PLT, have expressed their willingness to continue in office.

Auditors' remuneration is as follows:

	Group RM'000	Company RM'000
Ernst & Young PLT	727	86
Other auditors	562	-
	1,289	86

To the extent permitted by law, the Company has agreed to indemnify its auditors, Ernst & Young PLT, as part of the terms of its audit engagement against claims by third parties arising from the audit for an unspecified amount. No payment has been made to indemnify Ernst & Young PLT for the financial year ended 31 August 2023.

Signed on behalf of the Board in accordance with a resolution of the directors dated 28 November 2023.

Lim Cheong Guan

Martin Giles Manen



## Statement by Directors

Pursuant to Section 251(2) of the Companies Act 2016

We, Lim Cheong Guan and Martin Giles Manen, being two of the directors of Top Glove Corporation Bhd., do hereby state that, in the opinion of the directors, the accompanying financial statements set out on pages 96 to 198 are drawn up in accordance with 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 31 August 2023 and of their financial performance and cash flows for the year then ended.

Signed on behalf of the Board in accordance with a resolution of the directors dated 28 November 2023.

Lim Cheong Guan

Martin Giles Manen

## Statutory Declaration

Pursuant to Section 251(1)(b) of the Companies Act 2016

I, Lim Cheong Guan, being the director primarily responsible for the financial management of Top Glove Corporation Bhd., do solemnly and sincerely declare that the accompanying financial statements set out on pages 96 to 198 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 Statutory Declarations Act, 1960.

Subscribed and solemnly declared by the  
above named, Lim Cheong Guan  
at Shah Alam  
on 28 November 2023.

Lim Cheong Guan

Before me,

Commissioner for Oaths

## Independent Auditors' Report

to the members of Top Glove Corporation Bhd. (Incorporated in Malaysia)

### REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

#### Opinion

We have audited the financial statements of Top Glove Corporation Bhd., which comprise the statements of financial position as at 31 August 2023 of the Group and of the Company, and 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 a summary of significant accounting policies, as set out on pages 96 to 198.

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 31 August 2023, 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 audit 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 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 matters 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. We have determined that there are no key audit matters to communicate in our report on the financial statements of the Company. The key audit matters for the audit of the financial statements of the Group are described below. These matters were addressed in the context of our audit of the financial statements of the Group as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have fulfilled the responsibilities described in the *Auditors' responsibilities for the audit of the financial statements* section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis of our audit opinion on the accompanying financial statements.

## Independent Auditors' Report

to the members of Top Glove Corporation Bhd. (Incorporated in Malaysia) (cont'd)

Key audit matters (cont'd)

### Impairment assessment of non-financial assets

MFRS 136 Impairment of Assets requires an entity to assess at the end of each reporting date whether there is any indication that an asset may be impaired. If any such indication exists, management shall estimate the recoverable amount of the asset.

In addition, irrespective of whether there is any indication of impairment, an entity shall also test goodwill acquired in a business combination for impairment annually.

**a) Annual impairment test of goodwill arising from the acquisition of Aspion Sdn. Bhd. ("Aspion")**  
(Refer to Note 4.1, Note 7.2(b) and Note 22 to the financial statements)

As at 31 August 2023, the Group recorded a goodwill of RM796 million arising from the past acquisition of Aspion, which represented 11% of the Group's total assets. The goodwill amount has been allocated to cash generating unit ("CGU") for impairment testing purposes. The Group estimated the recoverable amount of the CGU to which the goodwill is allocated to based on value-in-use ("VIU").

**b) Impairment assessment of property, plant and equipment ("PPE") and rights-of-use assets ("RoU")**  
(Refer to Note 4.13, Note 7.2(c) and Note 15 to the financial statements)

As at 31 August 2023, the carrying amounts of the property, plant and equipment ("PPE") and right of-use assets ("RoU") of the Group are RM3,893 million and RM187 million respectively, which represented 58% of the Group's total assets.

There were indications that the carrying amounts of the Group's PPE and RoU may be impaired due to lower production utilisation rate as well as lower average selling price of gloves.

Management has determined the recoverable amounts of these assets based on either the estimated VIU or the fair value less cost to sell ("FVLCTS") of the respective CGU, whichever is higher.

We have identified the impairment reviews of the goodwill arising from the acquisition of Aspion and the Group's PPE and RoU as areas of audit focus because the reviews involve significant management judgements and estimates, particularly in respect of the assumptions on projected revenue, profit margins, terminal growth rates (which take into consideration the replacement of capital expenditure) and discount rates.

On each of the impairment review, our audit procedures include, amongst others, the following:

- Evaluated management's key assumptions on projected revenue, profit margins and terminal growth rates, by considering the current and expected future economic conditions. We compared the projected revenue to the past trends and compared expected revenue growth rates to relevant future market demand. We also evaluated management's estimates of replacement of capital expenditure included in the terminal cash flow by considering the historical replacement cycle and costs incurred, as well as the expected cost escalation.
- Together with EY valuation specialists, we evaluated the discount rate used to determine the present value of the cash flows and assessed whether the rate used reflects the current market assessment of the time value of money and the risk specific to the asset is the return that the investors would require if they were to choose an investment that would generate cash flows of amounts, timing and risk profile equivalent to those that the entity expects to derive from the asset.
- Assessed the sensitivity of the cash flows to changes in the key assumptions to understand the impact that reasonable alternative assumptions would have on the overall recoverable amount.
- Evaluated the adequacy of the Group's disclosures in the financial statements concerning those key assumptions to which the outcome of the impairment assessment is most sensitive.
- To the extent that management relied on valuation reports provided by independent professional valuers, we have considered the competence, capabilities and objectivity of the professional valuers. We have also assessed the key assumptions and methodology used by independent professional valuers. This would include comparisons with recent transactions involving other similar assets and where applicable, the age, size and tenure.

## Independent Auditors' Report

to the members of Top Glove Corporation Bhd. (Incorporated in Malaysia) (cont'd)

Key audit matters (cont'd)

### Review of costing of finished goods inventories

(Refer to Note 4.16, Note 7.2(a) and Note 23 to the financial statements)

As at 31 August 2023, the Group held RM177 million of finished goods inventories. This represented 3% of total assets of the Group. Total cost of inventories relating to finished goods charged to the consolidated income statement for the year ended 31 August 2023 amounted to RM2,193 million, accounting for 69% of total expenditure (comprises of cost of sales, distribution and selling costs and administrative and general expenses) of the Group.

The finished goods inventories are carried at the lower of cost and net realisable value. The costs of production comprises the cost of purchase of raw materials, labour costs, plus conversion costs such as variable and fixed overhead costs. Significant estimates are involved in determining the basis of allocating the costs of production to the products produced by the Group. The Group relies heavily on the information technology system ("IT system") to ensure that the costs of raw materials, labour costs and overhead costs are correctly allocated to the respective products. Due to the significant estimation involved in the valuation of finished goods inventories, we considered this a key area of audit focus.

Our audit procedures include, amongst others, the following:

- Obtained an understanding of the Group's current inventories costing policy, production processes and the types of costs included in the valuation of finished goods inventories.
- Evaluated the general and logical access controls surrounding the IT system by involving our IT audit professionals.
- Agreed, on a sampling basis, the costs of purchase of raw materials to suppliers' invoices and tested other components of costs of production to the underlying supporting documentation.
- Assessed the appropriateness of the basis used by management in allocating the costs of production to the products produced by the Group and tested the relevant application controls surrounding the allocation.

### 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 this 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 Standards 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.



## Independent Auditors' Report

to the members of Top Glove Corporation Bhd. (Incorporated in Malaysia) (cont'd)

### Responsibilities of the directors for the financial statements (cont'd)

In preparing the financial statements of the Group and of the Company, the directors are responsible for assessing the Group's and 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.

### 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 of the Group and of the Company 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 audit 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, actions taken to eliminate threats or safeguards applied.

## Independent Auditors' Report

to the members of Top Glove Corporation Bhd. (Incorporated in Malaysia) (cont'd)

### Auditors' responsibilities for the audit of the financial statements (cont'd)

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 or regulation precludes 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.

### 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 are disclosed in Note 18 to the financial statements.

### OTHER MATTERS

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.

Ernst & Young PLT  
202006000003 (LLP0022760-LCA) & AF 0039  
Chartered Accountants

Kuala Lumpur, Malaysia  
28 November 2023

Lai Nai Ting  
No. 03677/07/2024J  
Chartered Accountant

## Statements of Profit or Loss

For the financial year ended 31 August 2023

	Note	Group		Company	
		2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
<b>Revenue</b>	8	<b>2,257,221</b>	5,572,349	<b>205,229</b>	202,359
Cost of sales		<b>(2,192,901)</b>	(4,618,972)	-	-
<b>Gross profit</b>		<b>64,320</b>	953,377	<b>205,229</b>	202,359
<b>Other items of income</b>					
Interest income	9	<b>17,357</b>	24,313	<b>12,921</b>	14,351
Other income	10	<b>44,276</b>	88,504	<b>14,936</b>	17,207
<b>Other items of expense</b>					
Distribution and selling costs		<b>(76,665)</b>	(171,689)	-	-
Administrative and general expenses		<b>(525,657)</b>	(499,919)	<b>(27,110)</b>	(81,072)
Impairment losses on goodwill, property, plant and equipment and right-of-use assets	11	<b>(208,337)</b>	-	-	-
Property, plant and equipment written off	11	<b>(197,183)</b>	(28,031)	-	-
Finance costs		<b>(12,746)</b>	(4,421)	<b>(11)</b>	(13)
Share of results of an associate		<b>(5,780)</b>	(3,710)	-	-
<b>(Loss)/profit before tax</b>	11	<b>(900,415)</b>	358,424	<b>205,965</b>	152,832
Income tax credit/(expense)	13	<b>14,866</b>	(76,834)	<b>(3,669)</b>	(1,351)
<b>(Loss)/profit net of tax</b>		<b>(885,549)</b>	281,590	<b>202,296</b>	151,481
<b>(Loss)/profit attributable to:</b>					
Owners of the parent		<b>(925,218)</b>	225,564	<b>202,296</b>	151,481
Holder of Perpetual Sukuk		<b>46,610</b>	50,164	-	-
Non-controlling interests		<b>(6,941)</b>	5,862	-	-
		<b>(885,549)</b>	281,590	<b>202,296</b>	151,481
<b>(Loss)/earnings per share attributable to owners of the parent (sen):</b>					
- Basic	14	<b>(11.55)</b>	2.82		
- Diluted	14	<b>(11.55)</b>	2.82		

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

## Statements of Comprehensive Income

For the financial year ended 31 August 2023

	Group		Company	
	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
(Loss)/profit net of tax	<b>(885,549)</b>	281,590	<b>202,296</b>	151,481
<b>Other comprehensive (loss)/income:</b>				
<i>Items that may be reclassified subsequently to profit or loss:</i>				
Net movement on debt securities at fair value through other comprehensive income (Note 35)	<b>(3,279)</b>	(12,901)	<b>(3,279)</b>	(11,201)
Foreign currency translation differences of foreign operations	<b>53,036</b>	(15,408)	-	-
Revaluation of right-of-use assets upon transfer of properties to investment properties	<b>10</b>	-	-	-
Revaluation of property, plant and equipment upon transfer of properties to investment properties	<b>9,751</b>	-	-	-
Income tax effect relating to the components of other comprehensive income	<b>(976)</b>	-	-	-
<b>Other comprehensive income/(loss) for the year, net of tax</b>	<b>58,542</b>	(28,309)	<b>(3,279)</b>	(11,201)
<b>Total comprehensive (loss)/income for the year</b>	<b>(827,007)</b>	253,281	<b>199,017</b>	140,280
<b>Total comprehensive (loss)/income attributable to:</b>				
Owners of the parent	<b>(868,495)</b>	198,565	<b>199,017</b>	140,280
Holder of Perpetual Sukuk	<b>46,610</b>	50,164	-	-
Non-controlling interests	<b>(5,122)</b>	4,552	-	-
	<b>(827,007)</b>	253,281	<b>199,017</b>	140,280

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

## Statements of Financial Position (Group)

As at 31 August 2023

	Note	2023 RM'000	2022 RM'000
<b>Assets</b>			
<b>Non-current assets</b>			
Property, plant and equipment	15	3,893,084	4,522,203
Right-of-use assets	16	187,096	223,833
Investment properties	17	419,699	227,400
Investment in an associate	19	3,579	9,359
Deferred tax assets	20	4,583	15,911
Biological assets		647	1,170
Investment securities: Unquoted investments	21	392	392
Intangible assets	22	864,465	1,005,325
		<b>5,373,545</b>	<b>6,005,593</b>
<b>Current assets</b>			
Inventories	23	301,496	575,262
Trade and other receivables	24	182,622	258,791
Other current assets	25	85,255	96,061
Tax recoverable		10,202	230,087
Investment securities: Money market funds	21	630,186	277,093
Investment securities: Debt securities	21	32,864	236,223
Derivative financial instruments	26	-	3
Cash and bank balances	27	285,416	437,597
		<b>1,528,041</b>	<b>2,111,117</b>
Assets held for sale	28	159,984	-
		<b>1,688,025</b>	<b>2,111,117</b>
<b>Total assets</b>		<b>7,061,570</b>	<b>8,116,710</b>
<b>Equity and liabilities</b>			
<b>Current liabilities</b>			
Loans and borrowings	29	540,356	306,122
Trade and other payables	30	265,261	459,357
Contract liabilities	31	102,995	216,565
Lease liabilities	32	1,710	2,610
Income tax payable		13,038	11,765
Derivative financial instruments	26	507	69
		<b>923,867</b>	<b>996,488</b>
<b>Net current assets</b>		<b>764,158</b>	<b>1,114,629</b>

## Statements of Financial Position (Group)

As at 31 August 2023 (cont'd)

	Note	2023 RM'000	2022 RM'000
<b>Non-current liabilities</b>			
Loans and borrowings	29	14,149	92,964
Lease liabilities	32	25,630	15,372
Deferred tax liabilities	20	160,119	209,280
Provisions		11,690	9,371
		<b>211,588</b>	<b>326,987</b>
<b>Total liabilities</b>		<b>1,135,455</b>	<b>1,323,475</b>
<b>Net assets</b>		<b>5,926,115</b>	<b>6,793,235</b>
<b>Equity attributable to owners of the parent</b>			
Share capital	33	1,843,271	1,842,189
Treasury shares	34	(1,412,270)	(1,412,270)
Other reserves	35	149,304	107,633
Retained earnings	37	4,134,229	5,041,670
		<b>4,714,534</b>	<b>5,579,222</b>
Perpetual Sukuk	36	1,175,694	1,175,694
Non-controlling interests		35,887	38,319
<b>Total equity</b>		<b>5,926,115</b>	<b>6,793,235</b>
<b>Total equity and liabilities</b>		<b>7,061,570</b>	<b>8,116,710</b>

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.



## Statements of Financial Position (Company)

As at 31 August 2023

	Note	2023 RM'000	2022 RM'000
<b>Assets</b>			
<b>Non-current assets</b>			
Investment in subsidiaries	18	2,339,971	2,311,752
Right-of-use assets	16	202	280
		<b>2,340,173</b>	<b>2,312,032</b>
<b>Current assets</b>			
Trade and other receivables	24	9,607	33,922
Tax recoverable		331	-
Investment securities: Money market funds	21	424,592	24,778
Investment securities: Debt securities	21	32,864	236,223
Cash and bank balances	27	484	3,513
		<b>467,878</b>	<b>298,436</b>
<b>Total assets</b>		<b>2,808,051</b>	<b>2,610,468</b>
<b>Equity and liabilities</b>			
<b>Current liabilities</b>			
Trade and other payables	30	1,626	6,096
Lease liabilities	32	80	77
Income tax payable		-	338
		<b>1,706</b>	<b>6,511</b>
<b>Net current assets</b>		<b>466,172</b>	<b>291,925</b>
<b>Non-current liability</b>			
Lease liabilities	32	134	214
<b>Total liabilities</b>		<b>1,840</b>	<b>6,725</b>
<b>Net assets</b>		<b>2,806,211</b>	<b>2,603,743</b>
<b>Equity attributable to owners of the Company</b>			
Share capital	33	1,843,271	1,842,189
Treasury shares	34	(1,412,270)	(1,412,270)
Other reserves	35	37,526	54,950
Retained earnings	37	2,337,684	2,118,874
<b>Total equity</b>		<b>2,806,211</b>	<b>2,603,743</b>
<b>Total equity and liabilities</b>		<b>2,808,051</b>	<b>2,610,468</b>

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

## Statements of Changes in Equity

For the financial year ended 31 August 2023

	Attributable to owners of the parent		Non-distributable		Distributable		Non-controlling interests ("NCI")	
	Total equity attributable to owners of the parent RM'000	Share capital RM'000	Treasury shares RM'000	Other reserves RM'000	Retained earnings RM'000	Perpetual Sukuk RM'000	RM'000	RM'000
<b>2023 Group</b>								
Opening balance at 1 September 2022	6,793,235	1,842,189	(1,412,270)	107,633	5,041,670	1,175,694	38,319	
(Loss)/profit net of tax	(885,549)	-	-	-	(925,218)	46,610	(6,941)	
Other comprehensive income	58,542	-	-	56,723	-	-	1,819	
<b>Total comprehensive (loss)/income</b>	<b>(827,007)</b>	<b>-</b>	<b>-</b>	<b>56,723</b>	<b>(925,218)</b>	<b>46,610</b>	<b>(5,122)</b>	
<b>Transactions with owners</b>								
Issuance of ordinary shares pursuant to Employee Share Options Scheme ("ESOS") (Note 33 and Note 38)	813	813	-	-	-	-	-	-
Share options granted under ESOS (Note 35)	2,639	-	-	2,639	-	-	-	-
Transfer from share option reserve (Note 33 and Note 35)	-	270	-	(16,784)	16,514	-	-	-
Transfer to retained earnings (Note 35)	-	-	-	(941)	941	-	-	-
Transaction cost (Note 33)	(1)	(1)	-	-	-	-	-	-
Distribution to holders of Perpetual Sukuk	(46,610)	-	-	-	-	(46,610)	-	-
Changes in ownership interest in subsidiaries	3,046	-	-	34	322	-	2,690	-
<b>Total transactions with owners</b>	<b>(40,113)</b>	<b>1,082</b>	<b>-</b>	<b>(15,052)</b>	<b>17,777</b>	<b>(46,610)</b>	<b>2,690</b>	
<b>Closing balance at 31 August 2023</b>	<b>5,926,115</b>	<b>1,843,271</b>	<b>(1,412,270)</b>	<b>149,304</b>	<b>4,134,229</b>	<b>1,175,694</b>	<b>35,887</b>	



## Statements of Changes in Equity

For the financial year ended 31 August 2023 (cont'd)

2022 Group	Total equity RM'000	Attributable to owners of the parent		Non-distributable		Distributable		Non-controlling interests ("NCI") RM'000
		Total equity of parent RM'000	Share capital RM'000	Treasury shares RM'000	Other reserves RM'000	Retained earnings RM'000	Perpetual Sukuk RM'000	
Opening balance at 1 September 2021	7,220,160	5,872,403	1,841,654	(1,413,274)	101,663	5,342,360	1,295,262	52,495
Profit net of tax	281,590	225,564	-	-	-	225,564	50,164	5,862
Other comprehensive loss	(28,309)	(26,999)	-	-	(26,999)	-	-	(1,310)
<b>Total comprehensive income/(loss)</b>	<b>253,281</b>	<b>198,565</b>	<b>-</b>	<b>-</b>	<b>(26,999)</b>	<b>225,564</b>	<b>50,164</b>	<b>4,552</b>
<b>Transactions with owners</b>								
Issuance of ordinary shares pursuant to Employee Share Options Scheme ("ESOS") (Note 33 and Note 38)	498	498	498	-	-	-	-	-
Share options granted under ESOS (Note 35)	36,200	36,200	-	-	36,200	-	-	-
Transfer from share option reserve (Note 33 and Note 35)	-	-	39	-	(4,789)	4,750	-	-
Transfer from retained earnings (Note 35)	-	-	-	-	1,558	(1,558)	-	-
Transfer to Employee Share Grant Plan ("ESGP") (Note 34)	148	148	-	1,004	-	(856)	-	-
Transaction cost (Note 33)	(2)	(2)	(2)	-	-	-	-	-
Distribution to holders of Perpetual Sukuk	(50,164)	-	-	-	-	-	(50,164)	-
Redemption of Perpetual Sukuk (Note 36)	(119,602)	(34)	-	-	-	(34)	(119,568)	-
Dividends on NCI	(18,728)	-	-	-	-	-	-	(18,728)
Dividends on ordinary shares (Note 47)	(528,556)	(528,556)	-	-	-	(528,556)	-	-
<b>Total transactions with owners</b>	<b>(680,206)</b>	<b>(491,746)</b>	<b>535</b>	<b>1,004</b>	<b>32,969</b>	<b>(526,254)</b>	<b>(169,732)</b>	<b>(18,728)</b>
<b>Closing balance at 31 August 2022</b>	<b>6,793,235</b>	<b>5,579,222</b>	<b>1,842,189</b>	<b>(1,412,270)</b>	<b>107,633</b>	<b>5,041,670</b>	<b>1,175,694</b>	<b>38,319</b>

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

## Statements of Changes in Equity

For the financial year ended 31 August 2023 (cont'd)

2023 Company	Total equity RM'000	Non-distributable			Retained earnings RM'000
		Share capital RM'000	Treasury shares RM'000	Other reserves RM'000	
Opening balance at 1 September 2022	2,603,743	1,842,189	(1,412,270)	54,950	2,118,874
Profit net of tax	202,296	-	-	-	202,296
Other comprehensive loss	(3,279)	-	-	(3,279)	-
<b>Total comprehensive income/(loss)</b>	<b>199,017</b>	<b>-</b>	<b>-</b>	<b>(3,279)</b>	<b>202,296</b>
<b>Transactions with owners</b>					
Issuance of ordinary shares pursuant to ESOS (Note 33 and Note 38)	813	813	-	-	-
Share options granted under ESOS (Note 35)	2,639	-	-	2,639	-
Transfer from share option reserve (Note 33 and Note 35)	-	270	-	(16,784)	16,514
Transaction cost (Note 33)	(1)	(1)	-	-	-
<b>Total transactions with owners</b>	<b>3,451</b>	<b>1,082</b>	<b>-</b>	<b>(14,145)</b>	<b>16,514</b>
<b>Closing balance at 31 August 2023</b>	<b>2,806,211</b>	<b>1,843,271</b>	<b>(1,412,270)</b>	<b>37,526</b>	<b>2,337,684</b>

2022 Company	Total equity RM'000	Non-distributable			Retained earnings RM'000
		Share capital RM'000	Treasury shares RM'000	Other reserves RM'000	
Opening balance at 1 September 2021	2,955,175	1,841,654	(1,413,274)	34,740	2,492,055
Profit net of tax	151,481	-	-	-	151,481
Other comprehensive loss	(11,201)	-	-	(11,201)	-
<b>Total comprehensive income/(loss)</b>	<b>140,280</b>	<b>-</b>	<b>-</b>	<b>(11,201)</b>	<b>151,481</b>
<b>Transactions with owners</b>					
Issuance of ordinary shares pursuant to ESOS (Note 33 and Note 38)	498	498	-	-	-
Share options granted under ESOS (Note 35)	36,200	-	-	36,200	-
Transfer from share option reserve (Note 33 and Note 35)	-	39	-	(4,789)	4,750
Transaction cost (Note 33)	(2)	(2)	-	-	-
Transfer to ESGP (Note 34)	148	-	1,004	-	(856)
Dividends on ordinary shares (Note 47)	(528,556)	-	-	-	(528,556)
<b>Total transactions with owners</b>	<b>(491,712)</b>	<b>535</b>	<b>1,004</b>	<b>31,411</b>	<b>(524,662)</b>
<b>Closing balance at 31 August 2022</b>	<b>2,603,743</b>	<b>1,842,189</b>	<b>(1,412,270)</b>	<b>54,950</b>	<b>2,118,874</b>

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

## SECTION 7 OUR PERFORMANCE

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**TOP GLOVE**  
TOP QUALITY, TOP EFFICIENCY

## Statements of Cash Flows

For the financial year ended 31 August 2023

	Group		Company	
	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
<b>Operating activities</b>				
(Loss)/profit before tax	(900,415)	358,424	205,965	152,832
Adjustments for:				
Gross dividends	-	-	(200,200)	(191,153)
Depreciation of property, plant and equipment (Note 15)	332,597	335,086	-	-
Depreciation of right-of-use assets (Note 16)	6,663	9,330	78	77
Amortisation of intangible assets (Note 22)	3,752	3,738	-	-
Loss/(gain) on disposal of property, plant and equipment	1,173	(402)	-	-
Revaluation loss of property, plant and equipment (Note 11)	2,982	-	-	-
Net loss from fair value remeasurement on investment properties (Note 17)	74	754	-	-
Gain on disposal of right-of-use assets	-	(111)	-	-
Gain on lease modifications	(20)	(54)	-	-
Gain on lease termination	(40)	-	-	-
Bad debts written off	839	-	-	-
Gain on disposal of debt securities	(1,063)	(1,370)	(1,063)	(69)
Gain on disposal of money market funds	(4,808)	(3,604)	(269)	(1,267)
Net allowance for expected credit loss (Note 24)	2,976	456	-	-
Impairment of goodwill (Note 22)	137,553	-	-	-
Impairment of assets held for sales (Note 28)	5,073	-	-	-
Impairment of property, plant and equipment (Note 15)	54,660	-	-	-
Impairment of right-of-use assets (Note 16)	16,124	-	-	-
Inventories written off	21	2,039	-	-
(Reversal)/allowance for inventories written down on unsold goods	(33,650)	44,869	-	-
Property, plant and equipment written off	197,183	28,031	-	-
Biological assets written off	1,064	-	-	-
Shares granted under ESGP	-	148	-	-
Share options granted under ESOS	2,639	36,200	218	4,669
Unrealised foreign exchange loss/(gain)	7,356	(48,103)	(2,033)	(11,183)
Share of results of an associate	5,780	3,710	-	-
Net fair value loss on derivative financial instruments	437	2,247	-	-
Net fair value loss on investment securities at fair value through profit or loss	11,043	56,626	11,648	54,868
Finance costs	12,746	4,421	11	13
Interest income	(17,357)	(24,313)	(12,921)	(14,351)
Impairment loss on investment in subsidiaries (Note 18)	-	-	8,793	4,186
Addition/(reversal) of impairment loss on other receivables	-	-	1	(3,176)
Total adjustments	745,797	449,698	(195,737)	(157,386)

## Statements of Cash Flows

For the financial year ended 31 August 2023 (cont'd)

	Group		Company	
	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
<b>Operating cash flows before changes in working capital</b>	(154,618)	808,122	10,228	(4,554)
Changes in working capital				
Inventories	307,395	522,781	-	-
Receivables	74,677	306,238	2,126	30,238
Other current assets	10,806	22,113	-	3,432
Payables	(188,196)	(239,531)	(4,470)	(16,964)
Contract liabilities	(113,570)	(521,062)	-	-
Total changes in working capital	91,112	90,539	(2,344)	16,706
<b>Cash flows (used in)/generated from operations</b>	(63,506)	898,661	7,884	12,152
Interest paid	(12,746)	(4,421)	(11)	(13)
Income taxes paid	(35,202)	(719,034)	(4,338)	(2,726)
Income taxes refund	232,497	-	-	-
<b>Net cash flows generated from operating activities</b>	121,043	175,206	3,535	9,413
<b>Investing activities</b>				
Purchase of property, plant and equipment	(364,154)	(949,384)	-	-
Additions to investment properties	(74)	(754)	-	-
Purchase of right-of-use assets	-	(3,286)	-	-
Purchase of intangible assets	(445)	(268)	-	-
Purchase of biological assets	(541)	(596)	-	-
Placement of money market funds	(657,785)	(376,935)	(434,223)	(177,692)
Withdrawal of money market funds	313,341	1,426,743	37,914	732,749
Purchase of debt securities	(839)	(193,263)	(839)	(220,560)
Proceeds from disposal of debt securities	190,216	208,406	190,216	30,104
Proceeds from disposal of right-of-use assets	-	111	-	-
Interest received (Note 9)	17,357	24,313	12,921	14,351
Net increase in bank balances pledged with banks	(1,241)	(912)	-	-
Dividends from subsidiaries	-	-	200,200	191,153
Proceeds from disposal of property, plant and equipment	120,907	2,939	-	-
Additions to investment in subsidiaries	-	-	(37,012)	(282,528)
Net cash outflow on acquisition of subsidiaries	-	(1,090)	-	-
Repayment from subsidiaries	-	-	24,763	228,735
<b>Net cash flows (used in)/generated from investing activities</b>	(383,258)	136,024	(6,060)	516,312



## SECTION 7 OUR PERFORMANCE

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**TOP GLOVE**  
TOP QUALITY, TOP EFFICIENCY

## Statements of Cash Flows

For the financial year ended 31 August 2023 (cont'd)

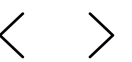
	Group		Company	
	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
<b>Financing activities</b>				
Proceeds from issuance of ordinary shares pursuant to ESOS	813	498	813	498
Transaction cost	(1)	(2)	(1)	(2)
Dividends paid on ordinary shares (Note 47)	-	(528,556)	-	(528,556)
Dividends paid on NCI	-	(18,728)	-	-
Repayment of loans and borrowings	(130,520)	(64,096)	-	-
Drawdown of loans and borrowings	270,531	45,209	-	-
Redemption of Perpetual Sukuk	-	(119,602)	-	-
Distribution paid to holders of Perpetual Sukuk	(46,610)	(50,164)	-	-
Proceeds from part disposal of equity interest in a subsidiary company	3,046	-	-	-
Payment of principal portion of lease liabilities	(2,506)	(4,904)	(77)	(75)
<b>Net cash flows generated from/(used in) financing activities</b>	<b>94,753</b>	<b>(740,345)</b>	<b>735</b>	<b>(528,135)</b>
<b>Net decrease in cash and cash equivalents</b>	<b>(167,462)</b>	<b>(429,115)</b>	<b>(1,790)</b>	<b>(2,410)</b>
Effect of changes in foreign exchange rate	14,040	(12,646)	(1,239)	368
<b>Cash and cash equivalents at 1 September 2022/2021</b>	<b>433,437</b>	<b>875,198</b>	<b>3,513</b>	<b>5,555</b>
<b>Cash and cash equivalents at 31 August (Note 27)</b>	<b>280,015</b>	<b>433,437</b>	<b>484</b>	<b>3,513</b>

## Statements of Cash Flows

For the financial year ended 31 August 2023 (cont'd)

	Movements		Non-cash changes		Foreign exchange movement	
	1 September 2022 RM'000	31 August 2023 RM'000	Adjustment for lease modification RM'000	New leases RM'000	Termination RM'000	31 August 2022 RM'000
<b>2023</b>						
<b>Group</b>						
Loans and borrowings (Note 29)	399,086	140,011	11,787	-	-	15,408
Lease liabilities (Note 32)	17,982	(2,506)	959	11,284	(620)	1,098
<b>Company</b>						
Lease liabilities (Note 32)	291	(77)	11	-	-	214
<b>2022</b>						
<b>Group</b>						
Loans and borrowings (Note 29)	458,706	(18,887)	3,585	-	-	(40,733)
Lease liabilities (Note 32)	23,669	(4,904)	836	1,339	-	(550)
<b>Company</b>						
Lease liabilities (Note 32)	366	(75)	13	-	-	291

(a) Reconciliation of liabilities arising from financing activities



## Notes to the Financial Statements

For the financial year ended 31 August 2023

### 1. CORPORATE INFORMATION

Top Glove Corporation Bhd. (“the Company”) is a public limited liability company incorporated and domiciled in Malaysia, and is listed on the Main Market of Bursa Malaysia Securities Berhad and Main Board of Singapore Exchange Securities Trading Limited. The principal place of business of the Company is located at Level 21, Top Glove Tower, 16, Persiaran Setia Dagang, Setia Alam, Seksyen U13, 40170 Shah Alam, Selangor.

The principal activities of the Company are investment holding and provision of management services. The principal activities of the subsidiaries are described in Note 18. There have been no significant changes in the nature of the principal activities during the financial year.

### 2. BASIS OF PREPARATION

The financial statements of the Group and of the Company have been prepared in accordance with Malaysian Financial Reporting Standards (“MFRS”) as issued by the Malaysian Accounting Standards Board (“MASB”), International Financial Reporting Standards (“IFRS”) as issued by the International Accounting Standards Board (“IASB”) and the requirements of the Companies Act 2016 in Malaysia.

The financial statements have also been prepared on a historical basis, unless otherwise indicated in the accounting policies below.

The financial statements are presented in Ringgit Malaysia (“RM”) and all values are rounded to the nearest thousand (“RM’000”) except when otherwise indicated.

### 3. BASIS OF CONSOLIDATION

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries as at 31 August 2023. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if, and only if, the Group has:

- Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee);
- Exposure, or rights, to variable returns from its involvement with the investee; and
- The ability to use its power over the investee to affect its returns.

When the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- The contractual arrangement with the other vote holders of the investee;
- Rights arising from other contractual arrangements; and
- The Group’s voting rights and potential voting rights.

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

Profit or loss and each component of other comprehensive income (“OCI”) are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies in line with the Group’s accounting policies. All intra-group assets and liabilities, equity, income, expenses, unrealised gains and losses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction.

If the Group loses control over a subsidiary, it derecognises the related assets (including goodwill), liabilities, non-controlling interest and other components of equity, while any resultant gain or loss is recognised in profit or loss. Any investment retained is recognised at fair value.

### 4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

#### 4.1 Business combinations and goodwill

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred, measured at acquisition date fair value and the amount of any non-controlling interest in the acquiree. For each business combination, the Group elects whether it measures the non-controlling interest in the acquiree either at fair value or at the proportionate share of the acquiree’s identifiable net assets. Acquisition-related costs are expensed as incurred and included in administrative expenses.

The Group determines that it has acquired a business when the acquired set of activities and assets include an input and a substantive process that together significantly contribute to the ability to create outputs. The acquired process is considered substantive if it is critical to the ability to continue producing outputs, and the inputs acquired include an organised workforce with the necessary skills, knowledge, or experience to perform that process or if significantly contributes to the ability to continue producing outputs and is considered unique or scarce or cannot be replaced without significant cost, effort, or delay in the ability to continue producing outputs.

When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date. This includes the separation of embedded derivatives in host contracts by the acquiree.

If the business combination is achieved in stages, any previously held equity interests in the acquiree are re-measured to fair value at the acquisition date with any corresponding gain or loss recognised in profit or loss.

Any excess of the cost of business combination, as the case may be, over the net amount of the fair value of identifiable assets acquired and liabilities assumed is recognised as goodwill. For business combinations, provisions are made for the acquiree’s contingent liabilities existing at the date of acquisition as the Group deems that it is probable that an outflow of resources embodying economic benefits will be required to settle the obligations.

Any excess in the Group’s interest in the net fair value of the identifiable assets acquired and liabilities assumed over the cost of business combination is recognised immediately in profit or loss.

Any contingent consideration to be transferred by the acquirer will be recognised at fair value at the acquisition date. Contingent consideration classified as equity is not remeasured and its subsequent settlement is accounted for within equity. Contingent consideration classified as an asset or liability that is a financial instrument and within the scope of MFRS 9 Financial Instruments, is measured at fair value with the changes in fair value recognised in the statement of profit or loss in accordance with MFRS 9. Other contingent consideration that is not within the scope of MFRS 9 is measured at fair value at each reporting date with changes in fair value recognised in profit or loss.

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests, and any previous interest held, over the net identifiable assets acquired and liabilities assumed. If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the Group re-assesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and reviews the procedures used to measure the amounts to be recognised at the acquisition date. If the re-assessment still results in an excess of the fair value of net assets acquired over the aggregate consideration transferred, then the gain is recognised in profit or loss.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group’s cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

Where goodwill has been allocated to a cash-generating unit and part of the operation within that unit is disposed of, the goodwill associated with the disposed operation is included in the carrying amount of the operation when determining the gain or loss on disposal. Goodwill disposed in these circumstances is measured based on the relative values of the disposed operation and the portion of the cash-generating unit retained.

## Notes To The Financial Statements

For the financial year ended 31 August 2023 (cont'd)

### 4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

#### 4.1 Business combinations and goodwill (cont'd)

Business combinations involving entities under common control are accounted for by applying the pooling of interest method. The assets and liabilities of the combining entities are reflected at their carrying amounts reported in the consolidated financial statements of the controlling holding company. Any difference between the consideration paid and the share capital of the entity acquired is reflected within equity as merger reserve. The statement of comprehensive income reflects the results of the combining entities for the full year, irrespective of when the combination takes place. Comparatives are presented as if the entities have always been combined since the date the entities had come under common control.

#### 4.2 Transactions with non-controlling interests

Non-controlling interests represent the equity in subsidiaries not attributable, directly or indirectly, to owners of the Company, and is presented separately in the consolidated statement of profit or loss, consolidated statement of comprehensive income and within equity in the consolidated statement of financial position, separately from equity attributable to owners of the Company.

Changes in the Company's interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions. In such circumstances, the carrying amounts of the controlling 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 owners of the parent.

#### 4.3 Investment in subsidiaries

A subsidiary is an entity over which the Group has all the following:

- (i) Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee);
- (ii) Exposure, or rights, to variable returns from its involvement with the investee; and
- (iii) The ability to use its power over the investee to affect its returns.

In the Company's separate financial statements, investment in subsidiaries is accounted for at cost less impairment losses. On disposal of such investment, the difference between net disposal proceeds and the carrying amount is included in profit or loss.

#### 4.4 Investment in an associate

An associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee, but is not control or joint control over those policies. An associate is equity accounted for from the date the Group obtains significant influence until the date the Group ceases to have significant influence over the associate.

The Group's investment in an associate is accounted for using the equity method. Under the equity method, the investment in an associate is measured in the consolidated statement of financial position at cost plus post-acquisition changes in the Group's share of net assets of the associate. Goodwill relating to associate is included in the carrying amount of the investment. Any excess of the Group's share of the net fair value of the associate's identifiable assets, liabilities and contingent liabilities over the cost of the investment is excluded from the carrying amount of the investment and is instead included as income in the determination of the Group's share of the associate's profit or loss for the period in which the investment is acquired.

### 4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

#### 4.4 Investment in an associate (cont'd)

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

After application of the equity method, the Group determines whether it is necessary to recognise an impairment loss on its investment in its associate. The Group determines at each reporting date whether there is any objective evidence that the investment in the associate is impaired. If there is such evidence, the Group calculates the amount of impairment as the difference between the recoverable amount of the associate and its carrying value and recognises the loss within share of profit of an associate in the consolidated statement of profit or loss.

The financial statements of the associate are prepared as of the same reporting date as the Group unless it is impracticable to do so. When the financial statements of the associate used in applying the equity method are prepared as of a different reporting date from that of the Group, adjustments are made for the effects of significant transactions or events that occur between that date and the reporting date of the Group. When necessary, adjustments are made to bring the accounting policies in line with those of the Group.

#### 4.5 Intangible assets

Intangible assets acquired separately are measured at cost on initial recognition. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses. Internally generated intangibles, excluding capitalised development costs, are not capitalised and the related expenditure is reflected in profit or loss in the period in which the expenditure is incurred.

The useful lives of intangible assets are assessed as either finite or indefinite.

Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the statement of profit or loss in the expense category that is consistent with the function of the intangible assets.

Intangible assets with indefinite useful lives are not amortised, but are tested for impairment annually, either individually or at the cash-generating unit level. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

An intangible asset is derecognised upon disposal (i.e. at the date the recipient obtains control) or when no future economic benefits are expected from its use or disposal. Any gain or loss arising upon derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit or loss.

#### (a) Customer relationships

The cost of customer relationships acquired in a business combination is measured at their fair value at the date of acquisition. Following the initial recognition, they are carried at cost less accumulated amortisation and any accumulated impairment losses.

The customer relationships are amortised on a straight line basis over its estimated economic useful lives of eleven years and assessed for impairment whenever there is an indication that the customer relationships may be impaired.

## Notes To The Financial Statements

For the financial year ended 31 August 2023 (cont'd)

### 4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

#### 4.5 Intangible assets (cont'd)

##### (b) Patents

The Group does not recognise internally generated brands, licenses and other similar intellectual property which cannot be distinguished from the cost of developing the Group's business as a whole.

Acquired patents are recognised as an asset and initially measured at cost, which is the fair value of the consideration paid. After initial recognition, patents are measured at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised in profit or loss on a straight line basis over the estimated economic useful lives of the patents.

#### 4.6 Current versus non-current classification

The Group and the Company present assets and liabilities in the statements of financial position based on a current/non-current classification. An asset is current when it is:

- Expected to be realised or intended to be sold or consumed in the normal operating cycle;
- Held primarily for the purpose of trading;
- Expected to be realised within twelve months after the reporting period; or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in the normal operating cycle;
- It is held primarily for the purpose of trading;
- It is due to be settled within twelve months after the reporting period; or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Group and the Company classify all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

#### 4.7 Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability; or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible to by the Group.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

## Notes To The Financial Statements

For the financial year ended 31 August 2023 (cont'd)

### 4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

#### 4.7 Fair value measurement (cont'd)

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available, are used to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

Policies and procedures are determined by senior management for both recurring fair value measurement and for non-recurring measurement.

External valuers are involved for valuation of significant assets and significant liabilities. Involvement of external valuers is decided by senior management. Selection criteria include market knowledge, reputation, independence and whether professional standards are maintained. The senior management decides, after discussions with the external valuers, which valuation techniques and inputs to use for each case.

At each reporting date, the senior management analyses the movements in the values of assets and liabilities which are required to be re-measured or re-assessed as per the Group's accounting policies. For this analysis, the senior management verifies the major inputs applied in the latest valuation by agreeing the information in the valuation computation to contracts and other relevant documents.

The senior management, in conjunction with the external valuers, also compares the changes in the fair value of each asset and liability with relevant external sources to determine whether the change is reasonable.

For the purpose of fair value disclosures, the Group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

## Notes To The Financial Statements

For the financial year ended 31 August 2023 (cont'd)

### 4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

#### 4.8 Foreign currencies

##### (a) Functional and presentation currency

The Group's consolidated financial statements are presented in RM which is also the parent company's functional currency. For each entity, the Group determines the functional currency and items included in the financial statements of each entity are measured using that functional currency.

##### (b) Transactions and balances

Transactions in foreign currencies are initially recorded by the Group entities at the functional currency spot rates at the date the transaction first qualifies for recognition. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates at the reporting date.

Differences arising on settlement or translation of monetary items are recognised in profit or loss with the exception of monetary items that are designated as part of the hedge of the Group's net investment of a foreign operation. These are recognised in foreign exchange reserve OCI until the net investment is disposed of, at which time, the cumulative amount is reclassified to profit or loss. Tax charges and credits attributable to exchange differences on those monetary items are also recorded in OCI.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of gain or loss on change in fair value of the item (i.e. translation differences on items whose fair value gain or loss is recognised in OCI or profit or loss are also recognised in OCI or profit or loss, respectively).

In determining the spot exchange rate to use on initial recognition of the related asset, expense or income (or part of it) on the derecognition of a non-monetary asset or non-monetary liability arising from the advance consideration. If there are multiple payments or receipts in advance, the Group determines the transaction date for each payment or receipt of advance consideration.

##### (c) Group companies

On consolidation, the assets and liabilities of foreign operations are translated into RM at the rate of exchange prevailing at the reporting date and their statements of profit or loss are translated at exchange rates prevailing at the dates of the transactions. The exchange differences arising on translation for consolidation are recognised in OCI. On disposal of a foreign operation, the component of OCI relating to that particular foreign operation is recognised in profit or loss.

Any goodwill arising on the acquisition of a foreign operation and any fair value adjustments to the carrying amounts of assets and liabilities arising on the acquisition are treated as assets and liabilities of the foreign operation and translated at the spot rate of exchange at the reporting date.

## Notes To The Financial Statements

For the financial year ended 31 August 2023 (cont'd)

### 4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

#### 4.9 Revenue and other income recognition

Revenue is recognised when the Group satisfies a performance obligation by transferring a promised good or service to the customer, which is when the customer obtains control of the good or service. A performance obligation may be satisfied at a point in time or over time. The amount of revenue recognised is the amount allocated to the satisfied performance obligation.

##### (a) Sale of goods

The Group is involved in manufacturing and trading of gloves and healthcare related products.

Revenue is recognised at a point in time upon transfer of control of the goods to the customers. Revenue is not recognised to the extent where there are significant uncertainties regarding recovery of the consideration due, associated costs or the possible return of goods.

The amount of revenue recognised is based on the estimated transaction price, which comprises the contractual price, net of the estimated volume rebates. Based on the Group's experience with similar types of contracts, variable consideration is typically constrained and is included in the transaction only to the extent that it is a highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur when the uncertainty associated with the variable consideration is subsequently resolved.

##### (b) Dividend income

Dividend income is recognised when the Group's and the Company's right to receive payment is established.

##### (c) Management fees

Management fees are recognised when services are rendered.

##### (d) Interest income

Interest income is recognised on an accrual basis using the effective interest rate method.

##### (e) Rental income

Rental income is accounted for on a straight-line basis over the lease terms. The aggregate costs of incentives provided to lessees are recognised as a reduction of rental income over the lease term on a straight-line basis.

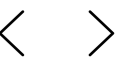
#### 4.10 Employee benefits

##### (a) Short term benefits

Wages, salaries, bonuses and social security contributions are recognised as expenses in the year in which the associated services are rendered by employees. Short term accumulated compensated absences such as paid annual leave are recognised when services are rendered by employees that increase their entitlement to future compensated absences. Short term non-accumulating compensated absences such as sick leave are recognised when the absences occur.

##### (b) Defined contribution plans

Defined contribution plans are post-employment benefit plans under which the Group and the Company pay fixed contributions into separate entities or funds and will have no legal or constructive obligation to pay further contributions if any of the funds do not hold sufficient assets to pay all employee benefits relating to employee services in the current and preceding financial years. Such contributions are recognised as an expense in profit or loss as incurred. As required by law, companies in Malaysia make such contributions to the Employees Provident Fund ("EPF"). All contributions to pension plans are fully and immediately vested and the Group had no unvested benefits available to reduce its future contributions.



## Notes To The Financial Statements

For the financial year ended 31 August 2023 (cont'd)

### 4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

#### 4.10 Employee benefits (cont'd)

##### (c) Employee Share Options Scheme ("ESOS")

Employees of the Group and of the Company receive remuneration in the form of share options as consideration for services rendered. The cost of these equity-settled transactions with employees is measured by reference to the fair value of the options at the date on which the options are granted. This cost is recognised in profit or loss. The cumulative expense recognised at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Group's and the Company's best estimate of the number of options that will ultimately vest. The charge or credit to profit or loss for a period represents the movement in cumulative expense recognised at the beginning and end of that period.

No expense is recognised for options that do not ultimately vest, except for options where vesting is conditional upon a market or non-vesting condition, which are treated as vested irrespective of whether or not the market or non-vesting condition is satisfied, provided that all other performance and/or service conditions are satisfied.

When the options are exercised, the employee share option reserve is transferred to share capital if new shares are issued.

The employee share option reserve is transferred to retained earnings upon forfeiture or expiry of the share options.

##### (d) Employee Share Grant Plan ("ESGP")

Employees of the Group and of the Company are entitled to performance based shares as consideration for services rendered. The ESGP may be settled by way of issuance or transfer of shares of the Company or by cash at the discretion of the ESGP Committee. Trusts have been set up and are administered by an appointed trustee ("ESGP Trusts"). The trustee will be entitled from time to time, to accept advances from the Company, upon such terms and conditions as the Company and the trustee may agree to purchase the ordinary shares of the Company ("Trust Shares") from the open market for the ESGP Trusts. The value of the ESGP Awards granted to Eligible Employees is recognised as an employee cost.

The ESGP Trusts' asset is consolidated into the Group's consolidated financial statements. Dividends received by the ESGP Trusts are eliminated against the Company's dividend payment.

#### 4.11 Taxes

##### (a) Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in the countries where the Group and the Company operate and generate taxable income.

Current income tax relating to items recognised directly in equity is recognised in equity and not in statement of profit or loss. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

## Notes To The Financial Statements

For the financial year ended 31 August 2023 (cont'd)

### 4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

#### 4.11 Taxes (cont'd)

##### (b) Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- (i) when the deferred tax liability arises from the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
- (ii) in respect of taxable temporary differences associated with investments in subsidiaries and associate, where the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences, carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except:

- (i) when the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
- (ii) in respect of deductible temporary differences associated with investments in subsidiaries and associate, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax assets to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year 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 relating to items recognised outside profit or loss is recognised outside profit or loss. Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

The Group offsets deferred tax assets and deferred tax liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to the same taxable entity and the same taxation authority.

## Notes To The Financial Statements

For the financial year ended 31 August 2023 (cont'd)

### 4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

#### 4.11 Taxes (cont'd)

##### (c) Sales and services tax ("SST")

Revenue, expenses and assets are recognised net of the amount of SST, except:

- (i) when the SST incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case, the SST is recognised as part of the cost of acquisition of the assets or as part of the expense item as applicable; and
- (ii) when receivables and payables are stated with the amount of SST included.

The payable amount of SST to the taxation authority is included as part of payables in the statements of financial position

#### 4.12 Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

#### 4.13 Property, plant and equipment

Capital work-in-progress is stated at cost, net of accumulated impairment losses, if any. Property, plant and equipment is stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Such cost includes the cost of replacing component parts of the property, plant and equipment and borrowing costs for long-term construction projects if the recognition criteria are met.

When significant parts of property, plant and equipment are required to be replaced at intervals, the Group derecognises the replaced part, and recognises the new part with its own associated useful life and depreciation. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in the profit or loss as incurred. The present value of the expected cost for the decommissioning of the asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met.

Freehold land has an unlimited useful life and therefore is not depreciated. Capital work-in-progress are not depreciated as these assets are not available for use. Depreciation is computed on a straight-line basis over the estimated useful lives of the assets as follows:

Buildings	20 to 50 years
Plant and equipment	3 to 20 years
Other assets	5 to 10 years

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal (i.e. at the date the recipient obtains control) or when no future economic benefits are expected from its use or disposal. Any gain or loss on derecognition of the asset is included in the statement of profit or loss when the asset is derecognised.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

## Notes To The Financial Statements

For the financial year ended 31 August 2023 (cont'd)

### 4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

#### 4.14 Investment properties

Investment properties are properties which are held either to earn rental income or for capital appreciation or for both. Investment properties are initially measured at cost, including transaction costs. Subsequent to initial recognition, investment properties are measured at fair value which reflects market conditions at the reporting date. Fair value is arrived at using the investment method that makes reference to estimated market rental values and equivalent yields, or comparison method that makes reference to recent transaction prices of similar properties. Valuation is performed by accredited independent valuer having an appropriate recognised professional qualification and recent experience in the location and category of the properties being valued. Gains or losses arising from changes in the fair values of investment properties are included in profit or loss in the year in which they arise, including the corresponding tax effect.

Investment properties are derecognised either when they have been disposed of (i.e. at the date the recipient obtains control) or when the investment property is permanently withdrawn from use and no future economic benefit is expected from its disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognised in the profit or loss in the period of derecognition.

Transfers are made to (or from) investment properties only when there is a change in use. For a transfer from investment property to owner-occupied property, the deemed cost for subsequent accounting is the fair value at the date of change in use. If owner-occupied property becomes an investment property, the Group accounts for such property in accordance with the accounting policy for property, plant and equipment set out in Note 4.13 up to the date of change in use.

#### 4.15 Leases

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

##### (a) Group as a lessee

The Group and the Company apply a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group and the Company recognise lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

##### (i) Right-of-use assets

The Group and the Company recognise right-of-use assets at the commencement date of the lease (i.e. the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets, as follows:

Leasehold land	50 to 99 years
Buildings	20 to 50 years
Plant and equipment	4 to 20 years
Other assets	5 to 10 years

If ownership of the leased asset transfers to the Group and the Company by the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

The right-of-use assets are also subject to impairment in accordance with the accounting policy set out in Note 4.17.

## Notes To The Financial Statements

For the financial year ended 31 August 2023 (cont'd)

### 4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

#### 4.15 Leases (cont'd)

##### (a) Group as a lessee (cont'd)

##### (ii) Lease liabilities

At the commencement date of the lease, the Group and the Company recognise lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and the Company and payments of penalties for terminating the lease, if the lease term reflects the Group and the Company exercising the option to terminate.

In calculating the present value of lease payments, the Group and the Company use its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

##### (iii) Short-term leases and leases of low-value assets

The Group and the Company apply the short-term lease recognition exemption to its short-term leases of hostels, automated teller machine ("ATM") and forklift (i.e. those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of photocopiers that are considered to be low value. Lease payments on short-term leases and leases of low value assets are recognised as expense on a straight-line basis over the lease term.

##### (b) Group as a lessor

Leases in which the Group and the Company do not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Rental income arising is accounted for on a straight-line basis over the lease terms and is included in other income in the statement of profit or loss due to its operating nature. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as other income in the period in which they are earned.

#### 4.16 Inventories

Inventories are valued at the lower of cost and net realisable value. Costs incurred in bringing the inventories to their present location and condition are accounted for as follows:

- Raw materials, consumables and hardware: purchase costs on a weighted average basis.
- Finished goods and work-in-progress: costs of direct materials and labour and a proportion of manufacturing overheads based on normal operating capacity, excluding borrowing costs.

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

## Notes To The Financial Statements

For the financial year ended 31 August 2023 (cont'd)

### 4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

#### 4.17 Impairment of non-financial assets

The Group and the Company assess, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Group and the Company estimate the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's ("CGU") fair value less costs of disposal and its value-in-use. 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. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value-in-use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

The Group and the Company base their impairment calculation on most recent budgets and forecast calculations, which are prepared separately for each of the Group's and the Company's CGUs to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of five years. A long-term growth rate is calculated and applied to project future cash flows after the fifth year.

Impairment losses of continuing operations, including impairment on inventories, are recognised in profit or loss in expense categories consistent with the function of the impaired asset.

Goodwill is tested for impairment annually at each reporting date and when circumstances indicate that the carrying value may be impaired. Impairment is determined for goodwill by assessing the recoverable amount of each CGU (or group of CGUs) to which the goodwill relates. When the recoverable amount of the CGU is less than its carrying amount, an impairment loss is recognised. Impairment losses relating to goodwill cannot be reversed in future periods.

For assets other than goodwill, an assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the recoverable amount of the asset or CGU is estimated. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in profit or loss.

## Notes To The Financial Statements

For the financial year ended 31 August 2023 (cont'd)

### 4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

#### 4.18 Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

##### (a) Financial assets

###### Initial recognition and measurement

Financial assets are classified, at initial recognition, as subsequently measured at amortised cost, fair value through OCI, or fair value through profit or loss.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Group's and the Company's business model for managing them. With the exception of trade receivables that do not contain a significant financing component or for which the Group and the Company have applied the practical expedient, the Group and the Company initially measure a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs. Trade receivables that do not contain a significant financing component or for which the Group and the Company have applied the practical expedient are measured at the transaction price determined under MFRS 15.

In order for a financial asset to be classified and measured at amortised cost or fair value through OCI, it needs to give rise to cash flows that are solely payments of principal and interest ("SPPI") on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level.

The Group's and the Company's business model for managing financial assets refers to how they manage their financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both.

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e. the date that the Group and the Company commit to purchase or sell the asset.

###### Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories:

- Financial assets at amortised cost (debt instruments);
- Financial assets at fair value through OCI with recycling of cumulative gains and losses (debt instruments);
- Financial assets designated at fair value through OCI with no recycling of cumulative gains and losses upon derecognition (equity instruments); and
- Financial assets at fair value through profit or loss.

The Group and the Company have no financial assets carried at fair value through OCI for equity instruments.

##### (i) Financial assets at amortised cost (debt instruments)

The Group and the Company measure financial assets at amortised cost if both of the following conditions are met:

- The financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows; and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at amortised cost are subsequently measured using the effective interest rate ("EIR") method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired.

The Group's and the Company's financial assets at amortised cost include cash and bank balances, trade and other receivables and other non-current financial assets.

## Notes To The Financial Statements

For the financial year ended 31 August 2023 (cont'd)

### 4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

#### 4.18 Financial instruments (cont'd)

##### (a) Financial assets (cont'd)

###### Subsequent measurement (cont'd)

##### (ii) Financial assets at fair value through OCI (debt instruments)

The Group and the Company measure debt instruments at fair value through OCI if both of the following conditions are met:

- The financial asset is held within a business model with the objective of both holding to collect contractual cash flows and selling; and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

For debt instruments at fair value through OCI, interest income, foreign exchange revaluation and impairment losses or reversals are recognised in the statement of profit or loss and computed in the same manner as for financial assets measured at amortised cost. The remaining fair value changes are recognised in OCI. Upon derecognition, the cumulative fair value change recognised in OCI is recycled to profit or loss.

The Group's and the Company's debt instruments at fair value through OCI include investments in quoted debt securities included under other current financial assets.

##### (iii) Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss include financial assets held for trading, financial assets designated upon initial recognition at fair value through profit or loss, or financial assets mandatorily required to be measured at fair value. Financial assets are classified as held for trading if they are acquired for the purpose of selling or repurchasing in the near term. Derivatives, including separated embedded derivatives, are also classified as held for trading unless they are designated as effective hedging instruments. Financial assets with cash flows that are not solely payments of principal and interest are classified and measured at fair value through profit or loss, irrespective of the business model. Notwithstanding the criteria for debt instruments to be classified at amortised cost or at fair value through OCI, as described above, debt instruments may be designated at fair value through profit or loss on initial recognition if doing so eliminates, or significantly reduces, an accounting mismatch.

Financial assets at fair value through profit or loss are carried in the statement of financial position at fair value with net changes in fair value recognised in the statement of profit or loss.

This category includes derivative instruments which the Group had not irrevocably elected to classify at fair value through OCI.

A derivative embedded in a hybrid contract, with a financial liability or non-financial host, is separated from the host and accounted for as a separate derivative if: the economic characteristics and risks are not closely related to the host; a separate instrument with the same terms as the embedded derivative would meet the definition of a derivative; and the hybrid contract is not measured at fair value through profit or loss. Embedded derivatives are measured at fair value with changes in fair value recognised in profit or loss. Reassessment only occurs if there is either a change in the terms of the contract that significantly modifies the cash flows that would otherwise be required or a reclassification of a financial asset out of the fair value through profit or loss category.

A derivative embedded within a hybrid contract containing a financial asset host is not accounted for separately. The financial asset host together with the embedded derivative is required to be classified in its entirety as a financial asset at fair value through profit or loss.

The Group has designated derivatives that do not qualify for hedge accounting, money market funds, debt securities and unquoted investments at fair value through profit or loss.

## Notes To The Financial Statements

For the financial year ended 31 August 2023 (cont'd)

### 4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

#### 4.18 Financial instruments (cont'd)

##### (a) Financial assets (cont'd)

###### Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e. removed from the Group's and the Company's statements of financial position) when:

- The rights to receive cash flows from the asset have expired; or
- The Group and the Company have transferred their rights to receive cash flows from the asset or have assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Group and the Company have transferred substantially all the risks and rewards of the asset, or (b) the Group and the Company have neither transferred nor retained substantially all the risks and rewards of the asset, but have transferred control of the asset.

When the Group and the Company have transferred their rights to receive cash flows from an asset or have entered into a pass-through arrangement, they evaluate if, and to what extent, they have retained the risks and rewards of ownership. When they have neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Group and the Company continue to recognise the transferred asset to the extent of their continuing involvement. In that case, the Group and the Company also recognise an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group and the Company have retained.

###### Impairment of financial assets

The Group and the Company recognise an allowance for expected credit losses ("ECLs") for all debts instruments not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group and the Company expect to receive, discounted at an approximation of the original EIR. The expected cash flows will include cash flows from the sales of collateral held or other credit enhancements that are integral to the contractual terms.

ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12 months ("12-month ECL"). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default ("lifetime ECL").

For trade receivables, the Group applies simplified approach in calculating ECLs. Therefore, the Group does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECL at each reporting date. The Group has established a provision matrix that is based on historical credit experience. The Group considers forward looking factors do not have significant impact to credit risk given the nature of its industry and the amount of ECLs is insensitive to changes to forecast economic conditions.

For debt instruments at fair value through OCI, the Group and the Company apply the low credit risk simplification. At every reporting date, the Group and the Company evaluate whether the debt instrument is considered to have low credit risk using all reasonable and supportable information that is available without undue cost or effort. In making that evaluation, the Group and the Company reassess the internal credit rating of the debt instrument. In addition, the Group and the Company consider that there has been a significant increase in credit risk when contractual payments are more than 30 days past due.

## Notes To The Financial Statements

For the financial year ended 31 August 2023 (cont'd)

### 4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

#### 4.18 Financial instruments (cont'd)

##### (a) Financial assets (cont'd)

###### Impairment of financial assets (cont'd)

The Group's and the Company's debt instruments at fair value through OCI comprise solely of quoted bonds that are graded in the top investment category (Very Good and Good) by the Good Credit Rating Agency and, therefore, are considered to be low credit risk investments. It is the Group's and the Company's policy to measure ECLs on such instruments on a 12-month basis. However, when there has been a significant increase in credit risk since origination, the allowance will be based on the lifetime ECL. The Group and the Company use the ratings from the Good Credit Rating Agency both to determine whether the debt instrument has significantly increased in credit risk and to estimate ECLs.

The Group and the Company generally consider a financial asset to be in default when contractual payments are 120 days past due, except for certain major or specific customers where the period may extend beyond 120 days. In certain cases, the Group and the Company may also consider a financial asset to be in default when internal and external information indicates that the Group and the Company are unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Group and the Company. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

##### (b) Financial liabilities

###### Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, lease liabilities or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Group and the Company's financial liabilities include trade and other payables, lease liabilities, derivative financial instruments, and loans and borrowings.

###### Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

##### (i) Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss.

Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Group that are not designated as hedging instruments in hedge relationships as defined by MFRS 9. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

Gains or losses on liabilities held for trading are recognised in the statement of profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated at the initial date of recognition, and only if the criteria in MFRS 9 are satisfied. The Group has designated derivative financial instruments as financial liability at fair value through profit or loss.

## Notes To The Financial Statements

For the financial year ended 31 August 2023 (cont'd)

### 4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

#### 4.18 Financial instruments (cont'd)

##### (b) Financial liabilities (cont'd)

##### Subsequent measurement (cont'd)

##### (ii) Financial liabilities at amortised cost

This is the category most relevant to the Group and the Company. After initial recognition, trade and other payables, interest-bearing loans and borrowings and lease liabilities are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit or loss.

This category generally applies to trade and other payables, interest-bearing loans and borrowings and lease liabilities.

##### Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

##### (c) Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the consolidated and separate statement of financial position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

#### 4.19 Derivative financial instruments and hedging activities

##### Initial recognition and subsequent measurement

The Group uses derivative financial instruments, such as forward currency contracts to hedge its foreign currency risks. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently remeasured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

For the purpose of hedge accounting, hedges are classified as:

- Fair value hedges when hedging the exposure to changes in the fair value of a recognised asset or liability or an unrecognised firm commitment;
- Cash flow hedges when hedging the exposure to variability in cash flows is either attributable to a particular risk associated with a recognised asset or liability or a highly probable forecast transaction or the foreign currency risk in an unrecognised firm commitment; and
- Hedges of a net investment in a foreign operation.

At the inception of a hedge relationship, the Group formally designates and documents the hedge relationship to which it wishes to apply hedge accounting and the risk management objective and strategy for undertaking the hedge.

## Notes To The Financial Statements

For the financial year ended 31 August 2023 (cont'd)

### 4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

#### 4.19 Derivative financial instruments and hedging activities (cont'd)

##### Initial recognition and subsequent measurement (cont'd)

The documentation includes identification of the hedging instrument, the hedged item, the nature of the risk being hedged and how the Group will assess whether the hedging relationship meets the hedge effectiveness requirements (including the analysis of sources of hedge ineffectiveness and how the hedge ratio is determined). A hedging relationship qualifies for hedge accounting if it meets all of the following effectiveness requirements:

- There is 'an economic relationship' between the hedged item and the hedging instrument.
- The effect of credit risk does not 'dominate the value changes' that result from that economic relationship.
- The hedge ratio of the hedging relationship is the same as that resulting from the quantity of the hedged item that the Group actually hedges and the quantity of the hedging instrument that the Group actually uses to hedge that quantity of hedged item.

#### 4.20 Cash and bank balances

Cash and bank balances in the statements of financial position comprise cash at banks and on hand and short-term deposits.

For the purpose of the statements of cash flows, cash and cash equivalents consist of cash and short-term deposits with a maturity of three months or less excluding deposits pledged with banks that are not available for use.

#### 4.21 Equity instruments and related expenses

An equity instrument is any contract that evidences a residual interest in the assets of the Group and the Company after deducting all of its liabilities. Ordinary shares and Perpetual Sukuk are classified as equity instruments.

Dividends on ordinary shares and distribution on Perpetual Sukuk are recognised in equity in the period in which they are declared.

The transaction costs of an equity transaction are accounted for as a deduction from equity, net of tax. Equity transaction costs comprise only those incremental external costs directly attributable to the equity transaction which would otherwise have been avoided.

#### 4.22 Treasury shares

Own equity instruments that are reacquired (treasury shares) are recognised at cost and deducted from equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Group's and the Company's own equity instruments. Any difference between the carrying amount and the consideration, if reissued, is recognised in the retained earnings.

#### 4.23 Cash dividend and non-cash distribution to equity holders of the Company

The Company recognises a liability to make cash or non-cash distributions to equity holders of the parent when the distribution is authorised and the distribution is no longer at the discretion of the Company. A distribution is authorised when it is approved by the Board of Directors and a corresponding amount is recognised directly in equity.

Non-cash distributions are measured at the fair value of the assets to be distributed with fair value re-measurement recognised directly in equity.

Upon distribution of non-cash assets, any difference between the carrying amount of the liability and the carrying amount of the assets distributed is recognised in profit or loss.

## Notes To The Financial Statements

For the financial year ended 31 August 2023 (cont'd)

### 4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

#### 4.24 Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Group expects that some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit or loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, where appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

#### 4.25 Contract liabilities

A contract liability is recognised if a payment is received or a payment is due (whichever is earlier) from a customer before the Group transfers the related goods or services. Contract liabilities are recognised as revenue when the Group performs under the contract (i.e. transfers control of the related goods or services to the customer).

#### 4.26 Contingencies

A contingent liability or asset is a possible obligation or asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of uncertain future event(s) not wholly within the control of the Group and of the Company.

Contingent liabilities and assets are not recognised in the statements of financial position of the Group and of the Company.

#### 4.27 Segment reporting

For management purposes, the Group is organised into operating segments based on their geographical location which are independently managed by the respective segment managers responsible for the performance of the respective segments under their charge. The segment managers report directly to the management of the Group who regularly review the segment results in order to allocate resources to the segments and to assess the segment performance. Additional disclosures on each of these segments are shown in Note 46, including the factors used to identify the reportable segments and the measurement basis of segment information.

#### 4.28 Biological assets

Biological assets comprise immature planted trees and are classified as non-current assets. It is expected to be harvested and sold.

Immature planted trees are reclassified to mature planted trees when they are commercially productive and available for harvest. In general, a paulownia bearer plant takes about 3 years to reach maturity from the time of planting the seedlings to the field.

Biological assets are measured at fair value less costs to sell. Any gains or losses arising from changes in the fair value less costs to sell are recognised in profit or loss.

### 4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

#### 4.29 Assets held for sale

The Group classifies non-current assets as held for sale if their carrying amounts will be recovered principally through a sale transaction rather than through continuing use. Non-current assets classified as held for sale are measured at the lower of their carrying amount and fair value less costs to sell. Costs to sell are the incremental costs directly attributable to the disposal of an asset, excluding finance costs and income tax expense.

The criteria for held for sale classification is regarded as met only when the sale is highly probable, and the asset is available for immediate sale in its present condition. Actions required to complete the sale should indicate that it is unlikely that significant changes to the sale will be made or that the decision to sell will be withdrawn. Management must be committed to the plan to sell the asset and the sale is expected to be completed within one year from the date of the classification.

Property, plant and equipment is not depreciated once classified as held for sale.

Assets classified as held for sale are presented separately as current items in the statement of financial position.

Additional disclosures are provided in Note 28. All other notes to the financial statements include amounts for continuing operations, unless indicated otherwise.

#### 4.30 Climate-related matters

The Group considers climate-related matters in estimates and assumptions, where appropriate. This assessment includes a wide range of possible impacts on the group due to both physical and transition risks. Even though the Group believes its business model and products will still be viable after the transition to a low-carbon economy, climate-related matters increase the uncertainty in estimates and assumptions underpinning several items in the financial statements. Even though climate-related risks might not currently have a significant impact on measurement, the Group is closely monitoring relevant changes and developments, such as new climate-related legislation. The items and considerations that are most directly impacted by climate-related matters are:

##### (a) Useful life of property, plant and equipment

When reviewing the residual values and expected useful lives of assets, the Group considers climate-related matters, such as climate-related legislation and regulations that may restrict the use of assets or require significant capital expenditures.

##### (b) Impairment of non-financial assets

The value-in-use may be impacted in several different ways by transition risk in particular, such as climate-related legislation and regulations and changes in demand for the Group's products.

##### (c) Fair value measurement

For property, plant and equipment, the Group considers the effects of physical and transition risks and whether investors would consider those risks in their valuation. The group believes it is not currently exposed to severe physical risks, but believes that investors, to some extent, would consider impacts of transition risks in their valuation, such as increasing requirements for energy efficiency of buildings due to climate-related legislation and regulations as well as tenants' increasing demands for low-emission buildings.

## Notes To The Financial Statements

For the financial year ended 31 August 2023 (cont'd)

### 5. NEW AND AMENDED STANDARDS AND INTERPRETATIONS

The accounting policies adopted are consistent with those of the previous financial year except for the adoption of the following new/revised MFRSs, amendments to MFRSs and interpretations:

Description	Effective for annual periods beginning on or after
Annual improvements to MFRS Standards 2018 - 2020:	
- Amendments to MFRS 1: Adoption of Malaysian Financial Reporting Standards	1 January 2022
- Amendments to MFRS 9: Financial Instruments	1 January 2022
- Amendments to MFRS 141: Agriculture	1 January 2022
Amendments to MFRS 3: Reference to the Conceptual Framework	1 January 2022
Amendments to MFRS 116: Property, Plant and Equipment	
- Proceeds before Intended Use	1 January 2022
Amendments to MFRS 137: Onerous Contracts - Cost of Fulfilling a Contract	1 January 2022

The adoption of the above accounting standards, amendments and interpretations, where relevant, did not have any significant impact on the financial performance or position of the Group and of the Company.

### 6. NEW AND AMENDED STANDARDS AND INTERPRETATIONS ISSUED BUT NOT YET EFFECTIVE

The standards and interpretations that are issued but not yet effective up to the date of issuance of the Group's and of the Company's financial statements are discussed below. The Group and the Company intend to adopt these standards, if applicable, when they become effective.

Description	Effective for annual periods beginning on or after
MFRS 17: Insurance Contracts	1 January 2023
Amendments to MFRS 17: Insurance Contracts	1 January 2023
Amendments to MFRS 17: Initial Application MFRS 17 and MFRS 9 - Comparative Information	1 January 2023
Amendments to MFRS 101: Disclosure of Accounting Policies	1 January 2023
Amendments to MFRS 108: Definition of Accounting Estimates	1 January 2023
Amendments to MFRS 112: Deferred Tax related to Assets and Liabilities arising from a Single Transaction	1 January 2023
Amendments to MFRS 112: International Tax Reform - Pillar Two Model Rules	1 January 2023
Amendments to MFRS 101: Classification of Liabilities as Current or Non-Current	1 January 2024
Amendments to MFRS 101: Non-Current Liabilities with Covenants	1 January 2024
Amendments to MFRS 16: Lease Liability in a Sale and Leaseback	1 January 2024
Amendments to MFRS 107 and MFRS 7: Disclosures of Supplier Finance Arrangements	1 January 2024
Amendments to MFRS 121: Lack of exchangeability	1 January 2025
Amendments to MFRS 10 and MFRS 128: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Deferred

The Group and the Company will adopt the abovementioned standards, amendments and interpretations, if applicable, when they become effective in the respective financial year. These pronouncements are not expected to have any impact to the financial statements of the Group and of the Company upon their initial application.

### 7. SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of the Group's and of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities, at the end of the reporting period. However, uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the asset or liability affected in future periods.

#### 7.1 Judgements made in applying accounting policies

In the process of applying the Group's and the Company's accounting policies, management has not made any critical judgements, apart from those involving estimations, which could have a significant effect on the amounts recognised in the financial statements except as discussed below:

##### Classification between investment properties and property, plant and equipment

The Group has developed certain criteria based on MFRS 140 in making judgement whether a property qualifies as an investment property. Investment properties are properties held to earn rentals or for capital appreciation or both.

Some properties comprise a portion that is held to earn rentals or for capital appreciation and another portion that is held for use in the production or supply of goods or services or for administrative purposes. If these portions could be sold separately (or leased out separately under a finance lease), the Group would account for the portions separately. If the portions could not be sold separately, the property is an investment property only if an insignificant portion is held for use in the production or supply of goods or services or for administrative purposes. Judgement is made on an individual property basis to determine whether ancillary services are so significant that a property does not qualify as investment property. The Group has determined that its properties held to earn rental income or capital appreciation are investment properties as only an insignificant portion of the properties is used in the production or supply of goods or services or for administrative purposes and ancillary services are not significant to the properties.

#### 7.2 Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Group based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

##### (a) Inventories costing

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

##### (b) Impairment of goodwill

Goodwill is tested for impairment at each reporting period and at other times when such indicators exist. This requires an estimation of the value-in-use of the cash-generating units to which goodwill is allocated.

When value-in-use calculations are undertaken, management must estimate future cash flows from the cash-generating unit and choose a suitable discount rate in order to calculate the present values of those cash flows. Further details of the carrying value, the key assumptions applied in the impairment assessment and sensitivity analysis to changes in the assumptions are disclosed in Note 22.

##### (c) Impairment of property, plant and equipment and right-of-use assets

At each reporting date, the Group assesses if any indication of impairment exists for property, plant and equipment and right-of-use assets. The recoverable amounts are determined based on the higher of value-in-use and fair value less costs of disposal.

## Notes To The Financial Statements

For the financial year ended 31 August 2023 (cont'd)

### 7. SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS (CONT'D)

#### 7.2 Estimates and assumptions (cont'd)

##### (c) Impairment of property, plant and equipment and right-of-use assets (cont'd)

When value-in-use calculations are undertaken, management must estimate future cash flows from the cash-generating unit and choose a suitable discount rate in order to calculate the present values of those cash flows. Further details of the carrying value, the key assumptions applied in the impairment assessment are disclosed in Note 15.

### 8. REVENUE

#### (a) Disaggregated revenue information

	Group		Company	
	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
<b>Revenue from contracts with customers</b>				
Business units by geographical area				
Malaysia	1,992,825	4,813,330	-	-
Thailand	138,878	446,449	-	-
The People's Republic of China	8,789	30,653	-	-
Others	116,729	281,917	-	-
	<b>2,257,221</b>	<b>5,572,349</b>	-	-
<b>Revenue from other sources</b>				
Management fees from subsidiaries	-	-	5,029	11,206
Dividend income from subsidiaries	-	-	200,200	191,153
	-	-	<b>205,229</b>	<b>202,359</b>
<b>Total revenue</b>	<b>2,257,221</b>	<b>5,572,349</b>	<b>205,229</b>	<b>202,359</b>
<b>Timing of revenue recognition</b>				
Goods transferred at a point in time	2,257,221	5,572,349	-	-

#### (b) Performance obligation

The Group is in the business of manufacturing and trading of gloves and healthcare related products.

The performance obligation is satisfied upon transfer of control of the goods to the customers and payment is generally due within 30 to 90 (2022: 30 to 90) days.

The transaction price allocated to the remaining performance obligations (unsatisfied) as at 31 August 2023 and 2022 are as follows:

	Group		Company	
	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
Within one year	102,995	216,565	-	-

All remaining performance obligations are expected to be recognised within one year.

### 9. INTEREST INCOME

	Group		Company	
	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
Interest income from:				
Financial assets at fair value through OCI	2,171	3,820	2,171	1,030
Financial assets at amortised cost	3,183	5,428	789	2,083
Financial assets at fair value through profit or loss	11,674	15,061	9,961	11,238
Others	329	4	-	-
	<b>17,357</b>	<b>24,313</b>	<b>12,921</b>	<b>14,351</b>

### 10. OTHER INCOME

	Group		Company	
	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
Realised gain on foreign exchange	8,346	6,037	11,571	4,688
Unrealised gain on foreign exchange	-	48,103	2,033	11,183
Rental income	7,383	5,604	-	-
Gain on disposal of debt securities	1,063	1,370	1,063	69
Gain on disposal of property, plant and equipment	-	402	-	-
Gain on disposal of right-of-use assets	-	111	-	-
Gain on lease modifications	20	54	-	-
Gain on lease termination	40	-	-	-
Gain on disposal of money market fund	4,808	3,604	269	1,267
Sales of scrap items	5,386	10,925	-	-
Insurance claims	11,416	2,436	-	-
Sundry income	5,814	9,858	-	-
	<b>44,276</b>	<b>88,504</b>	<b>14,936</b>	<b>17,207</b>

## Notes To The Financial Statements

For the financial year ended 31 August 2023 (cont'd)

### 11. (LOSS)/PROFIT BEFORE TAX

The following items have been charged/(credited) in arriving at (loss)/profit before tax:

	Group		Company	
	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
Auditors' remuneration:				
Ernst & Young PLT				
- Statutory audit				
- Current year	727	811	86	88
- Over provision in prior year	(23)	-	(2)	-
- Other services	172	715	147	655
Member firm of Ernst & Young Global Limited				
- Other services	-	172	-	172
Other auditors				
- Statutory audit				
- Current year	562	501	-	-
- Over provision in prior year	(2)	(12)	-	-
Inventories written off	21	2,039	-	-
(Reversal)/allowance for inventories written down on unsold goods	(33,650)	44,869	-	-
Bad debts written off	839	-	-	-
Depreciation of property, plant and equipment (Note 15)	332,597	335,086	-	-
Depreciation of right-of-use assets (Note 16)	6,663	9,330	78	77
Amortisation of intangible assets (Note 22)	3,752	3,738	-	-
Direct operating expenses arising from investment properties				
- Rental generating properties	3,448	3,208	-	-
Impairment loss on investment in subsidiaries (Note 18)	-	-	8,793	4,186
Unrealised loss on foreign exchange	7,356	-	-	-
Revaluation loss of property, plant and equipment	2,982	-	-	-
Net loss from fair value remeasurement on investment properties (Note 17)	74	754	-	-
Net fair value loss on derivatives	437	2,247	-	-
Net fair value loss on investment securities at fair value through profit or loss	11,043	56,626	11,648	54,868

## Notes To The Financial Statements

For the financial year ended 31 August 2023 (cont'd)

### 11. (LOSS)/PROFIT BEFORE TAX (CONT'D)

The following items have been charged/(credited) in arriving at (loss)/profit before tax (cont'd):

	Group		Company	
	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
Loss on disposal of property, plant and equipment	1,173	-	-	-
Legal and other professional fees	8,431	19,751	400	8,893
Net allowance for expected credit loss (Note 24)	2,976	456	-	-
Addition/(reversal) of impairment loss on other receivables	-	-	1	(3,176)
Impairment of goodwill (Note 22)	137,553	-	-	-
Impairment of property, plant and equipment (Note 15)	54,660	-	-	-
Impairment of right-of-use assets (Note 16)	16,124	-	-	-
Impairment loss on assets held for sales (Note 28)	5,073	-	-	-
Biological assets written off	1,064	-	-	-
Property, plant and equipment written off	197,183	28,031	-	-

### 12. EMPLOYEE BENEFITS EXPENSES

	Group		Company	
	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
Wages, salaries and bonus	468,327	655,013	3,265	3,466
Social security costs	7,744	11,712	2	2
Pension costs - defined contribution plan	31,984	55,445	373	556
Share options granted under ESOS	2,639	36,200	218	4,669
Shares granted under ESGP	-	148	-	-
Other staff related expenses	22,239	49,124	58	215
Executive directors' fees				
- Company	398	490	398	477
- Subsidiaries	79	86	-	-
	533,410	808,218	4,314	9,385

Included in employee benefits expenses of the Group and of the Company are executive directors' remuneration amounting to RM5,496,000 (2022: RM10,577,000) and RM3,957,000 (2022: RM7,254,000) respectively.

## Notes To The Financial Statements

For the financial year ended 31 August 2023 (cont'd)

### 12. EMPLOYEE BENEFITS EXPENSES (CONT'D)

	Group		Company	
	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
<u>Directors' remuneration</u>				
<b>Directors of the Company</b>				
Executive:				
Salaries and other emoluments	4,411	7,304	3,022	4,701
Pension costs - defined contribution plan	435	758	363	544
Social security contributions	42	40	1	1
Share options granted under ESOS	123	1,746	90	1,452
Shares granted under ESGP	-	129	-	-
Fees	398	490	398	477
Benefits-in-kind	87	110	83	79
	<b>5,496</b>	<b>10,577</b>	<b>3,957</b>	<b>7,254</b>
Non-executive:				
Salaries and other emoluments	157	229	155	195
Fees	967	1,398	967	1,398
	<b>1,124</b>	<b>1,627</b>	<b>1,122</b>	<b>1,593</b>
Analysis excluding benefits-in-kind:				
Total executive directors' remuneration	5,409	10,467	3,874	7,175
Total non-executive directors' remuneration	1,124	1,627	1,122	1,593
Total directors' remuneration (excluding benefits-in-kind)	6,533	12,094	4,996	8,768
Benefits-in-kind	87	110	83	79
Total directors' remuneration (including benefits-in-kind)	6,620	12,204	5,079	8,847

## Notes To The Financial Statements

For the financial year ended 31 August 2023 (cont'd)

### 12. EMPLOYEE BENEFITS EXPENSES (CONT'D)

The remuneration of the directors of the subsidiaries during the financial years ended 31 August 2023 and 2022 is set as below:

	Group		Company	
	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
Executive:				
Salaries and other emoluments	4,937	5,848	-	-
Pension costs - defined contribution plan	366	431	-	-
Social security contributions	41	52	-	-
Share options granted under ESOS	39	737	-	-
Shares granted under ESGP	-	-	-	-
Fees	79	86	-	-
Benefits-in-kind	7	34	-	-
	<b>5,469</b>	<b>7,188</b>	<b>-</b>	<b>-</b>
Non-executive:				
Fees	2	2	-	-

### 13. INCOME TAX (CREDIT)/EXPENSE

#### Major components of income tax (credit)/expense

The major components of income tax (credit)/expense for the financial years ended 31 August 2023 and 2022 are as follows:

	Group		Company	
	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
Current income tax:				
- Malaysian income tax	40,231	35,164	3,040	1,493
- Foreign tax	2,984	16,117	-	-
- Withholding tax	10,282	16,485	-	-
- Group tax relief on losses surrendered	(36,700)	-	-	-
- Under/(over) provision in respect of previous years	7,066	(11,274)	629	(142)
	<b>23,863</b>	<b>56,492</b>	<b>3,669</b>	<b>1,351</b>
Deferred income tax (Note 20):				
- Relating to origination and reversal of temporary differences	(34,973)	(411)	-	-
- (Over)/under provision in respect of previous years	(3,756)	20,753	-	-
	<b>(38,729)</b>	<b>20,342</b>	<b>-</b>	<b>-</b>
Income tax (credit)/expense recognised in profit or loss	<b>(14,866)</b>	<b>76,834</b>	<b>3,669</b>	<b>1,351</b>

## Notes To The Financial Statements

For the financial year ended 31 August 2023 (cont'd)

### 13. INCOME TAX (CREDIT)/EXPENSE (CONT'D)

#### Reconciliation between tax (credit)/expense and accounting (loss)/profit

The reconciliation between tax (credit)/expense and the product of accounting (loss)/profit multiplied by the applicable corporate tax rate for the financial years ended 31 August 2023 and 2022 are as follows:

	Group		Company	
	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
(Loss)/profit before tax	(900,415)	358,424	205,965	152,832
Tax at Malaysian statutory tax rate of 24% (2022: 24%)	(216,100)	86,022	49,432	36,680
Adjustments:				
Withholding tax from foreign income	5,790	3,230	-	-
Different tax rates in other countries	4,883	(6,896)	-	-
Effects of tax incentives claimed by foreign subsidiaries	(146)	(7,118)	-	-
Income not subject to tax	(7,675)	(14,833)	(48,854)	(53,005)
Non-deductible expenses	54,213	22,563	2,462	17,818
Utilisation of tax incentives	(148)	(8,954)	-	-
Utilisation of previously unrecognised tax losses and unabsorbed capital allowance	(62)	(1,093)	-	-
Deferred tax assets not recognised in respect of current year's tax losses and unabsorbed capital allowance	131,504	11,560	-	-
Deferred tax assets not recognised in respect of prior year's tax losses	9,324	-	-	-
Deferred tax assets recognised in respect of reinvestment allowance	(1,146)	(18,016)	-	-
Share of results of an associate	1,387	890	-	-
(Over)/under provision of deferred tax in respect of previous years	(3,756)	20,753	-	-
Under/(over) provision of income tax in respect of previous years	7,066	(11,274)	629	(142)
Income tax (credit)/expense recognised in profit or loss	(14,866)	76,834	3,669	1,351

## Notes To The Financial Statements

For the financial year ended 31 August 2023 (cont'd)

### 13. INCOME TAX (CREDIT)/EXPENSE (CONT'D)

#### Reconciliation between tax (credit)/expense and accounting (loss)/profit (cont'd)

Domestic income tax is calculated at the Malaysian statutory tax rate of 24% (2022: 24%) of the estimated assessable profit for the year. Taxation for other jurisdictions is calculated at the rates prevailing in the respective jurisdictions.

The above reconciliation is prepared by aggregating separate reconciliations for each national jurisdiction.

### 14. (LOSS)/EARNINGS PER SHARE

#### (a) Basic

Basic earnings per share is calculated by dividing (loss)/profit for the year, net of tax, attributable to owners of the parent by the weighted average number of ordinary shares outstanding during the financial year, excluding treasury shares held by the Company.

	2023	2022
(Loss)/profit net of tax attributable to owners of the parent (RM'000)	(925,218)	225,564
Weighted average number of ordinary shares in issue ('000)	8,008,644	8,008,219
Basic (loss)/earnings per share (sen)	(11.55)	2.82

#### (b) Diluted

Diluted earnings per share is calculated by dividing (loss)/profit for the year, net of tax, attributable to owners of the parent by the weighted average number of ordinary shares outstanding during the financial year plus the weighted average number of ordinary shares that would be issued on the conversion of all the dilutive potential ordinary shares into ordinary shares.

	2023	2022
(Loss)/profit net of tax attributable to owners of the parent (RM'000)	(925,218)	225,564
Weighted average number of ordinary shares in issue ('000)	8,008,644	8,008,219
Effect of dilution from:		
Assumed exercise of share options ('000)	-	3,831
Adjusted weighted average number of ordinary shares in issue and issuable ('000)	8,008,644	8,012,050
Diluted (loss)/earnings per share (sen)	(11.55)	2.82

## Notes To The Financial Statements

For the financial year ended 31 August 2023 (cont'd)

### 15. PROPERTY, PLANT AND EQUIPMENT

	Land and buildings RM'000	Plant and equipment RM'000	* Other assets RM'000	Capital work-in-progress RM'000	Total RM'000
<b>Group</b>					
<b>Cost</b>					
<b>At 1 September 2021</b>	1,503,794	2,863,775	387,215	719,025	5,473,809
Additions	47,690	248,860	36,214	616,620	949,384
Acquisition of subsidiary company	-	376	442	-	818
Transfer from/(to) right-of-use assets (Note 16)	-	-	340	(16,887)	(16,547)
Reclassification	36,829	72,090	6,608	(115,527)	-
Written off	(188)	(82,152)	(3,389)	(2,915)	(88,644)
Disposals	(830)	(10,349)	(1,112)	(4)	(12,295)
Exchange differences	1,121	(6,079)	(1,117)	(5,613)	(11,688)
<b>At 31 August 2022/1 September 2022</b>	<b>1,588,416</b>	<b>3,086,521</b>	<b>425,201</b>	<b>1,194,699</b>	<b>6,294,837</b>
Additions	106,931	44,998	7,794	204,431	364,154
Revaluation adjustment	7,521	-	-	(752)	6,769
Transfer to investment properties (Note 17)	(106,351)	-	(94)	(80,908)	(187,353)
Transfer from/(to) right-of-use assets (Note 16)	14,060	(256)	6,465	(103)	20,166
Transfer to assets held for sale (Note 28)	(155,154)	(557)	(449)	(10,187)	(166,347)
Reclassification	58,147	16,937	1,434	(76,518)	-
Written off	(4,688)	(595,635)	(66,754)	(11,543)	(678,620)
Disposals	(1,101)	(42,898)	(7,241)	(117,418)	(168,658)
Exchange differences	7,622	24,610	3,003	20,891	56,126
<b>At 31 August 2023</b>	<b>1,515,403</b>	<b>2,533,720</b>	<b>369,359</b>	<b>1,122,592</b>	<b>5,541,074</b>

## Notes To The Financial Statements

For the financial year ended 31 August 2023 (cont'd)

### 15. PROPERTY, PLANT AND EQUIPMENT (CONT'D)

	Land and buildings RM'000	Plant and equipment RM'000	* Other assets RM'000	Capital work-in-progress RM'000	Total RM'000
<b>Group</b>					
<b>Accumulated depreciation</b>					
<b>At 1 September 2021</b>	119,640	1,209,551	185,903	-	1,515,094
Depreciation charged for the year (Note 11)	17,112	277,037	40,937	-	335,086
Transfer from right-of-use assets (Note 16)	-	-	340	-	340
Reclassification	9	(74)	65	-	-
Written off	(41)	(57,584)	(2,988)	-	(60,613)
Disposals	(136)	(8,649)	(973)	-	(9,758)
Exchange differences	(170)	(6,740)	(605)	-	(7,515)
<b>At 31 August 2022/1 September 2022</b>	<b>136,414</b>	<b>1,413,541</b>	<b>222,679</b>	<b>-</b>	<b>1,772,634</b>
Depreciation charged for the year (Note 11)	18,644	274,968	38,985	-	332,597
Transfer to investment properties (Note 17)	(3,427)	-	-	-	(3,427)
Transfer from right-of-use assets (Note 16)	992	254	346	-	1,592
Transfer to assets held for sale (Note 28)	(824)	(280)	(186)	-	(1,290)
Reclassification	-	1	(1)	-	-
Written off	(3,173)	(440,632)	(37,632)	-	(481,437)
Disposals	(996)	(39,018)	(6,564)	-	(46,578)
Exchange differences	1,279	14,757	1,736	-	17,772
<b>At 31 August 2023</b>	<b>148,909</b>	<b>1,223,591</b>	<b>219,363</b>	<b>-</b>	<b>1,591,863</b>
<b>Accumulated impairment</b>					
<b>At 1 September 2021/31 August 2022/1 September 2022</b>					
<b>1 September 2022</b>	-	-	-	-	-
Impairment charged for the year (Note 11)	10,541	22,353	351	21,415	54,660
Exchange differences	283	600	9	575	1,467
<b>At 31 August 2023</b>	<b>10,824</b>	<b>22,953</b>	<b>360</b>	<b>21,990</b>	<b>56,127</b>

## Notes To The Financial Statements

For the financial year ended 31 August 2023 (cont'd)

### 15. PROPERTY, PLANT AND EQUIPMENT (CONT'D)

	Land and buildings RM'000	Plant and equipment RM'000	* Other assets RM'000	Capital work-in-progress RM'000	Total RM'000
<b>Net carrying amount</b>					
At 31 August 2022	1,452,002	1,672,980	202,522	1,194,699	4,522,203
<b>At 31 August 2023</b>	<b>1,355,670</b>	<b>1,287,176</b>	<b>149,636</b>	<b>1,100,602</b>	<b>3,893,084</b>

\* Other assets comprise motor vehicles, computer and software systems, office equipment, signages, small value assets, fire extinguishers, furniture and equipment.

#### Land and buildings

	Freehold land RM'000	Buildings RM'000	Total RM'000
<b>Group</b>			
<b>Cost</b>			
<b>At 1 September 2021</b>	732,062	771,732	1,503,794
Additions	14,726	32,964	47,690
Reclassification	87	36,742	36,829
Written off	-	(188)	(188)
Disposals	-	(830)	(830)
Exchange differences	(280)	1,401	1,121
<b>At 31 August 2022/1 September 2022</b>	<b>746,595</b>	<b>841,821</b>	<b>1,588,416</b>
Additions	64,200	42,731	106,931
Revaluation adjustment	4,911	2,610	7,521
Transfer to investment properties (Note 17)	(62,585)	(43,766)	(106,351)
Transfer from right-of-use assets (Note 16)	-	14,060	14,060
Transfer to assets held for sale (Note 28)	(145,664)	(9,490)	(155,154)
Reclassification	(10,125)	68,272	58,147
Written off	(10)	(4,678)	(4,688)
Disposals	-	(1,101)	(1,101)
Exchange differences	2,040	5,582	7,622
<b>At 31 August 2023</b>	<b>599,362</b>	<b>916,041</b>	<b>1,515,403</b>

## Notes To The Financial Statements

For the financial year ended 31 August 2023 (cont'd)

### 15. PROPERTY, PLANT AND EQUIPMENT (CONT'D)

	Freehold land RM'000	Buildings RM'000	Total RM'000
<b>Group</b>			
<b>Accumulated depreciation</b>			
<b>At 1 September 2021</b>	-	119,640	119,640
Depreciation charged for the year	-	17,112	17,112
Reclassification	-	9	9
Written off	-	(41)	(41)
Disposals	-	(136)	(136)
Exchange differences	-	(170)	(170)
<b>At 31 August 2022/1 September 2022</b>	<b>-</b>	<b>136,414</b>	<b>136,414</b>
Depreciation charged for the year	-	18,644	18,644
Transfer to investment properties (Note 17)	-	(3,427)	(3,427)
Transfer from right-of-use assets (Note 16)	-	992	992
Transfer to assets held for sale (Note 28)	-	(824)	(824)
Written off	-	(3,173)	(3,173)
Disposals	-	(996)	(996)
Exchange differences	-	1,279	1,279
<b>At 31 August 2023</b>	<b>-</b>	<b>148,909</b>	<b>148,909</b>
<b>Accumulated impairment</b>			
<b>At 1 September 2021/31 August 2022/ 1 September 2022</b>	-	-	-
Impairment charged for the year	-	10,541	10,541
Exchange differences	-	283	283
<b>At 31 August 2023</b>	<b>-</b>	<b>10,824</b>	<b>10,824</b>
<b>Net carrying amount</b>			
At 31 August 2022	746,595	705,407	1,452,002
<b>At 31 August 2023</b>	<b>599,362</b>	<b>756,308</b>	<b>1,355,670</b>

## Notes To The Financial Statements

For the financial year ended 31 August 2023 (cont'd)

### 15. PROPERTY, PLANT AND EQUIPMENT (CONT'D)

Included in the property, plant and equipment of the Group are fully depreciated assets which are still in use, with their carrying costs as follows:

	2023 RM'000	2022 RM'000
Buildings	2,837	381
Plant and equipment	460,974	445,359
Other assets	134,686	102,938
	<b>598,497</b>	<b>548,678</b>

During the financial year, the property, plant and equipment and right-of-use assets of the Group were tested for impairment due to impairment indicators arising from drop in demand for gloves and decrease in average selling price of gloves. Management had undertaken an assessment of the recoverable amount of these assets during the financial year. Recoverable amount is defined as the higher of value-in-use and fair value less costs of disposal and determined at the CGU of each asset.

Recoverable amount determined from fair value less costs of disposal

The fair values of certain property, plant and equipment and rights-of-use assets were determined by independent professional valuers.

Recoverable amount determined from value-in-use ("VIU")

The following describes each key assumption on which management has based its cash flows projection to undertake impairment testing of certain property, plant and equipment:

- Growth rate for the cash flows projection is determined based on management's estimate of the industry trends and past performances of the segments, thereafter terminal growth rate including maintainable capital expenditure is assumed to be 0% - 1% (2022 : 0% - 1%).
- A range of pre-tax discount rate of 16.4% - 18.1% (2022: 15.7% - 19.2%) was applied in determining the recoverable amount of the CGUs. The discount rates used to discount the future cash flows reflect the specific risks relating to the respective CGUs.
- Budgeted profit margin is determined based on management's estimate of the industry trends for the average selling price of gloves and the production utilisation rate.

The abovementioned impairment testing did not give rise to impairment losses of property, plant and equipment and right-of-use assets except for certain property, plant and equipment and right-of-use assets owned by a subsidiary in Vietnam. Based on the impairment assessment, the Group recorded impairment losses of RM70.8 million on the basis that the carrying amounts exceeded the recoverable amounts. This impairment losses is included in profit and loss as disclosed in Note 11.

### 16. RIGHT-OF-USE ASSETS

	Land RM'000	Buildings RM'000	Plant and equipment RM'000	* Other assets RM'000	Total RM'000
<b>Group</b>					
<b>At 1 September 2021</b>	195,361	14,221	426	641	210,649
Additions	2,773	1,116	396	-	4,285
Transfer from property, plant and equipment (Note 15)	3,854	13,033	-	#	16,887
Depreciation charged for the year (Note 11)	(4,432)	(4,642)	(94)	(162)	(9,330)
Disposal	-	-	-	##	-
Adjustment due to lease modification	-	(1,447)	-	(71)	(1,518)
Exchange differences	2,847	13	-	-	2,860
<b>At 31 August 2022/ 1 September 2022</b>	<b>200,403</b>	<b>22,294</b>	<b>728</b>	<b>408</b>	<b>223,833</b>
Additions	-	-	11,284	-	11,284
Revaluation adjustment	10	-	-	-	10
Transfer (to)/from property, plant and equipment (Note 15)	-	(19,187)	613	-	(18,574)
Transfer to investment properties (Note 17)	(8,373)	-	-	-	(8,373)
Depreciation charged for the year (Note 11)	(4,628)	(1,873)	(100)	(62)	(6,663)
Impairment charged for the year (Note 11)	(16,124)	-	-	-	(16,124)
Adjustment due to lease modification	-	122	-	-	122
Termination	-	(464)	(6)	(110)	(580)
Exchange differences	2,523	71	-	-	2,594
<b>At 31 August 2023</b>	<b>173,378</b>	<b>963</b>	<b>12,519</b>	<b>236</b>	<b>187,096</b>
<b>Company</b>					
<b>At 1 September 2021</b>	-	357	-	-	357
Depreciation charged for the year (Note 11)	-	(77)	-	-	(77)
<b>At 31 August 2022/ 1 September 2022</b>	-	<b>280</b>	-	-	<b>280</b>
Depreciation charged for the year (Note 11)	-	(78)	-	-	(78)
<b>At 31 August 2023</b>	-	<b>202</b>	-	-	<b>202</b>

\* Other assets comprise motor vehicles and office equipment.

# Relates to transfer of motor vehicle upon full settlement of hire purchase during the year from right-of-use asset to property, plant and equipment.

## Relates to disposal of fully depreciated motor vehicle during the year.

## Notes To The Financial Statements

For the financial year ended 31 August 2023 (cont'd)

### 17. INVESTMENT PROPERTIES

	2023 RM'000	2022 RM'000
<b>Group</b>		
Fair value of investment properties:		
<b>At 1 September 2022/2021</b>	<b>227,400</b>	227,400
Additions	74	754
Transfer from property, plant and equipment (Note 15)	183,926	-
Transfer from right-of-use assets (Note 16)	8,373	-
Net loss from fair value remeasurement (Note 11)	(74)	(754)
<b>At 31 August</b>	<b>419,699</b>	227,400

Rental income arising from investment properties is RM5,154,000 (2022: RM3,843,000). Direct operating expenses arising from investment properties are disclosed in Note 11.

#### Reconciliation of fair value:

	Building RM'000	Freehold land RM'000	Leasehold land RM'000	Total RM'000
<b>Group</b>				
<b>At 1 September 2021</b>	136,300	91,100	-	227,400
Additions	704	50	-	754
Net loss from fair value remeasurement (Note 11)	(704)	(50)	-	(754)
<b>At 31 August 2022/1 September 2022</b>	<b>136,300</b>	<b>91,100</b>	-	<b>227,400</b>
Additions	27	47	-	74
Transfer from property, plant and equipment (Note 15)	121,341	62,585	-	183,926
Transfer from right-of-use assets (Note 16)	-	-	8,373	8,373
Net loss from fair value remeasurement (Note 11)	(27)	(47)	-	(74)
<b>At 31 August 2023</b>	<b>257,641</b>	<b>153,685</b>	<b>8,373</b>	<b>419,699</b>

Fair value hierarchy disclosures for investment properties are in Note 42(ii).

## Notes To The Financial Statements

For the financial year ended 31 August 2023 (cont'd)

### 17. INVESTMENT PROPERTIES (CONT'D)

The fair value of investment properties were determined based on valuations performed by registered independent valuers using the following methods:

#### (a) Comparison method

Fair value is arrived at by reference to market evidence of transaction prices for similar properties, adjustments are made to account for factors such as differences in location, age, size and type of property.

An upward/(downward) change in the adjustments for factors such as differences in location, age, size and type of property will result in a higher/(lower) fair value of the investment properties.

#### (b) Investment method

This method considers the present value of net rental income to be generated from the property, taking into account the expected rental growth rate, occupancy rate and lease incentive. This net rental income is discounted at a risk-adjusted discount rate to arrive at its present value. The key inputs to the valuation of investment properties are as follows:

	Valuation technique	Significant unobservable inputs	Range	
			2023	2022
Freehold land and building	Investment method (Discounted cash flows method)	Estimated rental value per square foot per month	<b>RM3.24 to RM4.02</b>	RM4.50 to RM5.20
		Term yield rate	<b>6.0%</b>	6.5%
		Occupancy rate	<b>85.5%</b>	88.0%
		Long term vacancy rate	<b>14.5%</b>	12.0%

Using the discounted cash flows method, fair value is estimated using assumptions regarding the benefits and liabilities of ownership over the asset's life including a terminal value. This method involves the projection of a series of cash flows on a real property interest. To this projected cash flow series, a market-derived discount rate is applied to establish the present value of the income stream associated with the asset.

The duration of the cash flows and the specific timing of inflows and outflows are determined by events such as rent reviews, lease renewal and related re-letting, redevelopment, or refurbishment. The appropriate duration is typically driven by market behaviour that is a characteristic of the class of real property. Periodic cash flow is typically estimated as gross income less vacancy, non-recoverable expenses, collection losses, lease incentives, maintenance cost, agent and commission costs and other operating and management expenses.

The series of periodic net operating income, along with an estimate of the terminal value anticipated at the end of the projection period, is then discounted. Significant increase/(decrease) in estimated rental value in isolation would result in a significantly higher/(lower) fair value of the property. Significant increases/(decreases) in the long term vacancy rate and yield rates in isolation would result in a significantly lower/(higher) fair value.

Generally, a change in the assumption made for the estimated rental value is accompanied by a directionally similar change in the rent growth per annum and discount rate, and an opposite change in the long term vacancy rate.

## Notes To The Financial Statements

For the financial year ended 31 August 2023 (cont'd)

### 18. INVESTMENT IN SUBSIDIARIES

	Company	
	2023 RM'000	2022 RM'000
Unquoted shares, at cost:	2,366,518	2,329,506
Less: Accumulated impairment losses	(26,547)	(17,754)
	2,339,971	2,311,752

Movement in accumulated impairment losses:

	Company	
	2023 RM'000	2022 RM'000
<b>At 1 September 2022/2021</b>	(17,754)	(13,568)
Impairment losses (Note 11)	(8,793)	(4,186)
<b>At 31 August</b>	(26,547)	(17,754)

During financial year, the Company made an allowance for impairment loss on investments in Top Glove Global Sdn. Bhd., TG Healthcare Sdn. Bhd. and Top Feel Sdn. Bhd. of RM209,000, RM908,000 and RM7,676,000 respectively. The allowance was made after considering the measurable decrease in the recoverable amount of the investments.

#### (a) Acquisition of additional equity interest in subsidiaries

##### (i) TG Medical Sdn. Bhd.

On 27 February 2023, TG Medical Sdn. Bhd., a wholly-owned subsidiary of the Company had increased its share capital from RM225,000,000 to RM259,200,000.

##### (ii) Top Glove Global Sdn. Bhd.

On 27 June 2023, Top Glove Global Sdn. Bhd., a wholly-owned subsidiary of the Company had increased its share capital from RM1,006,000 to RM1,215,000.

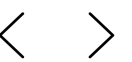
##### (iii) Top Care Sdn. Bhd.

On 27 June 2023, Top Care Sdn. Bhd., a wholly-owned subsidiary of the Company had increased its share capital from RM1,125,249,000 to RM1,127,852,000.

### 18. INVESTMENT IN SUBSIDIARIES (CONT'D)

Details of the subsidiaries are as follows:

Name	Country of incorporation/ principal place of business	Proportion of ownership interest (%)		Principal activities
		2023	2022	
<b>Held by the Company:</b>				
Top Glove Sdn. Bhd.*	Malaysia	100	100	Manufacturing and trading of gloves
TG Medical Sdn. Bhd.*	Malaysia	100	100	Manufacturing and trading of examination, surgical and nitrile gloves, general trading and investment holding
Great Glove (Malaysia) Sdn. Bhd.#	Malaysia	100	100	Company temporarily ceased business operation
Top Glove Engineering Sdn. Bhd.#	Malaysia	100	100	Manufacturing and supply of engineering parts and general contractors of all kinds of rubber gloves machinery
TG Medical (U.S.A.), Inc.#	United States of America	100	100	Trading of gloves
Top Quality Glove Sdn. Bhd.*	Malaysia	100	100	Manufacturing and trading of gloves, rubber products and cast polyethylene products
Top Care Sdn. Bhd.##	Malaysia	100	100	Investment holding
GMP Medicare Sdn. Bhd.*	Malaysia	100	100	Manufacturing and trading of gloves and rubber products and general trading
Eastern Press Sdn. Bhd.#	Malaysia	100	100	Manufacturing of packaging materials, boxes and cartons
Top Feel Sdn. Bhd.#	Malaysia	100	100	Manufacture and sale of condoms, rubber related products, and disposable and medical face masks
Top Glove Labuan Ltd.#	Malaysia	100	100	Investment holding
Top Glove Global Sdn. Bhd.#	Malaysia	100	100	Provision of management services
TG Healthcare Sdn. Bhd.#	Malaysia	100	100	Manufacturing and trading of personal care and home care products
TG Worldwide Sdn Bhd.*	Malaysia	100	100	Trading and provision of value added services



## Notes To The Financial Statements

For the financial year ended 31 August 2023 (cont'd)

## 18. INVESTMENT IN SUBSIDIARIES (CONT'D)

Name	Country of incorporation/ principal place of business	Proportion of ownership interest (%)		Principal activities
		2023	2022	
<b>Held through Top Glove Sdn. Bhd.:</b>				
Great Glove (Thailand) Co. Ltd.#	Thailand	74	74	Manufacturing and trading of gloves
Top Glove Medical (Thailand) Co. Ltd.#^	Thailand	100	100	Manufacturing and trading of gloves
Top Glove Technology (Thailand) Co. Ltd.#	Thailand	100	100	Producing and selling rubber products
B Tech Industry Co. Ltd.#	Thailand	100	100	Producing and selling concentrate latex
Top Quality Gloves (Thailand) Co. Ltd.#	Thailand	100	100	Dormant
Top Glove Europe GmbH @	Germany	97.5	97.5	Trading of gloves
Great Glove (Xinghua) Co. Ltd.#	The People's Republic of China	100	100	Manufacturing and trading of gloves
TG Medical Suzhou Co. Ltd.#	The People's Republic of China	100	100	Trading of gloves
Top Glove International Sdn. Bhd.#	Malaysia	100	100	Research and development on gloves and rubber goods and provision of analytical services
Top Glove Properties Sdn. Bhd.#	Malaysia	100	100	Property investment, consultancy services and electrical engineering works
Medi-Flex Pte. Ltd.#	Singapore/ Malaysia	100	100	Investment holding
BestStar Enterprise Ltd.##	The British Virgin Islands/ Malaysia	100	100	Investment holding
Flexitech Sdn. Bhd.*	Malaysia	100	100	Manufacturing of gloves, general trading, property investment
TG Porcelain Sdn. Bhd.#	Malaysia	100	100	Manufacturing of formers
TGGD Medical Clinic Sdn. Bhd.#	Malaysia	75	75	Providing clinical and specialist medical services, medical related consultancy and advisory services and emergency medical services

## Notes To The Financial Statements

For the financial year ended 31 August 2023 (cont'd)

## 18. INVESTMENT IN SUBSIDIARIES (CONT'D)

Name	Country of incorporation/ principal place of business	Proportion of ownership interest (%)		Principal activities
		2023	2022	
<b>Held through Top Glove Sdn. Bhd. (cont'd):</b>				
TG FMT Sdn. Bhd.##	Malaysia	70	70	Manufacturing and trading of functional fillers
Top Glove Chemicals Sdn. Bhd.#	Malaysia	100	100	Providing advisory services and manufacturing of chemicals and chemical compounds
Top Glove Vietnam Company Limited#	Vietnam	100	100	Manufacturing of vinyl gloves and other products
TG Excellence Berhad*	Malaysia	100	100	Special purpose vehicle solely for issuance of Perpetual Sukuk
Top Academy Sdn. Bhd.#	Malaysia	100	100	Organise in-house trainings and public trainings/programs
Top Biotech Sdn. Bhd.#	Malaysia	100	100	Manufacturing of medical devices
Top Protect UK Ltd.@	United Kingdom	100	-	Agents involved in the sale of variety of goods, wholesale of pharmaceutical goods, buying and selling of own real estate
<b>Held through Great Glove (Malaysia) Sdn. Bhd.:</b>				
TG Meditech Sdn. Bhd.#	Malaysia	100	100	Manufacturing and trading of healthcare products
<b>Held through TG Medical Sdn. Bhd.:</b>				
Top Healthy Fitness Sdn. Bhd.#	Malaysia	100	100	Establishing and maintaining of fitness related business, including healthcare, slimming centres, gymnasiums and other related activities
TG Raytech Sdn. Bhd.#	Malaysia	99.4	99.2	Gamma irradiation for sterilisation of gloves and medical devices
Top Synthetic Rubber Sdn. Bhd.*	Malaysia	100	100	Manufacturing and trading of chemical products
<b>Held through Great Glove (Xinghua) Co. Ltd.:</b>				
TG Medical (Xinghua) Co. Ltd.#	The People's Republic of China	100	100	Trading of gloves and healthcare related products
TG Medical (Putian) Co. Ltd.#	The People's Republic of China	-	100	Trading of gloves and healthcare related products



## Notes To The Financial Statements

For the financial year ended 31 August 2023 (cont'd)

## 18. INVESTMENT IN SUBSIDIARIES (CONT'D)

Name	Country of incorporation/ principal place of business	Proportion of ownership interest (%)		Principal activities
		2023	2022	
<b>Held through Top Care Sdn. Bhd.:</b>				
Best Advance Resources Limited#	Malaysia	100	100	Investment holding
Green Resources Limited#	Malaysia	100	100	Investment holding
Aspion Sdn. Bhd.##	Malaysia	100	100	Investment holding
TG Efficient Sdn. Bhd.#	Malaysia	100	100	Manufacturing of rubber gloves
<b>Held through Top Feel Sdn. Bhd.:</b>				
Duramedical Sdn. Bhd.#	Malaysia	85	85	Manufacturing of rubber dental dams and exercise bands
<b>Held through Best Advance Resources Limited:</b>				
PT. Topglove Indonesia#^^	Indonesia	100	100	Providing management services in plantation sector and processing of plantation produce
<b>Held through PT. Topglove Indonesia:</b>				
PT. Agro Pratama Sejahtera#	Indonesia	95	95	Industrial forest plantation
<b>Held through PT. Agro Pratama Sejahtera:</b>				
PT. Top Green Forestry#Ω	Indonesia	57	57	Forestry and industry
<b>Held through Aspion Sdn. Bhd.:</b>				
Adventa Health Sdn. Bhd.*	Malaysia	100	100	Distribution of medical gloves and other hospital related products
Terang Nusa (Malaysia) Sdn. Bhd.*	Malaysia	100	100	Manufacturing and distribution of sterile surgical gloves
Cytotec (M) Sdn. Bhd.##	Malaysia	100	100	Generation and supply of energy and electricity using biomass technology
Purnabina Sdn. Bhd.*^^^	Malaysia	97.2	97.2	Manufacturing and distribution of medical gloves
Sentienx Sdn. Bhd.*	Malaysia	100	100	Manufacturing and distribution of medical gloves and synthetic latex
Terang Nusa Sdn. Bhd.##	Malaysia	100	100	Dormant
Ulma International GmbH @	Germany	51	100	Distribution of medical gloves and other hospital related products
Suizze Health Ltd#	Hong Kong/ Malaysia	100	100	Investment holding

## Notes To The Financial Statements

For the financial year ended 31 August 2023 (cont'd)

## 18. INVESTMENT IN SUBSIDIARIES (CONT'D)

Name	Country of incorporation/ principal place of business	Proportion of ownership interest (%)		Principal activities
		2023	2022	
<b>Held through GMP Medicare Sdn. Bhd.:</b>				
TG Ecommerce Sdn. Bhd.#	Malaysia	100	100	E-commerce activities for glove trading and other healthcare products
<b>Held through Suizze Health Ltd:</b>				
Kevenoll Do Brasil Produtos Medicos Hospitalares LTDA#^^^^	Brazil	100	100	Distribution of medical products and medical devices
<b>Held through Top Glove Properties Sdn. Bhd.:</b>				
Healthy Hostel Sdn. Bhd.#	Malaysia	100	100	Provision of accommodation services
* Audited by Ernst & Young PLT				
# Audited by firms other than Ernst & Young PLT				
## Audited by Ernst & Young PLT for the financial year ended 31 August 2022, and audited by firms other than Ernst & Young PLT since the financial year ended 31 August 2023				
@ Statutory audit is not required under local regulations				
^ The total equity interests held by the Group is 100% and it is held by the following subsidiaries:				
		2023	2022	
(i)	Top Glove Sdn. Bhd.	61.5%	61.5%	
(ii)	TG Medical Sdn. Bhd.	38.5%	38.5%	
^^ The total equity interests held by the Group is 100% and it is held by the following subsidiaries:				
		2023	2022	
(i)	Best Advance Resources Limited	99.9%	99.9%	
(ii)	Green Resources Limited	0.1%	0.1%	
^^^ The total equity interests held by the Group is 97.2% and it is held by the following subsidiaries:				
		2023	2022	
(i)	Aspion Sdn. Bhd.	95.2%	95.2%	
(ii)	Terang Nusa (Malaysia) Sdn. Bhd.	2.0%	2.0%	
^^^^ The total equity interests held by the Group is 100% and it is held by the following subsidiaries:				
		2023	2022	
(i)	Aspion Sdn. Bhd.	0.1%	0.1%	
(ii)	Suizze Health Ltd	99.9%	99.9%	
Ω The total equity interests held by the Group is 57% and it is held by the following subsidiary:				
		2023	2022	
	PT. Agro Pratama Sejahtera	60.0%	60.0%	

**Notes To The Financial Statements**

For the financial year ended 31 August 2023 (cont'd)

**18. INVESTMENT IN SUBSIDIARIES (CONT'D)****Changes in group structure****(a) Incorporation of Top Protect UK Ltd. ("Top Protect UK")**

On 9 August 2023, the Company, through its wholly-owned subsidiary, Top Glove Sdn. Bhd., incorporated Top Protect UK in United Kingdom under the Companies Act 2006 with an issued and paid up capital of GBP10.00 comprising 10 ordinary shares. Top Glove Sdn. Bhd. owns the entire issued and paid-up share capital of Top Protect UK upon which, Top Protect UK has become a wholly-owned subsidiary of Top Glove Sdn. Bhd.

**(b) Accretion of equity interest in TG Raytech Sdn. Bhd. ("TG Raytech")**

On 27 February 2023, TG Raytech issued 10,300,000 ordinary shares, which were fully subscribed by TG Medical Sdn. Bhd. for a cash consideration of RM10,300,000, increasing TG Medical Sdn. Bhd.'s equity interest in TG Raytech from 99.2% to 99.3%. Subsequently on 11 August 2023, TG Raytech issued 7,875,000 ordinary shares, which were fully subscribed by TG Medical Sdn. Bhd. for a cash consideration of RM7,875,000, increasing TG Medical Sdn. Bhd.'s equity interest in TG Raytech from 99.3% to 99.4%. The accretion of equity interest is not expected to have material effects on the financial position of the Group.

**(c) Deregistration of TG Medical (Putian) Co. Ltd. ("TG Medical (Putian)")**

On 20 September 2023, the Company through its wholly-owned subsidiary, Great Glove (Xinghua) Co. Ltd. received approval from State Administration for Industry and Commerce of the People's Republic of China to deregister its wholly-owned subsidiary, TG Medical (Putian). Upon deregistration, TG Medical (Putian) ceased to be subsidiary of the Company at the end of the financial year.

**(d) Partial disposal of equity interest in Ulma International GmbH ("Ulma")**

On 25 November 2022, the Company through its wholly-owned subsidiary, Aspion Sdn. Bhd. disposed of 12,250 out of 25,000 ordinary shares in Ulma with a consideration of RM3,046,000, decreasing Aspion Sdn. Bhd.'s equity interest in Ulma from 100% to 51%.

**(e) Non-controlling interests**

Summarised financial information for non-controlling interests has not been disclosed as the carrying amount of the non-controlling interests in the consolidated statements of financial position is immaterial to the Group.

**19. INVESTMENT IN AN ASSOCIATE**

	Group	
	2023 RM'000	2022 RM'000
Unquoted shares at cost	12,204	12,204
Share of post-acquisition reserves	(8,625)	(2,845)
	<b>3,579</b>	9,359

Details of the associate are as follows:

Name	Country of incorporation/ principal place of business	Proportion of ownership interest (%)		Principal activity
		2023	2022	
<b>Held through Top Glove Sdn. Bhd.:</b>				
Value Add Sdn. Bhd.#	Malaysia	27	27	Investment holding

# Audited by a firm other than Ernst &amp; Young PLT

**19. INVESTMENT IN AN ASSOCIATE (CONT'D)**

The financial year end of the above associate is non-coterminous with the Group. For the purpose of applying the equity method of accounting, the latest available financial information has been used and appropriate adjustments have been made for the effects of significant transactions between the dates of the latest available financial information and financial years ended 31 August 2023 and 2022.

The summarised financial information of the associate, not adjusted for the proportion of ownership interest held by the Group, is as follows:

	Group	
	2023 RM'000	2022 RM'000
<b>Assets and liabilities</b>		
Non-current assets	255,013	250,015
Current assets	1,732	4,780
<b>Total assets</b>	<b>256,745</b>	254,795
Non-current liabilities	(13,686)	-
Current liabilities	(229,803)	(220,131)
<b>Total liabilities</b>	<b>(243,489)</b>	(220,131)
<b>Net assets</b>	<b>13,256</b>	34,664
<b>Results</b>		
Revenue	4,898	8,297
Loss for the year	(21,408)	(13,741)

Reconciliation of the summarised financial information presented above to the carrying amount of the Group's interest in an associate:

	Group	
	2023 RM'000	2022 RM'000
Net assets of the associate as at 1 September 2022/2021	34,664	48,405
Loss for the year	(21,408)	(13,741)
Net assets of the associate as at 31 August	13,256	34,664
Group's share of net assets	3,579	9,359

## Notes To The Financial Statements

For the financial year ended 31 August 2023 (cont'd)

### 20. DEFERRED TAX LIABILITIES/(ASSETS)

Deferred income tax as at 31 August 2023 and 2022 relates to the following:

	<i>Deferred tax liabilities</i>		<i>Deferred tax assets</i>		<b>Total RM'000</b>
	<b>Property, plant and equipment, right-of-use assets and investment properties RM'000</b>	<b>Others RM'000</b>	<b>Unabsorbed export allowance, business losses, capital and reinvestment allowance RM'000</b>	<b>Others RM'000</b>	
<b>Group</b>					
<b>At 1 September 2021</b>	246,602	9,903	(18,161)	(64,217)	174,127
Recognised in profit or loss (Note 13)	56,004	(9,921)	(44,494)	18,753	20,342
Acquisition of subsidiary company	100	-	(131)	-	(31)
Exchange differences	18	18	-	(1,105)	(1,069)
<b>At 31 August 2022/1 September 2022</b>	<b>302,724</b>	<b>-</b>	<b>(62,786)</b>	<b>(46,569)</b>	<b>193,369</b>
Recognised in profit or loss (Note 13)	(43,322)	-	(5,696)	10,289	(38,729)
Recognised in other comprehensive income	976	-	-	-	976
Exchange differences	10	-	-	(90)	(80)
<b>At 31 August 2023</b>	<b>260,388</b>	<b>-</b>	<b>(68,482)</b>	<b>(36,370)</b>	<b>155,536</b>

Presented after appropriate offsetting as follows:

	<b>Group</b>	
	<b>2023 RM'000</b>	<b>2022 RM'000</b>
Deferred tax assets	<b>(4,583)</b>	(15,911)
Deferred tax liabilities	<b>160,119</b>	209,280
	<b>155,536</b>	193,369

## Notes To The Financial Statements

For the financial year ended 31 August 2023 (cont'd)

### 20. DEFERRED TAX LIABILITIES/(ASSETS) (CONT'D)

Deferred tax assets have not been recognised by the Group in respect of the following items:

	<b>Group</b>	
	<b>2023 RM'000</b>	<b>2022 RM'000</b>
Unutilised tax losses	<b>586,042</b>	39,086
Unabsorbed capital allowances	<b>8,922</b>	2,935
Other deductible temporary differences	<b>858</b>	425
	<b>595,822</b>	42,446

The unutilised tax losses, unabsorbed capital allowances and other deductible temporary differences applicable to foreign incorporated subsidiaries are pre-determined by and subject to the tax legislation of the respective countries.

The unabsorbed capital allowances and other deductible temporary differences of the Group are available indefinitely for offsetting against future taxable profits of the respective entities within the Group, subject to tax laws and guidelines issued by the tax authority enacted at the reporting date.

Tax losses for which the tax effects have not been recognised in the financial statements:

	<b>Group</b>	
	<b>2023 RM'000</b>	<b>2022 RM'000</b>
Expiring within 5 years	<b>96,550</b>	14,078
Expiring within 6 to 10 years	<b>446,839</b>	503
Indefinite	<b>42,653</b>	24,505
	<b>586,042</b>	39,086

Deferred tax assets have not been recognised by the Group in respect of these items as it is not probable that taxable profits of its subsidiaries would be available against which deductible temporary differences could be utilised.

Effective from year of assessment 2019, unutilised tax losses is allowed to be carried forward for a maximum period of seven years. Pursuant to Finance Act 2021, the time limit to utilise business losses has been extended to a maximum of 10 consecutive years, which is deemed to have effect from the year of assessment 2019.

## Notes To The Financial Statements

For the financial year ended 31 August 2023 (cont'd)

### 21. INVESTMENT SECURITIES

	Group		Company	
	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
<b>Current</b>				
<i>Money market funds (quoted in Malaysia)</i>				
- Financial assets at fair value through profit or loss	630,186	277,093	424,592	24,778
<i>Debt securities (quoted outside Malaysia)</i>				
- Financial assets at fair value through OCI	32,864	34,366	32,864	34,366
- Financial assets at fair value through profit or loss	-	201,857	-	201,857
	32,864	236,223	32,864	236,223
	663,050	513,316	457,456	261,001
<b>Non-current</b>				
<i>Unquoted investments: Golf club membership</i>				
- Financial assets at fair value through profit or loss	392	392	-	-
<b>Total investment securities</b>	<b>663,442</b>	<b>513,708</b>	<b>457,456</b>	<b>261,001</b>

### 22. INTANGIBLE ASSETS

Group	Goodwill RM'000	Customer relationship RM'000	Patent RM'000	Total RM'000
<b>Cost</b>				
<b>At 1 September 2021</b>	980,691	40,477	255	1,021,423
Additions	-	-	268	268
<b>At 31 August 2022/1 September 2022</b>	<b>980,691</b>	<b>40,477</b>	<b>523</b>	<b>1,021,691</b>
Additions	-	-	445	445
<b>At 31 August 2023</b>	<b>980,691</b>	<b>40,477</b>	<b>968</b>	<b>1,022,136</b>
<b>Accumulated amortisation</b>				
<b>At 1 September 2021</b>	-	12,573	55	12,628
Amortisation during the year (Note 11)	-	3,680	58	3,738
<b>At 31 August 2022/1 September 2022</b>	<b>-</b>	<b>16,253</b>	<b>113</b>	<b>16,366</b>
Amortisation during the year (Note 11)	-	3,680	72	3,752
<b>At 31 August 2023</b>	<b>-</b>	<b>19,933</b>	<b>185</b>	<b>20,118</b>
<b>Accumulated impairment</b>				
<b>At 1 September 2021/31 August 2022/ 1 September 2022</b>	-	-	-	-
Impairment during the year (Note 11)	137,553	-	-	137,553
<b>At 31 August 2023</b>	<b>137,553</b>	<b>-</b>	<b>-</b>	<b>137,553</b>
<b>Net carrying amount</b>				
At 31 August 2022	980,691	24,224	410	1,005,325
At 31 August 2023	843,138	20,544	783	864,465

Goodwill has been allocated to CGUs identified as follows, which are also the subsidiaries of the Company:

	Group	
	2023 RM'000	2022 RM'000
Aspion Sdn. Bhd.	796,401	933,954
Eastern Press Sdn. Bhd.	21,597	21,597
B Tech Industry Co. Ltd.	14,789	14,789
GMP Medicare Sdn. Bhd.	5,070	5,070
Top Glove Medical (Thailand) Co. Ltd.	2,946	2,946
Duramedical Sdn. Bhd.	2,335	2,335
	<b>843,138</b>	<b>980,691</b>

## Notes To The Financial Statements

For the financial year ended 31 August 2023 (cont'd)

### 22. INTANGIBLE ASSETS (CONT'D)

During the financial year, the goodwill and customer relationship of the Group were tested for impairment due to impairment indicators resulted by drop in demand for gloves and decrease in average selling price of gloves. Management had undertaken an assessment of the recoverable amount of the CGUs.

#### Key assumptions used in value-in-use calculations

The recoverable amount of a CGU is determined based on value-in-use calculations using cash flow projections based on financial budgets approved by management.

The following describes each key assumption on which management has based its cash flow projections to undertake impairment testing of goodwill and customer relationship:

- (i) Growth rate for the 5-year projection is determined based on the management's estimate on the industry trends and past performances of the segments, thereafter terminal growth rate including maintainable capital expenditure is assumed to be 1% (2022: 1%).
- (ii) An average pre-tax discount rate of 16.9% (2022: 14.1%) was applied in determining the recoverable amount of the unit. The discount rates used to discount the future cash flows reflect the specific risks relating to the CGU.
- (iii) Budgeted profit margin is determined based on the management's estimate on the industry trends for the average selling price of gloves and the production utilisation rate.

The abovementioned impairment testing did not give rise to impairment losses of goodwill and customer relationship, other than the goodwill of Aspion Sdn. Bhd. as disclosed below.

The recoverable amount of Aspion Sdn. Bhd. CGU of RM1,425,812,000 as at 31 August 2023 has been determined based on value-in-use calculations. As a result of this assessment, management has recognised an impairment charge of RM137,553,000 in the current year against goodwill with a carrying amount of RM933,954,000 as at 31 August 2022.

The Group is of the opinion that any reasonably possible change in the above key assumptions would not materially cause the recoverable amount of the CGUs to be lower than its carrying amount, other than the goodwill of Aspion Sdn. Bhd. as disclosed below.

#### Sensitivity to changes in key assumptions

An increase of 0.5% in the discount rate used would have decreased the value-in-use of Aspion Sdn. Bhd. by RM70,184,000.

#### Customer relationship

The cost of customer relationship with estimated economic definite useful life is amortised over a period of 11 years, with remaining amortisation period of 5 years (2022: 6 years).

#### Patent

The cost of patent with estimated economic definite useful life is amortised over a period ranging from 5 to 20 years (2022: 8 to 20 years), with remaining amortisation period ranging from 4 to 17 years (2022: 5 to 17 years).

### 23. INVENTORIES

	Group	
	2023 RM'000	2022 RM'000
<b>Cost</b>		
Raw materials	60,177	98,808
Consumables and hardware	1,892	2,944
Work-in-progress	38,816	76,069
Finished goods	116,678	208,208
	<b>217,563</b>	<b>386,029</b>
<b>Net realisable value</b>		
Raw materials	1,988	859
Work-in-progress	21,316	25,999
Finished goods	60,629	162,375
	<b>83,933</b>	<b>189,233</b>
	<b>301,496</b>	<b>575,262</b>

During the year, the amount of inventories recognised as an expense of the Group amounted to RM2,193 million (2022: RM4,619 million).

### 24. TRADE AND OTHER RECEIVABLES

	Group	
	2023 RM'000	2022 RM'000
<b>Trade receivables</b>		
Third parties	170,382	232,854
Less: Allowance for expected credit loss	(3,350)	(1,720)
Trade receivables, net	<b>167,032</b>	<b>231,134</b>
<b>Other receivables</b>		
Sundry receivables	13,860	20,903
Refundable deposits	1,730	6,754
	<b>15,590</b>	<b>27,657</b>
<b>Total trade and other receivables</b>	<b>182,622</b>	<b>258,791</b>
Total trade and other receivables	182,622	258,791
Add: Cash and bank balances (Note 27)	285,416	437,597
Financial assets at amortised cost	468,038	696,388

## Notes To The Financial Statements

For the financial year ended 31 August 2023 (cont'd)

### 24. TRADE AND OTHER RECEIVABLES (CONT'D)

	Company	
	2023 RM'000	2022 RM'000
<b>Other receivables</b>		
Amounts due from subsidiaries	9,504	31,693
Sundry receivables	103	2,229
<b>Total other receivables</b>	<b>9,607</b>	<b>33,922</b>
Total other receivables	9,607	33,922
Add: Cash and bank balances (Note 27)	484	3,513
Financial assets at amortised cost	10,091	37,435

#### (a) Trade receivables

Trade receivables are non-interest bearing and are generally on 30 to 90 days (2022: 30 to 90 days) terms. Other credit terms are assessed and approved on a case-by-case basis. They are recognised at their original invoice amounts which represent their fair values on initial recognition.

#### Ageing analysis of trade receivables

An ageing analysis of the trade receivables as at 31 August 2023 and 2022, based on the invoice date and net of loss allowance, is as follows:

	Group	
	2023 RM'000	2022 RM'000
1 to 30 days	87,611	112,013
31 to 60 days	42,330	72,946
61 to 90 days	14,725	24,504
91 to 120 days	2,984	1,606
More than 121 days	19,382	20,065
	<b>167,032</b>	<b>231,134</b>

## Notes To The Financial Statements

For the financial year ended 31 August 2023 (cont'd)

### 24. TRADE AND OTHER RECEIVABLES (CONT'D)

#### (a) Trade receivables (cont'd)

The ageing analysis by due date of the Group's trade receivables is as follows:

	Group	
	2023 RM'000	2022 RM'000
Neither past due nor impaired	133,816	181,067
1 to 30 days past due not impaired	12,505	26,391
31 to 60 days past due not impaired	1,959	3,675
61 to 90 days past due not impaired	14	1,101
91 to 120 days past due not impaired	25	365
More than 121 days past due not impaired	18,713	18,535
	<b>33,216</b>	<b>50,067</b>
Impaired	3,350	1,720
	<b>170,382</b>	<b>232,854</b>

#### Receivables that are neither past due nor impaired

Trade and other receivables that are neither past due nor impaired are creditworthy debtors with good payment records and are mostly regular customers that have been transacting with the Group.

None of the Group's trade receivables that are neither past due nor impaired have been renegotiated during the financial year.

#### Receivables that are past due but not impaired

The Group has trade receivables amounting to RM33,216,000 (2022: RM50,067,000) that are past due at the reporting date but not impaired. These balances mainly relate to customers who have never defaulted on payments but are slow paymasters and hence, are periodically monitored.

#### Receivables that are impaired

Receivables that are determined to be impaired at the reporting date when one or more events that have a detrimental impact on the estimated cash flow have occurred. These instances include adverse changes in the financial capability of the debtors and default or significant delays on payments. These receivables are not secured by any collateral or credit enhancements.

## Notes To The Financial Statements

For the financial year ended 31 August 2023 (cont'd)

### 24. TRADE AND OTHER RECEIVABLES (CONT'D)

#### (a) Trade receivables (cont'd)

##### Allowance for expected credit loss

For receivables that are individually determined to be credit impaired at the reporting date, individual lifetime expected credit loss is recognised.

For receivables that are not individually credit impaired, the Group uses the provision matrix method to measure lifetime expected credit loss where the receivables are grouped based on shared credit risk characteristics and days past due. The calculation reflects the probability-weighted outcome, the time value of money and reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions. The Group assessed that the amount of the allowance on these balances is insignificant.

	Group	
	2023 RM'000	2022 RM'000
Trade receivables-nominal amounts	3,350	1,720
Less: Allowance for expected credit loss	(3,350)	(1,720)
	-	-

Movements in the allowance accounts:

	Group	
	2023 RM'000	2022 RM'000
<b>At 1 September 2022/2021</b>	1,720	1,189
Written off	(1,407)	-
Net additional allowance for expected credit loss during the year	2,976	456
Exchange differences	61	75
<b>At 31 August</b>	3,350	1,720

#### (b) Related party balances

Amounts due from subsidiaries are unsecured, non-interest bearing and are repayable on demand except for an amount of RM5,326,000 (2022: RM2,361,000) which bears interest ranging from 3.42% to 4.34% (2022: 2.60% to 3.18%) per annum.

## Notes To The Financial Statements

For the financial year ended 31 August 2023 (cont'd)

### 25. OTHER CURRENT ASSETS

	Group	
	2023 RM'000	2022 RM'000
Prepaid operating expenses	34,673	32,603
Goods and service tax refundable	21,549	24,230
Advances to suppliers for raw materials	569	4,678
Advances to suppliers for purchase of property, plant and equipment	28,464	34,550
	85,255	96,061

### 26. DERIVATIVE FINANCIAL INSTRUMENTS

	Group			
	2023		2022	
	Contract/ Notional amount RM'000	Fair value RM'000	Contract/ Notional amount RM'000	Fair value RM'000
Forward currency contracts				
- Derivative financial assets	-	-	2,245	3
- Derivative financial liabilities	68,882	(507)	4,864	(69)

The Group uses forward currency contracts to hedge the Group's trade receivables and sales denominated in United States Dollars ("USD") extended to October 2023. Such derivatives do not qualify for hedge accounting.

During the financial year, the Group recognised a loss of RM437,000 (2022: RM2,247,000) in profit or loss arising from changes in the fair value of the forward currency contracts.

## Notes To The Financial Statements

For the financial year ended 31 August 2023 (cont'd)

### 27. CASH AND BANK BALANCES

	Group		Company	
	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
Cash on hand and at banks	279,773	323,980	484	3,513
Deposits with licensed banks and other financial institutions	5,643	113,617	-	-
Cash and bank balances	285,416	437,597	484	3,513
Less:				
Deposits pledged with banks with maturity of more than 3 months	(5,401)	(4,160)	-	-
Cash and cash equivalents	280,015	433,437	484	3,513

Deposits with licensed banks and other financial institutions of the Group amounting to RM5,401,000 (2022: RM4,160,000) are pledged to banks for credit facilities granted to the Group.

The weighted average effective interest rates and maturity days of deposits with licensed banks and other financial institutions at the reporting date were as follows:

	Group	
	2023	2022
Weighted average effective interest rates	0.80%	1.83%
Maturity days	1 to 341 days	1 to 340 days

## Notes To The Financial Statements

For the financial year ended 31 August 2023 (cont'd)

### 28. ASSETS HELD FOR SALE

	Property, plant and equipment RM'000
At 1 September 2021/31 August 2022/1 September 2022	-
Transfer from property, plant and equipment (Note 15)	165,057
Impairment (Note 11)	(5,073)
At 31 August 2023	159,984

Details of assets held for sale are as below:

- (a) On 16 June 2023, the Group through its wholly owned subsidiary, Top Glove Sdn. Bhd. entered into a Sales Purchase Agreement ("SPA") with Samanea Logistic Property Sdn. Bhd. to sell freehold land with the associated plant and equipment under Lot 23552 of approximately 117,230 square feet of which the condition precedents have yet to be satisfied as at 31 August 2023.
- (b) The Group through its wholly owned subsidiary, Top Glove Sdn. Bhd. is in the progress of drafting the SPA for the following:
  - (i) The sales of freehold double storey terrace with other associated assets under Lot 31151 of approximately 139 square metres to an individual third party purchaser.
  - (ii) The sales of freehold land under Lot 97155 of approximately 13 hectares to Linx Development Sdn. Bhd..
  - (iii) The sales of two freehold land with the associated plant and equipment under Lot 106215 and Lot 6495 of approximately 881,491 square feet to H&A Holdings Sdn. Bhd. and HML Development Sdn. Bhd. respectively.
  - (iv) The sales of freehold double storey terrace under Lot 307 of approximately 109 square metres to an individual third party purchaser.
- (c) The Group through its wholly owned subsidiary, Top Quality Glove Sdn. Bhd. is in the progress of drafting SPA for the following:
  - (i) The sales of freehold land under Lot 13 of approximately 6 hectares to Dynamite Empire Sdn. Bhd..
  - (ii) The sales of freehold land under Lot 5057 of approximately 3 acres to Semangat Deligasi Sdn. Bhd..

The completion of the sales above are expected to carry out within a year. As such, the said plots of land, buildings and plant and equipment are classified as current assets held for sale in the current financial year.

## Notes To The Financial Statements

For the financial year ended 31 August 2023 (cont'd)

### 29. LOANS AND BORROWINGS

	Maturity	Group	
		2023 RM'000	2022 RM'000
<b>Current</b>			
<i>Unsecured:</i>			
<u>Fixed Rate</u>			
RM Term loan	2023	-	938
<u>Floating Rate</u>			
USD Revolving credit	2023	-	8,516
EUR Revolving credit	2024/2023	180,111	163,552
JPY Revolving credit	2024/2023	331,920	75,747
VND Revolving credit	2023	-	4,584
EUR Term loan	2024/2023	28,325	25,188
USD Term loan	2023	-	27,597
		<b>540,356</b>	305,184
Total current loans and borrowings		<b>540,356</b>	306,122
<b>Non-current</b>			
<i>Unsecured:</i>			
<u>Floating Rate</u>			
EUR Term loan	2025	14,149	37,770
USD Term loan	2025	-	55,194
Total non-current loans and borrowings		<b>14,149</b>	92,964
<b>Total loans and borrowings</b>		<b>554,505</b>	399,086

The range of interest rates at the reporting date for borrowings are as follows:

	2023	2022
<u>Fixed Rate</u>		
Term loan	Nil	4.4%
<u>Floating Rate</u>		
Revolving credit	0.4% to 4.1%	0.4% to 5.1%
Term loan	1.5% to 5.3%	0.9% to 3.4%

## Notes To The Financial Statements

For the financial year ended 31 August 2023 (cont'd)

### 30. TRADE AND OTHER PAYABLES

	Group		Company	
	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
<b>Trade payables</b>	<b>76,118</b>	180,142	-	-
<b>Other payables</b>				
Accrued operating expenses	86,321	151,847	1,624	6,096
Sundry payables	102,822	127,368	2	-
	<b>189,143</b>	279,215	<b>1,626</b>	6,096
<b>Total trade and other payables</b>	<b>265,261</b>	459,357	<b>1,626</b>	6,096
Total trade and other payables	265,261	459,357	1,626	6,096
Add: Loans and borrowings (Note 29)	554,505	399,086	-	-
Lease liabilities (Note 32)	27,340	17,982	214	291
Total financial liabilities carried at amortised cost	<b>847,106</b>	876,425	<b>1,840</b>	6,387

#### (a) Trade payables

These amounts are non-interest bearing. The normal trade credit term granted to the Group ranges from 30 to 90 days (2022: 30 to 90 days).

#### (b) Other payables

These amounts are non-interest bearing. Other payables are normally settled on an average term of 30 to 90 days (2022: 30 to 90 days).

### 31. CONTRACT LIABILITIES

Contract liabilities represent advance payments received from customers. These advances are refundable to the customers shall the customers choose to cancel their orders.

The movement of contract liabilities is as follows:

	Group	
	2023 RM'000	2022 RM'000
<b>At 1 September 2022/2021</b>	<b>216,565</b>	737,627
Revenue recognised during the year	(693,890)	(2,218,199)
Advance payments received during the year	579,971	1,698,107
Exchange differences	349	(970)
<b>At 31 August</b>	<b>102,995</b>	216,565

## Notes To The Financial Statements

For the financial year ended 31 August 2023 (cont'd)

### 32. LEASE LIABILITIES

#### Group as a lessee

The Group and the Company have lease contracts for land, buildings, motor vehicles and equipment with lease terms between 2 to 47 years and include extension options.

The Group and the Company also have certain leases of hostels, photocopiers and ATM with lease terms of 12 months or less or of low value. The Group and the Company apply the “short-term lease” and “lease of low-value assets” recognition exemptions for these leases.

	Group		Company	
	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
<b>At 1 September 2022/2021</b>	<b>17,982</b>	23,669	<b>291</b>	366
Additions	11,284	1,339	-	-
Accretion of interest	959	836	11	13
Payments	(3,465)	(5,740)	(88)	(88)
Adjustment due to lease modification	102	(1,572)	-	-
Termination	(620)	-	-	-
Exchange differences	1,098	(550)	-	-
<b>At 31 August</b>	<b>27,340</b>	17,982	<b>214</b>	291
Analysed into:				
Repayable within 12 months	1,710	2,610	80	77
Repayable after 12 months	25,630	15,372	134	214
	<b>27,340</b>	17,982	<b>214</b>	291

The maturity analysis of lease liabilities for the financial years ended 31 August 2023 and 2022 is disclosed in Note 43(c).

The amounts recognised in profit or loss in relation to leases are as follows:

	Group		Company	
	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
Depreciation of right-of-use assets (Note 11 and Note 16)	6,663	9,330	78	77
Interest expense on lease liabilities	959	836	11	13
Gain on lease modifications (Note 10)	(20)	(54)	-	-
Gain on lease termination (Note 10)	(40)	-	-	-
Expenses related to short-term, low-value and variable leases	5,406	8,862	-	-
<b>Total amount recognised in profit or loss</b>	<b>12,968</b>	18,974	<b>89</b>	90

The Group and the Company had total cash outflows for leases amounting to RM8,871,000 and RM88,000 respectively for the financial year ended 31 August 2023 (2022: RM14,602,000 and RM88,000 respectively).

The Group has several lease contracts that include extension and termination options. These options are negotiated by management to provide flexibility in managing the leased-asset portfolio and align with the Group's business needs.

### 33. SHARE CAPITAL

	Group and Company			
	2023		2022	
	Number of shares '000	Monetary value RM'000	Number of shares '000	Monetary value RM'000
<b>Issued and fully paid</b>				
At 1 September 2022/2021	8,207,105	1,842,189	8,206,864	1,841,654
Exercise of ESOS (Note 38(i))	820	813	241	498
Transfer from share option reserve	-	270	-	39
Transaction cost	-	(1)	-	(2)
<b>At 31 August</b>	<b>8,207,925</b>	<b>1,843,271</b>	8,207,105	1,842,189

During the financial year, the Company increased its issued and paid-up ordinary share capital by way of issuance of 819,600 (2022: 241,200) ordinary shares pursuant to the Company's ESOS at an exercise price between RM0.89 to RM0.99 (2022: between RM1.54 to RM3.86) per ordinary share.

The new ordinary shares issued during the financial year ranked pari passu in all respects with the existing ordinary shares of the Company.

### 34. TREASURY SHARES

This amount relates to the acquisition cost 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 the annual general meeting held on 6 January 2023, renewed their approval for the Company's plan to repurchase its own shares.

In the previous financial year, the Company transferred 149,500 treasury shares to eligible employees and an executive director under the ESGP at an average market price of RM0.994 per share. The total transferred treasury shares net of transaction costs were RM148,000. The difference between the transferred treasury shares and the cost of the treasury shares which amounted to RM856,000 was recognised in equity.

Of the total 8,207,925,000 (2022: 8,207,105,200) issued and fully paid ordinary shares as at 31 August 2023, 199,764,300 (2022: 199,764,300) are held as treasury shares by the Company. As at 31 August 2023, the number of outstanding ordinary shares in issue and fully paid is therefore 8,008,160,700 (2022: 8,007,340,900) ordinary shares.

## Notes To The Financial Statements

For the financial year ended 31 August 2023 (cont'd)

### 35. OTHER RESERVES

	Foreign exchange reserve RM'000	Legal reserve RM'000	Share option reserve RM'000	Revaluation reserve RM'000	Fair value adjustment reserve RM'000	Other reserves RM'000	Total RM'000
<b>Group</b>							
<b>At 1 September 2021</b>	24,928	27,569	34,596	-	1,844	12,726	101,663
Other comprehensive loss	(14,098)	-	-	-	(12,901)	-	(26,999)
Share options granted under ESOS	-	-	36,200	-	-	-	36,200
Transfer from share option reserve	-	-	(4,789)	-	-	-	(4,789)
Transfer from retained earnings	-	-	-	-	-	1,558	1,558
<b>At 31 August 2022/1 September 2022</b>	<b>10,830</b>	<b>27,569</b>	<b>66,007</b>	<b>-</b>	<b>(11,057)</b>	<b>14,284</b>	<b>107,633</b>
Other comprehensive income/(loss)	51,217	-	-	8,785	(3,279)	-	56,723
Share options granted under ESOS	-	-	2,639	-	-	-	2,639
Transfer from share option reserve	-	-	(16,784)	-	-	-	(16,784)
Transfer to retained earnings	-	-	-	-	-	(941)	(941)
Changes in ownership interest in subsidiaries	34	-	-	-	-	-	34
<b>At 31 August 2023</b>	<b>62,081</b>	<b>27,569</b>	<b>51,862</b>	<b>8,785</b>	<b>(14,336)</b>	<b>13,343</b>	<b>149,304</b>

	Share option reserve RM'000	Fair value adjustment reserve RM'000	Total RM'000
<b>Company</b>			
<b>At 1 September 2021</b>	34,596	144	34,740
Other comprehensive loss	-	(11,201)	(11,201)
Share options granted under ESOS	36,200	-	36,200
Transfer from share option reserve	(4,789)	-	(4,789)
<b>At 31 August 2022/1 September 2022</b>	<b>66,007</b>	<b>(11,057)</b>	<b>54,950</b>
Other comprehensive loss	-	(3,279)	(3,279)
Share options granted under ESOS	2,639	-	2,639
Transfer from share option reserve	(16,784)	-	(16,784)
<b>At 31 August 2023</b>	<b>51,862</b>	<b>(14,336)</b>	<b>37,526</b>

### 35. OTHER RESERVES (CONT'D)

#### (a) Foreign exchange reserve

The foreign currency translation reserve is used to record exchange differences arising from the translation of the financial statements of foreign operations whose functional currencies are different from that of the Group's presentation currency. It is also used to record the exchange differences arising from monetary items which form part of the Group's net investment in foreign operations, where the monetary item is denominated in either the functional currency of the reporting entity or the foreign operation.

#### (b) Legal reserve

This represents a general reserve provided for in respect of subsidiaries incorporated in the People's Republic of China and Thailand.

Under the Wholly Foreign Owned Enterprise ("WFOE") Law in the People's Republic of China, at least 10% of the net profit after taxation in each financial year must be credited to this reserve, until it reaches 50% of the registered paid up capital of the subsidiary.

Under the Civil and Commercial Code in Thailand, a company is required to set aside a statutory reserve equal to at least 5% of its net profit each time when the company pays out a dividend, until it reaches 10% of the registered share capital of the company.

#### (c) Share option reserve

The share option reserve represents the equity-settled share options granted to employees. This reserve is made up of the cumulative value of services received from employees recorded on grant of share options.

#### (d) Fair value adjustment reserve

This represents fair value through OCI reserves, which also represents the cumulative fair value changes, net of tax, if applicable, of fair value through OCI financial assets until they are disposed of.

#### (e) Revaluation reserve

Revaluation reserve represents fair value adjustments relating to transfers of property, plant and equipment to investment properties in accordance to MFRS 116: Property, Plant and Equipment.

### 36. PERPETUAL SUKUK

	Group	
	2023 RM'000	2022 RM'000
<b>At 1 September 2022/2021</b>	<b>1,175,694</b>	1,295,262
Less: Redemption of Perpetual Sukuk	-	(119,568)
<b>At 31 August</b>	<b>1,175,694</b>	1,175,694

On 22 January 2020, the Company's wholly-owned subsidiary, TG Excellence Berhad ("TGE") lodged the Perpetual Sukuk Programme with the Securities Commission Malaysia ("SC"). The Perpetual Sukuk Programme, under the Shariah principle of Wakalah Bi Al-Istithmar, is guaranteed by the Company via a subordinated guarantee. The Perpetual Sukuk Programme provides TGE with the flexibility to issue unsecured and subordinated perpetual sukuk from time to time, subject to the aggregate outstanding nominal amount not exceeding RM3.0 billion at any point in time.

On 27 February 2020, TGE completed the first issuance with a nominal value of RM1.3 billion under the Perpetual Sukuk Programme. The Perpetual Sukuk was issued with a tenure of perpetual non-callable 5 years with an initial periodic distribution rate of 3.95% per annum.



## Notes To The Financial Statements

For the financial year ended 31 August 2023 (cont'd)

### 36. PERPETUAL SUKUK (CONT'D)

The proceeds raised from the issuance of the Perpetual Sukuk are allowed to be utilised by the Group to refinance the existing financing and debt obligations, repayment of intercompany borrowings, capital expenditure, working capital requirements and general corporate purposes. All utilisation of proceeds shall be Shariah-compliant.

Under the Perpetual Sukuk Programme, TGE may, at its sole discretion, redeem the Perpetual Sukuk pursuant to certain redemption events.

There are no events of default or dissolution events which will entitle the sukuk holders to declare any or all amounts under the Perpetual Sukuk Programme to be immediately due and payable, save for certain enforcement events, as described below.

The Perpetual Sukuk Programme has been accorded an indicative credit rating of AA-IS (cg) by Malaysian Rating Corporation Berhad.

The salient features of the Perpetual Sukuk are as follows:

- (a) The Perpetual Sukuk shall constitute direct, unsecured, unconditional and subordinated obligations of TGE and shall at all times rank (i) below all present and future creditors of TGE; (ii) pari passu with any instrument issued or guaranteed by TGE that ranks pari passu with the Perpetual Sukuk; and (iii) ahead of any class of TGE's share capital, including without limitation, any ordinary shares.
- (b) Being perpetual in nature, TGE has a call option to redeem the Perpetual Sukuk under the following circumstances:
  - (i) Optional redemption at the first call date of the Perpetual Sukuk and on each periodic distribution date of the expected distribution amount thereafter.
  - (ii) Accounting event - change in accounting standards resulting in Perpetual Sukuk no longer being recognised as an equity instrument.
  - (iii) Tax event - if the expected periodic distribution of the profit would not be fully tax deductible or TGE become obligated to pay additional tax due to changes in tax laws or regulations.
  - (iv) Rating event - change in rating methodology by the rating agency that results in a lower equity credit for the relevant tranche of the Perpetual Sukuk.
- (c) The initial periodic distribution rate is 3.95% per annum, subject to reset every 5 years at the prevailing 5-year Malaysian Government Securities rate, initial credit spread of 1.209% and stepped up margin of 1.000%.
- (d) The periodic distribution amount is payable five years from the issue date of the respective tranche and every five years thereafter.
- (e) TGE may, at its sole discretion, opt to (i) defer the periodic distribution or (ii) further defer any outstanding arrears of deferred periodic distribution, provided that it has not during the last six months declared or paid any dividend or payment or other distributions in respect of or redeem or repurchase its ordinary shares or any other securities of TGE ranking junior to or pari passu with the Perpetual Sukuk. The deferred periodic distribution, if any, will be cumulative and will not earn additional profits (i.e. there will be no compounding of the periodic distribution being deferred). There is no limit as to the number of times the expected periodic amount and the arrears of deferred periodic distribution can be deferred.
- (f) Notwithstanding the optional deferral stipulated in (e) above, all outstanding arrears of deferred periodic distribution shall be due and payable within fifteen days from the date TGE declared or paid any dividend or payment or other distributions in respect of or redeem or repurchase its ordinary shares or any other securities of TGE ranking junior to or pari passu with the Perpetual Sukuk.

In the previous financial year, TGE has exercised optional redemption to redeem an aggregate RM119,568,000 nominal value of Perpetual Sukuk. As at 31 August 2023, the outstanding nominal value of Perpetual Sukuk was RM1,175,694,000.

### 37. RETAINED EARNINGS

The Company may distribute dividends out of its entire retained earnings as at 31 August 2023 and 2022 under the single tier system.

### 38. SHARE BASED PAYMENTS

#### (i) ESOS

The Company's ESOS is governed by the By-Laws which was approved by the shareholders at the Extraordinary General Meeting held on 9 January 2018 and became effective on 2 August 2018.

The main features of the ESOS are as follows:

- (a) The ESOS shall be in force for a period of ten years from the date of the receipt of the last of the requisite approvals.
- (b) Eligible persons are employees of the Group (including executive directors) who have been confirmed in the employment of the Group. The eligibility for participation in the ESOS shall be at the discretion of the Options Committee appointed by the Board of Directors.
- (c) The total number of shares to be issued under the ESOS shall not exceed in aggregate 10% of the issued and paid up share capital of the Company at any point of time during the tenure of the ESOS.
- (d) The option price for each share shall be the 5-days weighted average market price of the underlying shares before the ESOS Options are granted, with either a premium or a discount of not more than ten percent (10%).
- (e) No option shall be granted for less than 100 shares to any eligible employee.
- (f) An option granted under the ESOS shall be capable of being exercised by the grantee by notice in writing to the Company commencing from the vest date but before the expiry on 31 May 2028.
- (g) All new ordinary shares issued upon exercise of the options granted under the ESOS will rank pari passu in all respect with the existing ordinary shares of the Company other than as may be specified in a resolution approving the distribution of dividends prior to their exercise dates.
- (h) No eligible person shall participate at any time in more than one share option scheme implemented by any company within the Group unless otherwise approved by the Options Committee.
- (i) The options shall not carry any right to vote at a general meeting of the Company.

## Notes To The Financial Statements

For the financial year ended 31 August 2023 (cont'd)

### 38. SHARE BASED PAYMENTS (CONT'D)

#### (i) ESOS (cont'd)

The terms of share options outstanding as at end of the financial year are as follows:

Grant date	Expiry date	Exercise price RM	← Number of share options over the ordinary shares →					As at 31.8.2023 '000
			As at 1.9.2022 '000	Granted '000	Exercised '000	Lapsed '000	As at 31.8.2023 '000	
<b>2023</b>								
2 August 2018	31 May 2028	1.69	1,139.5	-	-	(92.9)	1,046.6	
1 February 2019	31 May 2028	1.63	1,801.4	-	-	-	1,801.4	
18 February 2019	31 May 2028	1.63	336.5	-	-	(66.3)	270.2	
30 July 2019	31 May 2028	1.54	1,500.3	-	-	(138.9)	1,361.4	
20 January 2020	31 May 2028	1.57	970.5	-	-	(38.0)	932.5	
20 May 2020	31 May 2028	3.30	3,019.6	-	-	(576.5)	2,443.1	
1 June 2020	31 May 2028	4.25	69.7	-	-	(28.5)	41.2	
31 January 2021	31 May 2028	6.55	53,143.2	-	-	(12,979.5)	40,163.7	
6 August 2021	31 May 2028	3.86	17,038.4	-	-	(3,668.3)	13,370.1	
27 January 2022	31 May 2028	2.12	10,463.9	-	-	(1,366.4)	9,097.5	
29 July 2022	31 May 2028	0.99	87,790.7	-	(801.0)	(26,100.9)	60,888.8	
31 January 2023	31 May 2028	0.89	-	1,398.8	(18.6)	(8.5)	1,371.7	
31 July 2023	31 May 2028	0.88	-	5,816.2	-	(76.7)	5,739.5	
			177,273.7	7,215.0	(819.6)	(45,141.4)	138,527.7	

Grant date	Expiry date	Exercise price RM	← Number of share options over the ordinary shares →					As at 31.8.2022 '000
			As at 1.9.2021 '000	Granted '000	Exercised '000	Lapsed '000	As at 31.8.2022 '000	
<b>2022</b>								
2 August 2018	31 May 2028	1.69	1,180.0	-	(29.7)	(10.8)	1,139.5	
1 February 2019	31 May 2028	1.63	1,813.4	-	(12.0)	-	1,801.4	
18 February 2019	31 May 2028	1.63	362.0	-	-	(25.5)	336.5	
30 July 2019	31 May 2028	1.54	1,568.6	-	(55.7)	(12.6)	1,500.3	
20 January 2020	31 May 2028	1.57	1,060.8	-	(90.3)	-	970.5	
20 May 2020	31 May 2028	3.30	3,354.5	-	(10.6)	(324.3)	3,019.6	
1 June 2020	31 May 2028	4.25	77.2	-	-	(7.5)	69.7	
31 January 2021	31 May 2028	6.55	61,950.3	-	-	(8,807.1)	53,143.2	
6 August 2021	31 May 2028	3.86	19,024.5	-	(42.9)	(1,943.2)	17,038.4	
27 January 2022	31 May 2028	2.12	-	10,615.9	-	(152.0)	10,463.9	
29 July 2022	31 May 2028	0.99	-	88,829.6	-	(1,038.9)	87,790.7	
			90,391.3	99,445.5	(241.2)	(12,321.9)	177,273.7	

### 38. SHARE BASED PAYMENTS (CONT'D)

#### (i) ESOS (cont'd)

Details of share options exercised during the financial year and the fair value, at exercise date, of ordinary shares issued are as follows:

Exercise Date	Exercise price RM	Fair value of ordinary shares RM	Number of share options '000	Considerations received RM'000
<b>2023</b>				
September 2022 - August 2023	0.99	0.59 - 1.22	801.0	796.2
September 2022 - August 2023	0.89	0.59 - 1.22	18.6	16.6
			819.6	812.8
<b>2022</b>				
September 2021 - August 2022	1.69	0.80 - 3.92	29.7	50.2
September 2021 - August 2022	1.63	0.80 - 3.92	12.0	19.6
September 2021 - August 2022	1.54	0.80 - 3.92	55.7	85.8
September 2021 - August 2022	1.57	0.80 - 3.92	90.3	141.8
September 2021 - August 2022	3.30	0.80 - 3.92	10.6	35.0
September 2021 - August 2022	3.86	0.80 - 3.92	42.9	165.6
			241.2	498.0

#### Fair value of share options

The fair value of share options granted were estimated by using a binomial option pricing model, taking into account the terms and conditions upon which the options were granted. The fair value of share options measured at grant date and the assumptions are used as follows:

Fair value of share options at the following grant dates (RM):

27 January 2022	0.66
29 July 2022	0.33
31 January 2023	0.28
31 July 2023	0.39
Weighted average share price (RM)	0.83 - 2.08
Weighted average exercise price (RM)	0.88 - 2.12
Expected volatility (%)	30.33 - 42.07
Expected life (years)	4.84 - 6.35
Risk free interest rate (%)	3.48 - 3.80
Expected dividend yield (%)	0.00 - 1.23

The expected life of the share options is based on historical data and is not necessarily indicative of exercise patterns that may occur. The expected volatility reflects the assumption that the historical volatility is indicative of future trends, which may also not necessarily be the actual outcome.

## Notes To The Financial Statements

For the financial year ended 31 August 2023 (cont'd)

### 38. SHARE BASED PAYMENTS (CONT'D)

#### (ii) ESGP

The Company's ESGP is governed by the By-Laws which was approved by the shareholders at the Extraordinary General Meeting held on 6 January 2016 and became effective on 12 January 2016 and is administered by the ESGP Committee.

Under the ESGP, eligible employees may be granted ESGP Awards comprising shares of the Company. The ESGP Awards, once accepted, will vest without any consideration payable, subject to vesting date(s) and/or vesting conditions as may be determined at the discretion of the ESGP Committee. The ESGP Committee may, at its discretion, decide that any vesting of the Company's shares comprised in an ESGP Award shall be satisfied through:

- the issuance of new shares of the Company;
- the transfer of existing shares of the Company;
- settlement in cash; or
- a combination of any of the above.

The main features of the ESGP are as follows:

- The aggregate number of shares of the Company which may be awarded under the ESGP and any other schemes involving issuance of new shares of the Company to employees which are still subsisting shall not exceed 10% of the issued and paid-up share capital of the Company ("Plan Size").
- Eligible persons are any employee or executive director of the Group (excluding dormant subsidiaries) who fulfills the eligibility criteria. The eligibility for participation in the ESGP shall be at the discretion of the ESGP Committee appointed by the Board of Directors.
- The number of shares comprised in each ESGP Award shall be determined at the discretion of the ESGP Committee after taking into consideration, inter alia, the performance and seniority, years of service and potential for future development of the eligible employees and the employees' contribution to the Group as well as such other criteria as the ESGP Committee may deem relevant.
- The aggregate number of shares that may be allocated to any one participant shall not exceed 10% of the total number of shares to be awarded under the ESGP and any other schemes involving issuance of new shares of the Company which may be implemented from time to time by the Company.
- The aggregate maximum allocation to the directors and senior management of the Group (excluding dormant subsidiaries) shall not be more than 75% of the Company's shares awarded under the ESGP.
- The ESGP shall be in force for a period of ten years from the effective date of implementation which is the date the last of the requisite approvals and/or conditions have been obtained and/or complied with.
- The shares to be allotted and issued under the ESGP will, upon allotment and issue, rank pari passu in all respects with the existing shares of the Company, save and except that they will not be entitled to any dividends, rights, allotments and/or other distributions in respect of which the entitlement date is prior to the date of allotment and issuance of the new shares.

## Notes To The Financial Statements

For the financial year ended 31 August 2023 (cont'd)

### 39. RELATED PARTY TRANSACTIONS

#### (a) Significant transactions with related parties

In addition to the related party information disclosed elsewhere in the financial statements, the following significant transactions between the Group and related parties took place at terms mutually agreed between the parties during the financial year:

	Group		Company	
	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
<b>Transactions with subsidiaries</b>				
Gross dividends	-	-	200,200	191,153
Management fees	-	-	5,029	11,206
Interest income	-	-	789	2,083
<b>Transactions with company in which Directors of the Company and members of their family have interest</b>				
Purchase of equity interest of a company	-	1,452	-	-

#### (b) Compensation of key management personnel

The remuneration of executive directors and other key management personnel during the financial year were as follows:

	Group		Company	
	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
Salaries and other emoluments	10,856	15,124	3,022	4,701
Pension costs - defined contribution plan	944	1,366	363	544
Social security contributions	86	94	1	1
Share options granted under ESOS	178	2,753	90	1,452
Shares granted under ESGP	-	129	-	-
Fees	477	576	398	477
Benefits-in-kind	114	167	83	79
	12,655	20,209	3,957	7,254

**Notes To The Financial Statements**

For the financial year ended 31 August 2023 (cont'd)

**40. COMMITMENTS****(a) Capital commitments**

	Group	
	2023 RM'000	2022 RM'000
<b>Property, plant and equipment:</b>		
Approved and contracted for	278,954	576,308
Approved but not contracted for	207,518	103,244

**(b) Operating lease arrangements****Group as a lessor**

The Group has entered into non-cancellable operating lease agreements on its investment properties and certain property, plant and equipment portfolio. These leases have remaining non-cancellable lease terms between less than 1 year to 3 years (2022: less than 1 year to 3 years). Rental income earned from these investment properties and property, plant and equipment during the financial year is disclosed in Note 10.

The future minimum lease payments receivables under non-cancellable operating leases contracted for as at the reporting date but not recognised as receivables, are as follows:

	Group	
	2023 RM'000	2022 RM'000
Within one year	4,081	2,086
After one year but within two years	2,624	1,215
After two years but within five years	1,264	597
	7,969	3,898

**41. CONTINGENT LIABILITY**

The subsidiaries of the Group were involved in a trade dispute with certain customers. The customers had commenced International Chamber of Commerce Arbitration in Singapore against the subsidiaries of the Group claiming approximately RM43 million. The Group had filed for counterclaim of approximately RM62 million for overdue payments and late payment interest. The case is subject for the Arbitrator's decision to be issued to later than 31 January 2024.

**42. FAIR VALUES****(i) Determination of fair value of financial instruments**

Financial instruments that are not carried at fair value and whose carrying amounts are reasonable approximation of fair value

The following are classes of financial instruments that are not carried at fair value and whose carrying amounts are reasonable approximation of fair value:

	Note
Trade and other receivables	24
Cash and bank balances	27
Loans and borrowings	29
Trade and other payables	30
Lease liabilities	32

The carrying amounts of these financial assets and liabilities are reasonable approximation of fair values, either due to their short-term nature or that they are floating rate instruments that are re-priced to market interest rates on or near the reporting date.

The fair values of loans and borrowings are estimated by discounting expected future cash flows at market incremental lending rate for similar types of lending, borrowing or leasing arrangements at the reporting date.

Investment securities (current)

Fair value is determined directly by reference to their published market bid price at the reporting date.

Investment securities (non-current)

Fair value is determined based on directors' estimates using comparable market price of similar golf club memberships.

Derivative financial instruments

Forward currency contracts are valued using a valuation technique with market observable inputs. The most frequently applied valuation techniques include forward pricing, using present value calculations. The models incorporate various inputs including the credit quality of counterparties, foreign exchange spot and forward rates.

Investment properties

The fair value of the investment properties is based on valuation by accredited independent qualified valuers as disclosed in Note 17.

**Notes To The Financial Statements**

For the financial year ended 31 August 2023 (cont'd)

**42. FAIR VALUES (CONT'D)****(ii) Fair value hierarchy**

The following table provides the fair value measurement hierarchy of the Group's and the Company's assets and liabilities as at reporting date:

	Quoted prices in active market (Level 1) RM'000	Significant observable inputs (Level 2) RM'000	Significant unobservable inputs (Level 3) RM'000	Total RM'000
<b>Group</b>				
<b>As at 31 August 2023</b>				
<b>Assets/(liabilities) measured at fair value</b>				
<b>Current</b>				
Financial assets at fair value through OCI (Note 21)	32,864	-	-	32,864
Financial assets at fair value through profit or loss (Note 21)	630,186	-	-	630,186
Derivative financial liabilities (Note 26)	-	(507)	-	(507)
<b>Non-current</b>				
Financial assets at fair value through profit or loss (Note 21)	-	-	392	392
Investment properties (Note 17)	-	-	419,699	419,699
Biological assets	-	-	647	647

**Notes To The Financial Statements**

For the financial year ended 31 August 2023 (cont'd)

**42. FAIR VALUES (CONT'D)****(ii) Fair value hierarchy (cont'd)**

The following table provides the fair value measurement hierarchy of the Group's and the Company's assets and liabilities as at reporting date (cont'd):

	Quoted prices in active market (Level 1) RM'000	Significant observable inputs (Level 2) RM'000	Significant unobservable inputs (Level 3) RM'000	Total RM'000
<b>Group (cont'd)</b>				
<b>As at 31 August 2022</b>				
<b>Assets/(liabilities) measured at fair value</b>				
<b>Current</b>				
Financial assets at fair value through OCI (Note 21)	34,366	-	-	34,366
Financial assets at fair value through profit or loss (Note 21)	478,950	-	-	478,950
Derivative financial assets (Note 26)	-	3	-	3
Derivative financial liabilities (Note 26)	-	(69)	-	(69)
<b>Non-current</b>				
Financial assets at fair value through profit or loss (Note 21)	-	-	392	392
Investment properties (Note 17)	-	-	227,400	227,400
Biological assets	-	-	1,170	1,170

**Notes To The Financial Statements**

For the financial year ended 31 August 2023 (cont'd)

**42. FAIR VALUES (CONT'D)****(ii) Fair value hierarchy (cont'd)**

The following table provides the fair value measurement hierarchy of the Group's and the Company's assets and liabilities as at reporting date (cont'd):

	Quoted prices in active market (Level 1) RM'000	Significant observable inputs (Level 2) RM'000	Significant unobservable inputs (Level 3) RM'000	Total RM'000
<b>Company</b>				
<b>As at 31 August 2023</b>				
<b>Assets measured at fair value</b>				
<b>Current</b>				
Financial assets at fair value through OCI (Note 21)	32,864	-	-	32,864
Financial assets at fair value through profit or loss (Note 21)	424,592	-	-	424,592
<b>As at 31 August 2022</b>				
<b>Assets measured at fair value</b>				
<b>Current</b>				
Financial assets at fair value through OCI (Note 21)	34,366	-	-	34,366
Financial assets at fair value through profit or loss (Note 21)	226,635	-	-	226,635

There were no transfers between Level 1, Level 2 and Level 3 fair value measurements during the financial years ended 31 August 2023 and 2022.

**Notes To The Financial Statements**

For the financial year ended 31 August 2023 (cont'd)

**43. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES**

The Group and the Company are exposed to a variety of financial risks, including credit risk, liquidity risk, interest rate risk, market price risk and foreign currency risk.

The Group's senior management oversees the management of these risks and ensures that the Group's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Group's policies and risk objectives. All derivative activities for risk management purposes are carried out by senior management who have the appropriate skills, experience and supervision. It is the Group's policy that no trading in derivatives for speculative purposes may be undertaken. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below:

**(a) Market risk**

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises interest rate risk, foreign exchange currency risk and other price risk such as equity price risk. Financial instruments affected by market risk include loans and borrowings, cash and short term deposits, debt securities, money market funds and derivative financial instruments.

**(b) Credit risk**

Credit risk is the risk of loss that may arise on outstanding financial instruments should a counterparty default on its obligations. The Group's and the Company's exposure to credit risk arises primarily from trade and other receivables. For other financial assets (including debt securities, money market funds, cash and bank balances and derivative financial instruments), the Group and the Company minimise credit risk by dealing exclusively with high credit rating counterparties.

The Group's objective is to seek continual revenue growth while minimising losses incurred due to increased credit risk exposure. The Group trades only with recognised and creditworthy third parties. It is the Group's policy that all customers who wish to trade on credit terms are subject to credit verification procedures. In addition, receivable balances are monitored on an ongoing basis with the result that the Group's exposure to bad debts is not significant.

Exposure to credit risk

At the reporting date, the Group's and the Company's maximum exposure to credit risk is represented by the carrying amount of each class of financial assets recognised in the statements of financial position.

Credit risk concentration profile

The Group has no significant concentration of credit risk that may arise from exposure to a single debtor or to groups of debtors.

Financial assets that are neither past due nor impaired

Information regarding trade and other receivables that are neither past due nor impaired is disclosed in Note 24(a). Deposits with banks and other financial institutions, debt securities, money market funds and derivative financial instruments that are neither past due nor impaired are placed with or entered into with reputable financial institutions or companies with high credit ratings and no history of default.

## Notes To The Financial Statements

For the financial year ended 31 August 2023 (cont'd)

### 43. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONT'D)

#### (b) Credit risk (cont'd)

Financial assets that are either past due or impaired

Information regarding financial assets that are either past due or impaired is disclosed in Note 24(a). An impairment analysis is performed at each reporting date using a provision matrix to measure expected credit losses. The provision rates are based on days past due for groupings of various customer segments with similar loss patterns. The calculation reflects the probability-weighted outcome, the time value of money and reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions. Generally, trade receivables are written off if past due for more than 120 days, except for certain major or specific customers where the period may extend beyond 120 days, and are not subject to enforcement activity. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets disclosed in Note 24(a).

#### (c) Liquidity risk

Liquidity risk is the risk that the Group or the Company will encounter difficulty in meeting financial obligations due to shortage of funds. The Group's and the Company's exposure to liquidity risk arises primarily from mismatches of the maturities of financial assets and liabilities. The Group's and the Company's objective is to maintain a balance between continuity of funding and flexibility through the use of stand-by credit facilities.

The table below summarises the maturity profile of the Group's and the Company's liabilities at the reporting date based on contractual undiscounted repayment obligations.

	31 August 2023			
	On demand or within one year RM'000	One to five years RM'000	Over five years RM'000	Total RM'000
<b>Group</b>				
<b>Financial liabilities</b>				
Trade and other payables	265,261	-	-	265,261
Derivative financial instruments	507	-	-	507
Loans and borrowings	542,890	14,498	-	557,388
Lease liabilities	2,756	10,324	31,802	44,882
Total undiscounted financial liabilities	811,414	24,822	31,802	868,038
<b>Company</b>				
<b>Financial liabilities</b>				
Trade and other payables	1,626	-	-	1,626
Lease liabilities	88	138	-	226
Total undiscounted financial liabilities	1,714	138	-	1,852

## Notes To The Financial Statements

For the financial year ended 31 August 2023 (cont'd)

### 43. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONT'D)

#### (c) Liquidity risk (cont'd)

The table below summarises the maturity profile of the Group's and the Company's liabilities at the reporting date based on contractual undiscounted repayment obligations. (cont'd)

	31 August 2022			Total RM'000
	On demand or within one year RM'000	One to five years RM'000	Over five years RM'000	
<b>Group</b>				
<b>Financial liabilities</b>				
Trade and other payables	459,357	-	-	459,357
Derivative financial instruments	69	-	-	69
Loans and borrowings	309,863	95,697	-	405,560
Lease liabilities	3,250	4,395	25,502	33,147
Total undiscounted financial liabilities	772,539	100,092	25,502	898,133
<b>Company</b>				
<b>Financial liabilities</b>				
Trade and other payables	6,096	-	-	6,096
Lease liabilities	88	225	-	313
Total undiscounted financial liabilities	6,184	225	-	6,409

#### (d) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of the Group's and the Company's financial instruments will fluctuate because of changes in market interest rates.

The Group's exposure to interest rate risk arises primarily from its loans and borrowings. The Group manages its interest rate exposure by maintaining a mix of fixed and floating rate borrowings. The Group actively reviews its debt portfolio, taking into account the investment holding period and nature of its assets. This strategy allows it to capitalise on cheaper funding in a low interest rate environment and achieve a certain level of protection against rate hikes.

#### Sensitivity analysis for interest rate risk

At the reporting date, if interest rates had been 10 basis points lower/higher, with all other variables held constant, the Group's (loss)/profit before tax would have been RM555,000 (2022: RM398,000) higher/lower, respectively, arising mainly as a result of lower/higher interest expense on floating rate loans and borrowings. The assumed movement in basis points for interest rate sensitivity analysis is based on the currently observable market environment.

## Notes To The Financial Statements

For the financial year ended 31 August 2023 (cont'd)

### 43. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONT'D)

#### (e) Market price risk

The Group's quoted investment securities are susceptible to market price risk arising from uncertainties about future values of the investment securities. The Group manages the market price risk through diversification and by placing limits on individual and total investment in investment securities. Reports on the investment portfolio are submitted to the Group's senior management on a regular basis. The Board of Directors reviews and approves all investment decisions.

The Group has a Board Risk Committee with the objectives of reviewing, advising and ensuring that the Group's investment in debt securities is consistent with the delegated authority limit approved by the Board; and cash invested is within the risk appetite of the Group. The Board Risk Committee established certain criteria for current and future investment in debt securities. Any investment differing from the criteria established will require the Board Risk Committee's approval. The Board Risk Committee also aims to establish an effective investment management framework for the Group.

The Group's exposure to quoted investment securities at fair value at the reporting date is disclosed in Note 21.

#### Sensitivity analysis for market price risk

At the reporting date, if the prices of the quoted investments had been 5% higher/lower, with all other variables held constant, the Group's profit before tax would have been RM31,509,000 (2022: RM23,948,000) lower/higher, arising as a result of higher/lower fair value gains on fair value through profit or loss. The Group's equity would also have been RM1,643,000 (2022: RM1,718,000) higher/lower, arising as a result of higher/lower fair value gains on investments classified at fair value through other comprehensive income.

#### (f) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Group has transactional currency exposures mainly arising from revenue that are denominated in a currency other than the respective functional currencies of the Group entities. These functional currencies are Malaysian Ringgit ("RM"), Thai Baht ("THB"), Chinese Renminbi ("RMB"), Euro and USD.

The foreign currencies in which these transactions are denominated are mainly USD, Euro and Japanese Yen ("JPY"). In addition, the Group has significant borrowings in USD, Euro and JPY (Note 29). Therefore, the Group is exposed to foreign currency risk. These exposures are managed, to the extent possible, by natural hedge that arise when payments for foreign currency payables are matched against receivables denominated in the same foreign currency.

## Notes To The Financial Statements

For the financial year ended 31 August 2023 (cont'd)

### 43. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONT'D)

#### (f) Foreign currency risk (cont'd)

The net unhedged financial assets and financial liabilities of the Group that are not denominated in their functional currencies are as follows:

	Net financial assets/(liabilities) held in non-functional currency			
	USD RM'000	Euro RM'000	JPY RM'000	Total RM'000
<b>Functional currency of Group entities</b>				
<b>At 31 August 2023</b>				
Malaysian Ringgit	285,812	(179,664)	(331,958)	(225,810)
Thai Baht	16,282	-	-	16,282
Chinese Renminbi	1,906	-	-	1,906
United States Dollars	-	(42,474)	-	(42,474)
	<b>304,000</b>	<b>(222,138)</b>	<b>(331,958)</b>	<b>(250,096)</b>
<b>At 31 August 2022</b>				
Malaysian Ringgit	437,248	(126,700)	(75,745)	234,803
Thai Baht	13,895	-	-	13,895
Chinese Renminbi	2,865	-	-	2,865
Euro	319	-	-	319
United States Dollars	-	(62,935)	-	(62,935)
	<b>454,327</b>	<b>(189,635)</b>	<b>(75,745)</b>	<b>188,947</b>

## Notes To The Financial Statements

For the financial year ended 31 August 2023 (cont'd)

### 43. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONT'D)

#### (f) Foreign currency risk (cont'd)

##### Sensitivity analysis for foreign currency risk

The following table demonstrates the sensitivity of the Group's profit before tax to a reasonably possible change in the USD, Euro and JPY exchange rates against the respective functional currencies of the Group entities, with all other variables held constant.

		2023 RM'000	2022 RM'000
USD/RM	- strengthened 5% (2022: 5%)	14,291	21,862
	- weakened 5% (2022: 5%)	(14,291)	(21,862)
USD/THB	- strengthened 5% (2022: 5%)	814	695
	- weakened 5% (2022: 5%)	(814)	(695)
USD/RMB	- strengthened 5% (2022: 5%)	95	143
	- weakened 5% (2022: 5%)	(95)	(143)
USD/Euro	- strengthened 5% (2022: 5%)	-	16
	- weakened 5% (2022: 5%)	-	(16)
Euro/RM	- strengthened 5% (2022: 5%)	(8,983)	(6,335)
	- weakened 5% (2022: 5%)	8,983	6,335
Euro/USD	- strengthened 5% (2022: 5%)	(2,124)	(3,147)
	- weakened 5% (2022: 5%)	2,124	3,147
JPY/RM	- strengthened 5% (2022: 5%)	(16,598)	(3,787)
	- weakened 5% (2022: 5%)	16,598	3,787

As part of the Group's financial instruments management policies and procedures, the Group established certain limits for foreign exchange contracts to be hedged against foreign currency risks. Further details of the forward currency contracts as at the reporting date are disclosed in Note 26.

## Notes To The Financial Statements

For the financial year ended 31 August 2023 (cont'd)

### 44. FINANCIAL INSTRUMENTS

#### Classification of financial instruments

The principal accounting policies in Note 4.18 describe how the classes of financial instruments are measured, and how income and expenses, including fair value gains and losses, are recognised.

The following table analyses the financial assets and liabilities in the statements of financial position by the class of financial instrument to which they are assigned, and therefore by the measurement basis:

	Fair value through OCI RM'000	Fair value through profit or loss RM'000	Amortised cost RM'000	Total RM'000
<b>Group</b>				
<b>As at 31 August 2023</b>				
<b>Financial assets</b>				
Investment securities: Unquoted investments	-	392	-	392
Investment securities: Money market funds	-	630,186	-	630,186
Investment securities: Debt securities	32,864	-	-	32,864
Trade and other receivables	-	-	182,622	182,622
Cash and bank balances	-	-	285,416	285,416
<b>Total financial assets</b>	<b>32,864</b>	<b>630,578</b>	<b>468,038</b>	<b>1,131,480</b>
<b>Financial liabilities</b>				
Loans and borrowings	-	-	554,505	554,505
Lease liabilities	-	-	27,340	27,340
Trade and other payables	-	-	265,261	265,261
Derivative financial instruments	-	507	-	507
<b>Total financial liabilities</b>	<b>-</b>	<b>507</b>	<b>847,106</b>	<b>847,613</b>

## Notes To The Financial Statements

For the financial year ended 31 August 2023 (cont'd)

### 44. FINANCIAL INSTRUMENTS (CONT'D)

The following table analyses the financial assets and liabilities in the statements of financial position by the class of financial instrument to which they are assigned, and therefore by the measurement basis (cont'd):

	Fair value through OCI RM'000	Fair value through profit or loss RM'000	Amortised cost RM'000	Total RM'000
<b>Group</b>				
<b>As at 31 August 2022</b>				
<b>Financial assets</b>				
Investment securities: Unquoted investments	-	392	-	392
Investment securities: Money market funds	-	277,093	-	277,093
Investment securities: Debt securities	34,366	201,857	-	236,223
Trade and other receivables	-	-	258,791	258,791
Derivative financial instruments	-	3	-	3
Cash and bank balances	-	-	437,597	437,597
<b>Total financial assets</b>	<b>34,366</b>	<b>479,345</b>	<b>696,388</b>	<b>1,210,099</b>
<b>Financial liabilities</b>				
Loans and borrowings	-	-	399,086	399,086
Lease liabilities	-	-	17,982	17,982
Trade and other payables	-	-	459,357	459,357
Derivative financial instruments	-	69	-	69
<b>Total financial liabilities</b>	<b>-</b>	<b>69</b>	<b>876,425</b>	<b>876,494</b>
<b>Company</b>				
<b>As at 31 August 2023</b>				
<b>Financial assets</b>				
Investment securities: Money market funds	-	424,592	-	424,592
Investment securities: Debt securities	32,864	-	-	32,864
Trade and other receivables	-	-	9,607	9,607
Cash and bank balances	-	-	484	484
<b>Total financial assets</b>	<b>32,864</b>	<b>424,592</b>	<b>10,091</b>	<b>467,547</b>
<b>Financial liabilities</b>				
Lease liabilities	-	-	214	214
Trade and other payables	-	-	1,626	1,626
<b>Total financial liabilities</b>	<b>-</b>	<b>-</b>	<b>1,840</b>	<b>1,840</b>

## Notes To The Financial Statements

For the financial year ended 31 August 2023 (cont'd)

### 44. FINANCIAL INSTRUMENTS (CONT'D)

The following table analyses the financial assets and liabilities in the statements of financial position by the class of financial instrument to which they are assigned, and therefore by the measurement basis (cont'd):

	Fair value through OCI RM'000	Fair value through profit or loss RM'000	Amortised cost RM'000	Total RM'000
<b>Company</b>				
<b>As at 31 August 2022</b>				
<b>Financial assets</b>				
Investment securities: Money market funds	-	24,778	-	24,778
Investment securities: Debt securities	34,366	201,857	-	236,223
Trade and other receivables	-	-	33,922	33,922
Cash and bank balances	-	-	3,513	3,513
<b>Total financial assets</b>	<b>34,366</b>	<b>226,635</b>	<b>37,435</b>	<b>298,436</b>
<b>Financial liabilities</b>				
Lease liabilities	-	-	291	291
Trade and other payables	-	-	6,096	6,096
<b>Total financial liabilities</b>	<b>-</b>	<b>-</b>	<b>6,387</b>	<b>6,387</b>

**Notes To The Financial Statements**

For the financial year ended 31 August 2023 (cont'd)

**45. CAPITAL MANAGEMENT**

The primary objective of the Group's and of the Company's capital management is to ensure that they maintain a strong credit rating and healthy capital ratios in order to support their business and maximise shareholders' value.

The Group and the Company manage their capital structure and make adjustments, in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Group and the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. No changes were made in the objectives, policies or processes during the financial years ended 31 August 2023 and 2022.

As disclosed in Note 35(b), subsidiaries of the Group incorporated in the People's Republic of China and Thailand are required to set aside a statutory reserve fund under local regulations. This externally imposed capital requirement has been complied with by the above-mentioned subsidiaries for the financial years ended 31 August 2023 and 2022.

The Group and the Company monitor capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Group and the Company include within net debt, loans and borrowings, trade and other payables, contract liabilities, less cash and cash equivalents. Capital includes equity attributable to the owners of the parent less the fair value adjustment reserve and the above-mentioned restricted statutory reserve fund.

	Note	Group		Company	
		2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
Loans and borrowings	29	554,505	399,086	-	-
Trade and other payables	30	265,261	459,357	1,626	6,096
Contract liabilities	31	102,995	216,565	-	-
Less: Cash and cash equivalents	27	(280,015)	(433,437)	(484)	(3,513)
Net debt		642,746	641,571	1,142	2,583
Equity attributable to the owners of the parent		4,714,534	5,579,222	2,806,211	2,603,743
Less:					
- Fair value adjustment reserve	35	14,336	11,057	14,336	11,057
- Legal reserve	35	(27,569)	(27,569)	-	-
Total equity		4,701,301	5,562,710	2,820,547	2,614,800
<b>Capital and net debt</b>		<b>5,344,047</b>	<b>6,204,281</b>	<b>2,821,689</b>	<b>2,617,383</b>
<b>Gearing ratio</b>		<b>12.03%</b>	<b>10.34%</b>	<b>0.04%</b>	<b>0.10%</b>

The gearing ratio is not governed by the MFRS and its definition and calculation may vary from one group/company to another.

**Notes To The Financial Statements**

For the financial year ended 31 August 2023 (cont'd)

**46. SEGMENT INFORMATION**

For management purposes, the Group is organised into business units based on their geographical areas, and has four reportable operating segments.

Management monitors the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on operating profit or loss which, in certain respects as explained in the table below, is measured differently from operating profit or loss in the consolidated financial statements. Group financing (including finance costs), income taxes and share of results of an associate are managed on a group basis and are not allocated to operating segments.

The directors are of the opinion that all inter-segment transactions have been entered into in the normal course of business and have been established on negotiated and mutually agreed terms.

	Malaysia RM'000	Thailand RM'000	The People's Republic of China RM'000	Others RM'000	Eliminations RM'000	Note	Consolidated RM'000
<b>31 August 2023</b>							
<b>Revenue</b>							
External sales	1,992,825	138,878	8,789	116,729	-		2,257,221
Inter-segment sales	77,070	217,451	84	772	(295,377)	A	-
Total revenue	2,069,895	356,329	8,873	117,501	(295,377)		2,257,221
<b>Results</b>							
Interest income	184,463	766	1,038	1,318	(170,228)		17,357
Depreciation and amortisation	300,409	25,072	4,123	13,408	-		343,012
Impairment loss on:							
- property, plant and equipment	-	-	-	54,660	-		54,660
- right-of-use assets	-	-	-	16,124	-		16,124
- goodwill	137,553	-	-	-	-		137,553
- assets held for sale	5,073	-	-	-	-		5,073
Segment loss	(714,370)	(45,314)	(9,430)	(112,775)	(18,526)	B	(900,415)
<b>Assets</b>							
Additions to non-current assets*	362,015	12,643	-	1,840	-	C	376,498
Segment assets	5,149,395	672,706	49,446	307,194	882,829	D	7,061,570
<b>Liabilities</b>							
Segment liabilities	828,939	55,565	2,377	75,417	173,157	E	1,135,455
<b>Other segment information</b>							
Capital commitments	469,204	8,707	-	8,561	-		486,472

\* Other than financial instruments and deferred tax assets

## Notes To The Financial Statements

For the financial year ended 31 August 2023 (cont'd)

### 46. SEGMENT INFORMATION (CONT'D)

	Malaysia RM'000	Thailand RM'000	The People's Republic of China RM'000	Others RM'000	Eliminations RM'000	Note	Consolidated RM'000
<b>31 August 2022</b>							
<b>Revenue</b>							
External sales	4,813,330	446,449	30,653	281,917	-		5,572,349
Inter-segment sales	167,959	452,010	371	316	(620,656)	A	-
Total revenue	4,981,289	898,459	31,024	282,233	(620,656)		5,572,349
<b>Results</b>							
Interest income	82,834	606	2,833	3,362	(65,322)		24,313
Depreciation and amortisation	305,970	25,559	4,392	12,233	-		348,154
Segment profit/(loss)	290,271	101,176	(8,683)	(16,209)	(8,131)	B	358,424
<b>Assets</b>							
Additions to non-current assets*	826,530	94,719	1,325	32,713	-	C	955,287
Segment assets	5,514,802	713,168	167,286	460,772	1,260,682	D	8,116,710
<b>Liabilities</b>							
Segment liabilities	822,935	73,104	6,452	199,939	221,045	E	1,323,475
<b>Other segment information</b>							
Capital commitments	557,220	60,572	417	61,343	-		679,552

\* Other than financial instruments and deferred tax assets

## Notes To The Financial Statements

For the financial year ended 31 August 2023 (cont'd)

### 46. SEGMENT INFORMATION (CONT'D)

A Inter-segment revenues are eliminated on consolidation.

B The following items are deducted from segment profit to arrive at (loss)/profit before tax presented in the consolidated statement of profit or loss:

	2023 RM'000	2022 RM'000
Share of results of an associate	(5,780)	(3,710)
Finance costs	(12,746)	(4,421)
	<b>(18,526)</b>	<b>(8,131)</b>

C Additions to non-current assets consist of:

	2023 RM'000	2022 RM'000
Property, plant and equipment	364,154	949,384
Right-of-use assets	11,284	4,285
Investment properties	74	754
Intangible assets	445	268
Biological assets	541	596
	<b>376,498</b>	<b>955,287</b>

D The following items are added to segment assets to arrive at total assets reported in the consolidated statement of financial position:

	2023 RM'000	2022 RM'000
Deferred tax assets (Note 20)	4,583	15,911
Investment in an associate (Note 19)	3,579	9,359
Intangible assets (Note 22)	864,465	1,005,325
Tax recoverable	10,202	230,087
	<b>882,829</b>	<b>1,260,682</b>

E The following items are added to segment liabilities to arrive at total liabilities reported in the consolidated statement of financial position:

	2023 RM'000	2022 RM'000
Tax payable	13,038	11,765
Deferred tax liabilities (Note 20)	160,119	209,280
	<b>173,157</b>	<b>221,045</b>

## SECTION 7 OUR PERFORMANCE

## Notes To The Financial Statements

For the financial year ended 31 August 2023 (cont'd)

## 47. DIVIDENDS

	Group and Company	
	2023 RM'000	2022 RM'000
<b>In respect of the financial year ended 31 August 2022:</b>		
First tax exempt interim single tier dividend of 1.2 sen per share on 8,007,105,000 ordinary shares, declared on 10 December 2021 and paid on 10 January 2022	-	96,102
<b>In respect of the financial year ended 31 August 2021:</b>		
Final tax exempt interim single tier dividend of 5.4 sen per share on 8,007,085,000 ordinary shares, declared on 17 September 2021 and paid on 15 October 2021	-	432,454
	-	528,556

No dividend is payable for treasury shares held or cancelled.

## 48. FINANCIAL GUARANTEES

A nominal amount of RM555 million (2022: RM399 million) relating to corporate guarantees has been provided by the Company for loans and borrowings of its subsidiaries.

As at reporting date, no values are ascribed on these guarantees and letter of undertaking provided by the Company to secure banking facilities described above as the directors regard the value of the credit enhancement provided by these guarantees as minimal and the probability of default, based on historical track records of the parties receiving the guarantees are remote.

## 49. AUTHORISATION OF FINANCIAL STATEMENTS FOR ISSUE

The financial statements for the year ended 31 August 2023 were authorised for issue in accordance with a resolution of the directors on 28 November 2023.

## SECTION 8 OTHER INFORMATION

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**TOP GLOVE**  
TOP QUALITY, TOP EFFICIENCY

## List of Properties

As at 31 August 2023

	PARTICULARS OF PROPERTY	DATE OF ACQUISITION(A)/ REVALUATION(R)	AGE OF BUILDING, YEARS	TENURE	DESCRIPTION/ EXISTING USE	LAND AREA/ BUILD-UP AREA	AUDITED NET BOOK VALUE AS AT 31/08/2023, RM'000	
<b>A) TOP GLOVE SDN. BHD.</b>								
1	Lot 4968, Jalan Teratai, Batu 6, Off Jalan Meru, 41050 Klang, Selangor.	EMR 6629, Lot 4968, Mukim Kapar, Daerah Klang, Selangor.	13/10/1993 (A)	29	Freehold	Factory/Glove manufacturing	2.51 acres/ 83,379 square feet	13,216
2	No.23, Jalan Seri Kenangan 8, Taman Meru 3, Meru, 41050 Klang, Selangor.	HS (M) 10314, PT 15442, Mukim Kapar, Daerah Klang, Selangor.	23/05/1996 (A)	27	Freehold	Terrace house/ Accommodation for staff	1,608 square feet/ 1,350 square feet	58
3	Lot 4908, Jalan Teratai, Batu 5½, Off Jalan Meru, 41050 Klang, Selangor.	EMR 6605, Lot 4908, Mukim Kapar, Daerah Klang, Selangor.	08/07/1997 (A)	26	Freehold	Terrace house/ Accommodation for worker	3 acres/ 54,140 square feet	1,674
4	No.11, Jalan Mempari 11, Taman Bayu, Batu 5½, Jalan Meru, 41050 Klang, Selangor.	HS (M) 15238, PT 8349, HS (M) 15238, PT 8445, Mukim Kapar, Daerah Klang, Selangor.	15/09/1997 (A)	25	Freehold	Terrace house/ Accommodation for staff	1,300 square feet/ 1,100 square feet	78
5	No.22, Jalan Mempari 1, Taman Bayu, Batu 5½, Jalan Meru, 41050 Klang, Selangor.	HS (M) 15304, PT 8419, Mukim Kapar, Daerah Klang, Selangor.	15/09/1997 (A)	25	Freehold	Terrace house/ Accommodation for staff	1,300 square feet/ 1,100 square feet	84
6	No.18, Jalan Mempari 10, Taman Bayu, Batu 5½, Jalan Meru, 41050 Klang, Selangor.	HS (M) 15256, PT 8368, Mukim Kapar, Daerah Klang, Selangor.	23/10/1997 (A)	25	Freehold	Terrace house/ Accommodation for staff	1,300 square feet/ 1,100 square feet	84
7	No.36, Jalan Mempari 1, Taman Bayu, Batu 5½, Jalan Meru, 41050 Klang, Selangor.	HS (M) 15297, PT 8411, Mukim Kapar, Daerah Klang, Selangor.	13/02/1998 (A)	25	Freehold	Terrace house/ Accommodation for staff	1,300 square feet/ 1,100 square feet	38
8	Lot 18, 27, 38 & 57, Medan Tasek, Kawasan Perindustrian Tasek, 31400 Ipoh, Perak.	Lot 18, 27, 38 & 57, Medan Tasek, Kawasan Perindustrian Tasek, 31400 Ipoh, Perak.	22/11/1999 (A)	23	Leasehold (Expiring on: 16/03/2021)	Factory/Glove manufacturing	311,192 square feet/ 197,675 square feet	10,500
9	Lot 5987, Jalan Teratai, Batu 5, Off Jalan Meru, 41050 Klang, Selangor.	EMR 8780, Lot 5987, Mukim Kapar, Daerah Klang, Selangor.	11/07/2000 (A)	23	Freehold	Factory/Glove manufacturing	2.8 acres/ 57,250 square feet	4,725
10	Lot 4969, Jalan Teratai, Batu 6, Off Jalan Meru, 41050 Klang, Selangor.	GM 2143, Lot 4969, Mukim Kapar, Daerah Klang, Selangor.	11/10/2000 (A)	22	Freehold	Factory/Office building	3 acres/ 41,274 square feet	7,075
11	Lot 4960, Jalan Teratai, Batu 6, Off Jalan Meru, 41050 Klang, Selangor.	GM 2326, Lot 4960, Mukim Kapar, Daerah Klang, Selangor.	24/09/2003 (A)	19	Freehold	Factory/Glove manufacturing	3 acres/ 58,240 square feet	6,796
12	Lot 4970, Jalan Teratai, Batu 6, Off Jalan Meru, 41050 Klang, Selangor.	HS (M) 38148, PT Nos. 63271, Mukim Kapar, Daerah Klang, Selangor.	20/11/2003 (A)	19	Freehold	Factory/Glove manufacturing	3 acres/ 67,924 square feet	5,310
13	Lot 4967, Jalan Teratai, Batu 6, Off Jalan Meru, 41050 Klang, Selangor.	GM 5584, Lot 4967, Mukim Kapar, Daerah Klang, Selangor.	19/03/2004 (A)	19	Freehold	Factory/Glove manufacturing	3 acres/ 58,240 square feet	6,315
14	Lot 4991, Jalan Bunga Raya, Batu 5½, Off Jalan Meru, 41050 Klang, Selangor.	HS (M) 39325, PT 64593, Mukim Kapar, Daerah Klang, Selangor.	19/10/2004 (A)	18	Freehold	Factory/Glove manufacturing	4.3 acres	3,242
15	Lot 4947, Jalan Teratai, Batu 5½, Off Jalan Meru, 41050 Klang, Selangor.	GM 5101, Lot 4947, Mukim Kapar, Daerah Klang, Selangor.	23/11/2004 (A)	18	Freehold	Factory/Glove manufacturing	3 acres/ 58,240 square feet	9,247

## SECTION 8 OTHER INFORMATION

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**TOP GLOVE**  
TOP QUALITY, TOP EFFICIENCY

## List of Properties

As at 31 August 2023 (cont'd)

	PARTICULARS OF PROPERTY	DATE OF ACQUISITION(A)/ REVALUATION(R)	AGE OF BUILDING, YEARS	TENURE	DESCRIPTION/ EXISTING USE	LAND AREA/ BUILD-UP AREA	AUDITED NET BOOK VALUE AS AT 31/08/2023, RM'000	
16	No.26, Jalan Abadi 10A/KU8, Taman Daya Maju, 41050 Klang, Selangor.	HS (M) 26112, PT 39636, Mukim Kapar, Daerah Klang, Selangor.	21/03/2005 (A)	18	Freehold	Terrace house/ Accommodation for staff	1,300 square feet/ 1,100 square feet	101
17	No.21, Jalan Mempari 11, Taman Bayu, Batu 5½, Jalan Meru, 41050 Klang, Selangor.	HS (M) 15324, PT 8441, HS (M) 15242, PT 8353, Mukim Kapar, Daerah Klang, Selangor.	12/05/2005 (A)	18	Freehold	Terrace house/ Accommodation for staff	1,300 square feet/ 1,100 square feet	287
18	No.37, Jalan Mempari 1, Taman Bayu, Batu 5½, Jalan Meru, 41050 Klang, Selangor.	HS (M) 18522, PT 24689, Mukim Kapar, Daerah Klang, Selangor.	12/05/2005 (A)	18	Freehold	Terrace house/ Accommodation for staff	1,300 square feet/ 1,100 square feet	495
19	No.21, Jalan Sesenduk 20, Off Taman Meru Jaya, 41050 Klang, Selangor.	GM 7798, Lot 37307, Mukim Kapar, Daerah Klang, Selangor.	13/05/2005 (A)	18	Freehold	Terrace house/ Accommodation for staff	1,300 square feet/ 1,100 square feet	101
20	No.23, Jalan Sesenduk 20, Off Taman Meru Jaya, 41050 Klang, Selangor.	GM 7797, Lot 37306, Mukim Kapar, Daerah Klang, Selangor.	13/05/2005 (A)	18	Freehold	Terrace house/ Accommodation for staff	1,300 square feet/ 1,100 square feet	101
21	No.57, Jalan Sesenduk 5, Taman Meru Utama, 41050 Klang, Selangor.	GM 7330, Lot 43375, Mukim Kapar, Daerah Klang, Selangor.	19/07/2005 (A)	18	Freehold	Terrace house/ Accommodation for staff	1,300 square feet/ 1,100 square feet	350
22	No.51, Jalan Sesenduk 5, Taman Meru Utama, 41050 Klang, Selangor.	GM 7327, Lot 43372, Mukim Kapar, Daerah Klang, Selangor.	19/07/2005 (A)	18	Freehold	Terrace house/ Accommodation for staff	1,300 square feet/ 1,100 square feet	101
23	No.67, Jalan Sesenduk 6, Taman Meru Utama, 41050 Klang, Selangor.	GM 7311, Lot 43353, Mukim Kapar, Daerah Klang, Selangor.	19/07/2005 (A)	18	Freehold	Terrace house/ Accommodation for staff	1,300 square feet/ 1,100 square feet	95
24	No.65, Jalan Sesenduk 6, Taman Meru Utama, 41050 Klang, Selangor.	GM 7310, Lot 43352, Mukim Kapar, Daerah Klang, Selangor.	19/07/2005 (A)	18	Freehold	Terrace house/ Accommodation for staff	1,300 square feet/ 1,100 square feet	95
25	Lot 4988, 5½ Miles, Sungai Binjai Road, 41050 Klang, Selangor.	GM 1584, Lot 110024, Mukim Kapar, Daerah Klang, Selangor.	10/10/2005 (A)	17	Freehold	Factory/Glove manufacturing	3 acres/ 12,141 square metres	11,705
26	Lot 4989, Jalan Dahlia/KU8, Kawasan Perindustrian Meru Timur, 41050 Klang, Selangor.	GM 703, Lot 4989, Mukim Kapar, Daerah Klang, Selangor.	10/10/2005 (A)	17	Freehold	Factory/Glove manufacturing	3 acres/ 12,267 square metres	9,421
27	No.41, Jalan Abadi 3, Taman Daya Meru, 41050 Klang, Selangor.	HS (M) 18218, PT 24467, Mukim Kapar, Daerah Klang, Selangor.	02/12/2005 (A)	17	Freehold	Terrace house/ Accommodation for staff	1,098 square feet	226
28	Lot 4986, Batu 5, Jalan Sungai Binjai, Mukim Kapar, 41050 Klang, Selangor.	GM 1102, Lot 4986, Mukim Kapar, Daerah Klang, Selangor.	24/02/2006 (A)	17	Freehold	Factory/Glove manufacturing	3 acres/ 12,141 square metres	7,433

## List of Properties

As at 31 August 2023 (cont'd)

	PARTICULARS OF PROPERTY	DATE OF ACQUISITION(A)/ REVALUATION(R)	AGE OF BUILDING, YEARS	TENURE	DESCRIPTION/ EXISTING USE	LAND AREA/ BUILD-UP AREA	AUDITED NET BOOK VALUE AS AT 31/08/2023, RM'000	
29	No.1, 3, 5 & 7, Jalan Abadi 1A/KU8, No.1 - 8, Jalan Abadi 1B/KU8, No.1, 3, 5 & 7, Jalan Abadi 1C/KU8, No.60, 62, 64, 66, 67, 69, 71, 73, 75 & 77, Jalan Abadi 4/KU8, No.49, 51, 53, 55, 57, 59, 62, 64, 66, 68, 70 & 72, Jalan Abadi 5/KU8, No.46, 48, 50, 52, 54 & 56, Jalan Abadi 6/KU8, Taman Daya Maju, 41050 Klang, Selangor.	HS (M) 10598 - 10601, PT 49525 - 49528, HS (M) 10605 - 28476, PT 40356 - 40363, HS (M) 28477 - 28480 & 28484, PT 40367 - 40370 & 40374, HS (M) 28481 - 28483, & 28486 - 28491, PT 40371 - 40373 & 40376 - 40381, HS (M) 28492 - 28497 & 28499 - 28504, PT 40382 - 40387 & 40389 - 40394, HS (M) 28505 - 28510, PT 40395 - 40400, Mukim Kapar, Daerah Klang, Selangor.	29/04/2006 (A)	17	Freehold	Terrace house/ Accommodation for staff	70,995 square feet	5,029
30	Lot 4987, 5 <sup>th</sup> Miles, Sungai Binjai Road, Mukim Kapar, 41050 Klang, Selangor.	GM 22077, Lot 110023, Mukim Kapar, Daerah Klang, Selangor.	24/05/2006 (A)	17	Freehold	Factory/Glove manufacturing	3 acres/ 12,141 square metres	14,364
31	Lot 4990, Jalan Bunga Raya, Batu 5½, Off Jalan Meru, 41050 Klang, Selangor.	GM 5116, Lot 4990, Mukim Kapar, Daerah Klang, Selangor.	05/03/2007 (A)	16	Freehold	Factory/Glove manufacturing	3 acres/ 12,267 square metres	8,261
32	No.3, 5, 7, 9, 11, 13, 15, 17, 19, 21, 23, 25 & 27, Taman Mutiara, Tasek, 31400 Ipoh, Perak.	Lot 375847 - 375859, Tasek Mutiara, 31400 Ipoh, Perak.	02/11/2007 (A)	15	Freehold	Terrace house/ Accommodation for worker	1,400 square feet/ 1,625 square feet	1,562
33	Lot 4946, Jalan Teratai, Batu 5½, Off Jalan Meru, 41050 Klang, Selangor.	GM 2574, Lot 4946, Mukim Kapar, Daerah Klang, Selangor.	14/01/2008 (A)	N/A	Freehold	Vacant	3 acres	4,655
34	Lot 4949, Jalan Teratai, Batu 5½, Off Jalan Meru, 41050 Klang, Selangor.	GM 1728, Lot 4949, Mukim Kapar, Daerah Klang, Selangor.	18/01/2008 (A)	N/A	Freehold	Parking Lot	3 acres	3,617
35	Lot 4961, Tempat Batu 5, Jalan Binjai, 41050 Klang, Selangor.	GM 525, Lot 4961, Mukim Kapar, Daerah Klang, Selangor.	17/09/2008 (A)	14	Freehold	Factory/Glove manufacturing	3 acres	9,532
36	Lot 5094, Tempat Batu 4½, Jalan Sungai Binjai, 41050 Klang, Selangor.	GM 4326, Lot 5094, Mukim Kapar, Daerah Klang, Selangor.	03/10/2008 (A)	N/A	Freehold	Vacant	3 acres 5 pole	6,303
37	Lot 5977 & 5975, Tempat Batu 4½, Jalan Sungai Binjai, 41050 Klang, Selangor.	GM 4436 & 4437, Lot 5977 & 5975, Mukim Kapar, Daerah Klang, Selangor.	03/10/2008 (A)	N/A	Freehold	Vacant	1.794 & 0.068 acres	1,531
38	Lot 4941, Tempat Batu 6, Jalan Sungai Binjai, 41050 Klang, Selangor.	GM 2082, Lot 4941, Mukim Kapar, Daerah Klang, Selangor.	01/06/2009 (A)	N/A	Freehold	Parking lot	3 acres	1,975
39	Lot 5139, Tempat Batu 6, Jalan Sungai Binjai, 41050 Klang, Selangor.	GM 5863, Lot 5139, Mukim Kapar, Daerah Klang, Selangor.	07/09/2009 (A)	N/A	Freehold	Water treatment plant	4 acres 2 rood 25 pole	6,687
40	Lot 5140, Tempat Batu 6, Jalan Sungai Binjai, 41050 Klang, Selangor.	GM 1657, Lot 5140, Mukim Kapar, Daerah Klang, Selangor.	30/11/2009 (A)	N/A	Freehold	Water treatment plant	4 acres 3 rood	7,678

## SECTION 8 OTHER INFORMATION

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**TOP GLOVE**  
 TOP QUALITY, TOP EFFICIENCY

## List of Properties

As at 31 August 2023 (cont'd)

			DATE OF ACQUISITION(A)/ REVALUATION(R)	AGE OF BUILDING, YEARS	TENURE	DESCRIPTION/ EXISTING USE	LAND AREA/ BUILD-UP AREA	AUDITED NET BOOK VALUE AS AT 31/08/2023, RM'000
41	No.7, Lorong Abadi 2, Batu 5½, Off Jalan Meru, Taman Daya Meru, 41050 Klang, Selangor.	GM 16575, Lot 31111, Batu 6, Jalan Sungai Binjai, Mukim Kapar, Daerah Klang, Selangor.	04/12/2009 (A)	13	Freehold	Terrace house/ Accommodation for staff	111 square metres	89
42	No.69, Jalan Sesenduk 6, No.57, Jalan Sesenduk 7, Taman Meru Utama, 41050 Klang, Selangor.	GM 7300, 7331, Lot 43342, 43376, Tempat Batu 5, Jalan Sungai Binjai, Mukim Kapar, Daerah Klang, Selangor.	25/01/2010 (A)	13	Freehold	Terrace house/ Accommodation for worker and staff	133 square metres & 193 square metres	254
43	Lot 12, Medan Tasek, Kawasan Perindustrian Tasek, 31400 Ipoh, Perak.	PN 1308, Lot 56530, Mukim Hulu Kinta, Daerah Kinta, Perak.	04/02/2010 (A)	13	Leasehold (Expiring on: 05/04/2066)	Factory/ Office building	213,889 square feet/ 131,576 square feet	5,687
44	No.8, 10, 12, 14, 16, 18, 20, 22, 24, 26, 28, 30, 32, 34, 36, 40, 42, 44 & 46, Jalan Sesenduk 21, Taman Meru Jaya, 41050 Klang, Selangor.	GM 7790, 7789, 7788, 7787, 7786, 7785, 7784, 7783, 7782, 7781, 7780, 7779, 7778, 7777, 7776, 7774, 7773, 7772, 7771, Lot 37299, 37298, 37297, 37296, 37295, 37294, 37293, 37292, 37291, 37290, 37289, 37288, 37287, 37286, 37285, 37283, 37282, 37281, 37280, Mukim Kapar, Daerah Klang, Selangor.	05/02/2010 (A)	13	Freehold	Terrace house/ Accommodation for staff	190 square metres/unit	2,726
45	No.20, Jalan Sesenduk 19, Taman Meru Jaya, 41050 Klang, Selangor.	GM 7804, Lot 37313, Batu 6½, Jalan Sungai Binjai, Mukim Kapar, Daerah Klang, Selangor.	08/02/2010 (A)	13	Freehold	Terrace house/ Accommodation for staff	111 square metres	117
46	No.31, Jalan Mempari 12, Taman Bayu, Batu 5, Jalan Meru, 41050 Klang, Selangor.	GM 14268, Lot 38295 & HS (M) 15348, PT 8466, Batu 6, Jalan Sungai Binjai, Mukim Kapar, Daerah Klang, Selangor.	11/03/2010 (A)	13	Freehold	Terrace house/ Accommodation for staff	121 square metres	85
47	No.3, Jalan Sesenduk 3C, Taman Meru Utama 5, 41050 Klang, Selangor.	GM 15247, 15246, 15244, 15242, 15265, Lot 45023, 45022, 45020, 45018, 45041, Tempat Batu 5, Jalan Sungai Binjai, Mukim Kapar, Daerah Klang, Selangor.	21/04/2010 (A)	13	Freehold	Terrace house/ Accommodation for worker	127 square metres/unit	110
48	No.1, Jalan Sesenduk 3C, Taman Meru Utama 5, 41050 Klang, Selangor.	GM 15282, Lot 45058, Tempat Batu 5½, Jalan Sungai Binjai, Mukim Kapar, Daerah Klang, Selangor.	27/05/2010 (A)	13	Freehold	Terrace house/ Accommodation for worker	261 square metres	203
49	Lot 4985, Tempat Batu 5, Jalan Sungai Binjai, 41050 Klang, Selangor.	GM 2321, Lot 4985, Mukim Kapar, Daerah Klang, Selangor.	18/06/2010 (A)	6	Freehold	Factory/Glove manufacturing	3 acres	4,233
50	No.25, Jalan Sesenduk 20, Taman Meru Jaya, 41050 Klang, Selangor.	GM 7799, Lot 37308, Mukim Kapar, Daerah Klang, Selangor.	31/07/2010 (A)	13	Freehold	Terrace house/ Accommodation for staff	121 square metres	119
51	No.46, Jalan Sesenduk 7, Taman Meru Jaya, Off Jalan Meru, 41050 Klang, Selangor.	GM 12533, Lot 33910, Mukim Kapar, Daerah Klang, Selangor.	31/07/2010 (A)	13	Freehold	Terrace house/ Accommodation for worker	121 square metres	116

## List of Properties

As at 31 August 2023 (cont'd)

			DATE OF ACQUISITION(A)/ REVALUATION(R)	AGE OF BUILDING, YEARS	TENURE	DESCRIPTION/ EXISTING USE	LAND AREA/ BUILD-UP AREA	AUDITED NET BOOK VALUE AS AT 31/08/2023, RM'000
52	No.47, Jalan Sesenduk 7, Taman Meru Jaya, 41050 Klang, Selangor.	GM 7295, Lot 43337, Mukim Kapar, Daerah Klang, Selangor.	13/08/2010 (A)	13	Freehold	Terrace house/ Accommodation for worker	121 square metres	124
53	No.22, Jalan Sesenduk 19, Taman Meru Jaya, 41050 Klang, Selangor.	GM 7805, Lot 37314, Mukim Kapar, Daerah Klang, Selangor.	03/09/2010 (A)	12	Freehold	Terrace house/ Accommodation for staff	111 square metres	109
54	Lot 5991, Tempat Batu 4½, Jalan Sungai Binjai, 41050 Klang, Selangor.	GM 5591, Lot 5991, Mukim Kapar, Daerah Klang, Selangor.	30/09/2010 (A)	4	Freehold	Warehouse	2.8 acres/ 1.0787 acres	19,000
55	No.55, Jalan Sesenduk 7, Taman Meru Utama, 41050 Klang, Selangor.	GM 7299, Lot 43341, Mukim Kapar, Daerah Klang, Selangor.	29/10/2010 (A)	12	Freehold	Terrace house/ Accommodation for staff	121 square metres	124
56	No.15, Jalan Abadi 10B/KU8, Taman Daya Maju, 41050 Klang, Selangor.	GM 8996, Lot 48112, Mukim Kapar, Daerah Klang, Selangor.	30/10/2010 (A)	12	Freehold	Terrace house/ Accommodation for staff	109 square metres	113
57	Lot 4956, Tempat Batu 6, Jalan Sungai Binjai, 41050 Klang, Selangor.	GM 2580, Lot 4956, Mukim Kapar, Daerah Klang, Selangor.	19/11/2010 (A)	6	Freehold	Terrace house/ Accommodation for worker	1,2141 hectares	16,196
58	No.22, Jalan Sesenduk 4, Taman Meru Utama, 41050 Klang, Selangor.	GM 13456, Lot 33926, Mukim Kapar, Daerah Klang, Selangor.	30/12/2010 (A)	12	Freehold	Terrace house/ Accommodation for staff	190 square metres	110
59	No.26, Jalan Mempari 1, Taman Bayu, 41050 Klang, Selangor.	GM 8479, Lot 38225, Seksyen 1, Mukim Kapar, Daerah Klang, Selangor.	31/12/2010 (A)	12	Freehold	Terrace house/ Accommodation for staff	121 square metres	83
60	No.30, Jalan Abadi 5, Taman Daya Maju, 41050 Klang, Selangor.	Lot 31191, Mukim Kapar, Daerah Klang, Selangor.	12/05/2011 (A)	12	Freehold	Terrace house/ Accommodation for staff	82 square metres	92
61	Plot 7, Medan Tasek, Kawasan Perindustrian Tasek, 31400 Ipoh, Perak.	HS (D) 889/68, Lot 927, Mukim Hulu Kinta, Daerah Kinta, Perak.	05/07/2011 (A)	12	Leasehold (Expiring on: 16/03/2021)	Factory/Glove manufacturing	87,756 square feet/ 48,352 square feet	11,963
62	No.42, Jalan Mempari 10, Batu 5½, Jalan Meru, 41050 Klang, Selangor.	GM 14219, Lot 38256, Seksyen 1, Pekan Meru, Daerah Klang, Selangor.	07/09/2011 (A)	11	Freehold	Terrace house/ Accommodation for staff	121 square metres	95
63	No.60, Jalan Mempari 10, Taman Bayu, Batu 5½, Jalan Meru, 41050 Klang, Selangor.	GM 14210, Lot 38247, Seksyen 1, Pekan Meru, Daerah Klang, Selangor.	01/11/2011 (A)	11	Freehold	Terrace house/ Accommodation for staff	121 square metres	96
64	No.58, Jalan Mempari 1, Taman Bayu, Batu 5½, Jalan Meru, 41050 Klang, Selangor.	GM 8463, Lot 38208, Seksyen 1, Pekan Meru, Daerah Klang, Selangor.	15/11/2011 (A)	11	Freehold	Terrace house/ Accommodation for staff	121 square metres	89
65	8-2, 8-3, 8-4, 8-5, Setia Avenue, Jalan Setia Prima (S), U13/5, Setia Alam, Seksyen U13, 40170 Shah Alam, Selangor.	GM 290749, Lot 59640, Mukim Bukit Raja, Daerah Petaling, Selangor.	01/02/2012 (A)	11	Freehold	Building	920.77 square metres	2,562

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**TOP GLOVE**  
TOP QUALITY, TOP EFFICIENCY

## List of Properties

As at 31 August 2023 (cont'd)

	PARTICULARS OF PROPERTY	DATE OF ACQUISITION(A)/ REVALUATION(R)	AGE OF BUILDING, YEARS	TENURE	DESCRIPTION/ EXISTING USE	LAND AREA/ BUILD-UP AREA	AUDITED NET BOOK VALUE AS AT 31/08/2023, RM'000	
66	No.64, Jalan Sesenduk 7, Off Jalan Meru, 41050 Klang, Selangor.	GM 7303, Lot 43345, Mukim Kapar, Daerah Klang, Selangor.	25/02/2012 (A)	11	Freehold	Terrace house/ Accommodation for staff	121 square metres	133
67	No.21, Jalan Abadi 5, Taman Saujana Meru, 41050 Klang, Selangor.	GM 16595, Lot 31142, Mukim Kapar, Daerah Klang, Selangor.	21/03/2012 (A)	11	Freehold	Terrace house/ Accommodation for staff	121 square metres	74
68	No.25, Jalan Abadi 10D/KU8, Taman Daya Maju, 41050 Klang, Selangor.	GM 9497, Lot 48131, Mukim Kapar, Daerah Klang, Selangor.	22/06/2012 (A)	11	Freehold	Terrace house/ Accommodation for staff	145 square metres	143
69	No.47, Jalan Abadi 1A/KU8, Taman Daya Maju, 41050 Klang, Selangor.	GM 17487, Lot 59975, Mukim Kapar, Daerah Klang, Selangor.	19/07/2012 (A)	11	Freehold	Terrace house/ Accommodation for staff	130 square metres	130
70	No.43, Jalan Abadi 1A/KU8, Taman Daya Maju, Batu 6½, Off Jalan Meru, 41050 Klang, Selangor.	GM 17485, Lot 59973, Mukim Kapar, Daerah Klang, Selangor.	19/07/2012 (A)	11	Freehold	Terrace house/ Accommodation for staff	130 square metres	130
71	No.45, Jalan Abadi 1A/KU8, Taman Daya Maju, 41050 Klang, Selangor.	GM 17486, Lot 59974, Mukim Kapar, Daerah Klang, Selangor.	19/07/2012 (A)	11	Freehold	Terrace house/ Accommodation for staff	130 square metres	130
72	No.49, Jalan Abadi 1A/KU8, Taman Daya Maju, 41050 Klang, Selangor.	GM 17488, Lot 59976, Mukim Kapar, Daerah Klang, Selangor.	19/07/2012 (A)	11	Freehold	Terrace house/ Accommodation for staff	130 square metres	130
73	No.51, Jalan Abadi 1A/KU8, Taman Daya Maju, 41050 Klang, Selangor.	GM 17489, Lot 59977, Mukim Kapar, Daerah Klang, Selangor.	19/07/2012 (A)	11	Freehold	Terrace house/ Accommodation for staff	130 square metres	130
74	No.53, Jalan Abadi 1A/KU8, Taman Daya Maju, 41050 Klang, Selangor.	GM 17490, Lot 59978, Mukim Kapar, Daerah Klang, Selangor.	19/07/2012 (A)	11	Freehold	Terrace house/ Accommodation for staff	130 square metres	130
75	No.55, Jalan Abadi 1A/KU8, Taman Daya Maju, 41050 Klang, Selangor.	GM 17491, Lot 59979, Mukim Kapar, Daerah Klang, Selangor.	19/07/2012 (A)	11	Freehold	Terrace house/ Accommodation for staff	130 square metres	130
76	No.57, Jalan Abadi 1A/KU8, Taman Daya Maju, 41050 Klang, Selangor.	GM 17492, Lot 59980, Mukim Kapar, Daerah Klang, Selangor.	19/07/2012 (A)	11	Freehold	Terrace house/ Accommodation for staff	130 square metres	130
77	No.59, Jalan Abadi 1A/KU8, Taman Daya Maju, 41050 Klang, Selangor.	GM 17493, Lot 59981, Mukim Kapar, Daerah Klang, Selangor.	19/07/2012 (A)	11	Freehold	Terrace house/ Accommodation for staff	130 square metres	130
78	No.61, Jalan Abadi 1A/KU8, Taman Daya Maju, 41050 Klang, Selangor.	GM 17494, Lot 59982, Mukim Kapar, Daerah Klang, Selangor.	19/07/2012 (A)	11	Freehold	Terrace house/ Accommodation for staff	130 square metres	130
79	No.63, Jalan Abadi 1A/KU8, Taman Daya Maju, 41050 Klang, Selangor.	GM 17495, Lot 59983, Mukim Kapar, Daerah Klang, Selangor.	19/07/2012 (A)	11	Freehold	Terrace house/ Accommodation for staff	130 square metres	130
80	No.65, Jalan Abadi 1A/KU8, Taman Daya Maju, 41050 Klang, Selangor.	GM 17496, Lot 59984, Mukim Kapar, Daerah Klang, Selangor.	19/07/2012 (A)	11	Freehold	Terrace house/ Accommodation for staff	130 square metres	130
81	No.67, Jalan Abadi 1A/KU8, Taman Daya Maju, 41050 Klang, Selangor.	GM 17497, Lot 59985, Mukim Kapar, Daerah Klang, Selangor.	19/07/2012 (A)	11	Freehold	Terrace house/ Accommodation for staff	130 square metres	130

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As at 31 August 2023 (cont'd)

	PARTICULARS OF PROPERTY	DATE OF ACQUISITION(A)/ REVALUATION(R)	AGE OF BUILDING, YEARS	TENURE	DESCRIPTION/ EXISTING USE	LAND AREA/ BUILD-UP AREA	AUDITED NET BOOK VALUE AS AT 31/08/2023, RM'000	
82	No.69, Jalan Abadi 1A/KU8, Taman Daya Maju, 41050 Klang, Selangor.	GM 17498, Lot 59986, Mukim Kapar, Daerah Klang, Selangor.	19/07/2012 (A)	11	Freehold	Terrace house/ Accommodation for staff	130 square metres	130
83	No.71, Jalan Abadi 1A/KU8, Taman Daya Maju, Batu 6½, 41050 Klang, Selangor.	GM 17499, Lot 59987, Mukim Kapar, Daerah Klang, Selangor.	19/07/2012 (A)	11	Freehold	Terrace house/ Accommodation for staff	130 square metres	130
84	No.24, Lorong Hamzah Alang 77B, Off Jalan Kapar Batu 9½, Taman Jaya, 42200 Kapar, Selangor.	HS (D) 35605, PT 19713, Mukim Kapar, Daerah Klang, Selangor.	28/09/2012 (A)	10	Freehold	Terrace house/ Accommodation for staff	120.75 square metres	92
85	No.40, Jalan Mempari 10, Taman Bayu, Batu 5½, Jalan Meru, 41050 Klang, Selangor.	HS (M) 15228, PT 8339, Mukim Kapar, Daerah Klang, Selangor.	12/10/2012 (A)	10	Freehold	Terrace house/ Accommodation for staff	121 square metres	99
86	No.6, Lorong Abadi 3, Pekan Meru, Taman Saujana Meru, 41050 Klang, Selangor.	HS (M) 20392, PT 25898, Mukim Kapar, Daerah Klang, Selangor.	30/10/2012 (A)	10	Freehold	Terrace house/ Accommodation for staff	111.483 square metres	247
87	Lot 4982, 5 <sup>th</sup> Miles, Jalan Sungai Binjai, 41050 Klang, Selangor.	GM 4325, Lot 4982, Mukim Kapar, Daerah Klang, Selangor.	01/01/2013 (A)	4	Freehold	Factory/Glove manufacturing	1.2141 hectares	4,757
88	Lot 4983 & 4984, 5 <sup>th</sup> Miles, Jalan Sungai Binjai, 41050 Klang, Selangor.	GM 593 & 2445, Lot 4983 & 4984, Mukim Kapar, Daerah Klang, Selangor.	01/01/2013 (A)	6	Freehold	Factory/Glove manufacturing	1.2141 hectares	40,189
89	Lot 4984, 5 <sup>th</sup> Miles, Jalan Sungai Binjai, 41050 Klang, Selangor.	GM 2445, Lot 4984, Mukim Kapar, Daerah Klang, Selangor.	01/01/2013 (A)	6	Freehold	Factory/Glove manufacturing	1.2141 hectares	10,279
90	No.28, Jalan Mempari 12, 5 <sup>th</sup> Miles, Jalan Meru, 41050 Klang, Selangor.	HS (M) 15355, PT 8473, Mukim Kapar, Daerah Klang, Selangor.	04/02/2013 (A)	10	Freehold	Terrace house/ Accommodation for staff	105 square metres	84
91	Lot 4981, 5 <sup>th</sup> Miles, Jalan Sungai Binjai, 41050 Klang, Selangor.	GM 5117, Lot 4981, Mukim Kapar, Daerah Klang, Selangor.	06/06/2013 (A)	4	Freehold	Factory/Glove manufacturing	1.2141 hectares	7,102
92	Lot 5105, 4½ Miles, Jalan Sungai Binjai, 41050 Klang, Selangor.	GM 5076, Lot 5105, Mukim Kapar, Daerah Klang, Selangor.	19/11/2013 (A)	4	Freehold	Warehouse	3.38 acres	26,161
93	Lot 4953, 5 <sup>th</sup> Miles, Jalan Sungai Binjai, 41050 Klang, Selangor.	GM 2645, Lot 4953, Mukim Kapar, Daerah Klang, Selangor.	27/02/2014 (A)	N/A	Freehold	Vacant	1.2141 hectares	9,391
94	Lot 5136, 6 <sup>th</sup> Miles, Jalan Sungai Binjai, 41050 Klang, Selangor.	GM 3057, Lot 5136, Mukim Kapar, Daerah Klang, Selangor.	15/08/2014 (A)	N/A	Freehold	Water treatment plant	1.8843 hectares	13,447
95	Unit C-34-08, Phase 2D02, Trefoil, Level 34, Tower C, Seksyen U13, Jalan Setia Dagang, AH U13/AH, Setia Alam, 40170, Shah Alam, Selangor.	GRN 308223, Lot 61049, Daerah Petaling, Selangor.	16/12/2015 (A)	7	Freehold	Strata office	45.1 square metres	240
96	Unit C-34-07, Phase 2D02, Trefoil, Level 34, Tower C, Seksyen U13, Jalan Setia Dagang, AH U13/AH, Setia Alam, 40170, Shah Alam, Selangor.	GRN 308223, Lot 61049, Daerah Petaling, Selangor.	05/01/2016 (A)	7	Freehold	Strata office	45.1 square metres	271

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**TOP GLOVE**  
TOP QUALITY, TOP EFFICIENCY

## List of Properties

As at 31 August 2023 (cont'd)

	PARTICULARS OF PROPERTY	DATE OF ACQUISITION(A)/ REVALUATION(R)	AGE OF BUILDING, YEARS	TENURE	DESCRIPTION/ EXISTING USE	LAND AREA/ BUILD-UP AREA	AUDITED NET BOOK VALUE AS AT 31/08/2023, RM'000	
97	Lot 5090, Batu 5½, Jalan Meru, 41050 Klang, Selangor.	GM 2361, Lot 5090, Mukim Kapar, Daerah Klang, Selangor.	01/12/2016 (A)	6	Freehold	Factory/Glove manufacturing	12,104.55 square metres	15,583
98	Lot 5094 & 5977, Mukim Kapar, Daerah Klang, 41050 Klang, Selangor.	GM 4326, Lot 5094 & 5977, 4 ½ Mile Sungai Binjai Road, Mukim Kapar, Daerah Klang, Selangor.	26/01/2018 (A)	5	Freehold	Factory/Water Process and Supply	1.794 acres	14,515
99	No.257,259,261,263,265, Persiaran Taman Tasek, Taman Tasek Baru, Ipoh Perak.	Lot 177895 to 177899, Mukim Hulu Kinta, Daerah Kinta, Perak.	03/04/2018 (A)	5	Leasehold (Expiring on: 03/07/2113)	Terrace house/ Accommodation for worker & staff	143 square metres/unit	1,649
100	Lot 4962, 5 <sup>th</sup> Miles, Sungai Binjai Road, Mukim Kapar, 41050 Klang, Selangor.	GM 5100, Lot 4962, Mukim Kapar, Daerah Klang, Selangor.	27/06/2018 (A)	5	Freehold	Factory/Office Building	3 acres/ 30,304 square feet	17,467
101	Meru Courts Apartment, Batu 6, Jalan Meru, Mukim Kapar, 41050 Klang, Selangor.	Lot 4932, Batu 5½, Jalan Meru, 41050 Klang, Selangor.	05/11/2020 (A)	2	Freehold	Apartment/ Accommodation for worker	8,058 square metres	17,500
102	Lot 4930, PT 50022 to PT 50041 (20 lots), Jln Sg Binjai, Mukim Kapar, 41050 Klang, Selangor.	PT 50022 to 50041, HS (M) 32838 to HS (M) 32857, Mukim Kapar, Daerah Klang, Selangor.	06/11/2020 (A)	N/A	Freehold	Vacant	37,899.61 square feet	3,448
103	Lot 5116, 6 <sup>th</sup> Miles, Sungai Binjai Road, Mukim Kapar, 41050 Klang, Selangor.	GM 1270, Lot 5116, Mukim Kapar, Daerah Klang, Selangor.	10/12/2020 (A)	N/A	Freehold	Vacant	1.2141 hectares	5,400
104	Lot 5117, 6 <sup>th</sup> Miles, Sungai Binjai Road, Mukim Kapar, 41050 Klang, Selangor.	GM 15902, Lot 5117, Mukim Kapar, Daerah Klang, Selangor.	10/12/2020 (A)	N/A	Freehold	Vacant	1.2141 hectares	5,400
105	Kenangan Meru Apartment Lot 110182, GM 22109, 6 <sup>th</sup> Miles Sg Binjai Road, Mukim Kapar, Daerah Klang, Selangor.	Lot 110182, GM 22109, 6 <sup>th</sup> Miles Sg Binjai Road, Mukim Kapar, Daerah Klang, Selangor.	01/08/2023 (A)	N/A	Freehold	Hostel	15,209 square metres	86,801
<b>B) TG MEDICAL SDN. BHD.</b>								
1	Lot 5091, Jalan Teratai, Batu 5, Off Jalan Meru, 41050 Klang, Selangor.	GM 3989, Lot 5091, 4½ Miles, Sungai Binjai Road, Mukim Kapar, Daerah Klang, Selangor.	25/10/1995 (A)	27	Freehold	Factory/Glove manufacturing	3 acres/ 68,490 square feet	6,637
2	No.19, Jalan Mempari 11, Batu 5½, Jalan Meru, 41050 Klang, Selangor.	HS (M) 15241, PT 8352, HS (M) 15325, PT 8442, Jalan Sungai Binjai, Mukim Kapar, Daerah Klang, Selangor.	08/05/1998 (A)	25	Freehold	Terrace house/ Accommodation for staff	1,300 square feet/ 1,100 square feet	77
3	Lot 5972 & 5974, Jalan Teratai, Batu 5, Jalan Meru, 41050 Klang, Selangor.	GM 4098 & 4099, Lot 5972 & 5974, 4½ Miles, Sungei Benjai Road, Mukim Kapar, Daerah Klang, Selangor.	01/07/1999 (A)	24	Freehold	Factory/Glove manufacturing	Approx 1.7935 acres/ 47,200 square feet	4,618
4	Lot 5104, Jalan Teratai, Batu 5, Off Jalan Meru, 41050 Klang, Selangor.	GM 5064, Lot 5104, 12½ Miles, Sungei Berinai Road, Mukim Kapar, Daerah Klang, Selangor.	29/03/2004 (A)	19	Freehold	Factory/Glove manufacturing	3 acres/ 54,600 square feet	6,263

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	PARTICULARS OF PROPERTY	DATE OF ACQUISITION(A)/ REVALUATION(R)	AGE OF BUILDING, YEARS	TENURE	DESCRIPTION/ EXISTING USE	LAND AREA/ BUILD-UP AREA	AUDITED NET BOOK VALUE AS AT 31/08/2023, RM'000	
5	No.1, 3, 5, 7, 9 & 11, Jalan Abadi 10D/KU8, Taman Daya Maju, Meru, 41050 Klang, Selangor.	HS (M) 33205 - HS (M) 33252, PT 50423 - PT 50470, Mukim Kapar, Daerah Klang, Selangor.	12/07/2007 (A)	16	Freehold	Terrace house/ Accommodation for staff and worker	Approx 108.85 square metres/unit	5,762
	No.1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11 & 12, Jalan Abadi 10C/KU8, Taman Daya Maju, Meru, 41050 Klang, Selangor.							
	No.1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11 & 12, Jalan Abadi 10A/KU8, Taman Daya Maju, Meru, 41050 Klang, Selangor.							
	No.1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11 & 12, Jalan Abadi 10B/KU8, Taman Daya Maju, Meru, 41050 Klang, Selangor.							
	No.85, 87, 89, 91, 93 & 95, Jalan Abadi 1/KU8, Taman Daya Maju, Meru, 41050 Klang, Selangor.							
6	Lot 5975, Tempat Batu 4½, Jalan Sungai Binjai, 41050 Klang, Selangor.	GM 4437, Lot 5975, Mukim Kapar, Daerah Klang, Selangor.	03/10/2008 (A)	N/A	Freehold	Land	0.0275 hectares/ 2,960 square feet	201
<b>C) TOP GLOVE ENGINEERING SDN. BHD.</b>								
1	GRN 285705, Lot 213, Seksyen 2, Pekan Bukit Changgang, Daerah Kuala Langat, Selangor.	GRN 285705, Lot 213, Seksyen 2, Pekan Bukit Changgang, Daerah Kuala Langat, Selangor.	18/04/1996 (A)	N/A	Freehold	Land	3.39 acres/ 13,716 square metres	6,103
2	GRN 285706, Lot 214, Seksyen 2, Pekan Bukit Changgang, Daerah Kuala Langat, Selangor.	GRN 285706, Lot 214, Seksyen 2, Pekan Bukit Changgang, Daerah Kuala Langat, Selangor.	18/04/1996 (A)	N/A	Freehold	Land	3.39 acres/ 13,711 square metres	6,100
3	GRN 285707, Lot 215, Seksyen 2, Pekan Bukit Changgang, Daerah Kuala Langat, Selangor.	GRN 285707, Lot 215, Seksyen 2, Pekan Bukit Changgang, Daerah Kuala Langat, Selangor.	18/04/1996 (A)	N/A	Freehold	Land	3.39 acres/ 13,708 square metres	6,100
4	GRN 285708, Lot 216, Seksyen 2, Pekan Bukit Changgang, Daerah Kuala Langat, Selangor.	GRN 285708, Lot 216, Seksyen 2, Pekan Bukit Changgang, Daerah Kuala Langat, Selangor.	12/06/2012 (A)	N/A	Freehold	Rent	19.83 acres	66,903
5	GRN 285709, Lot 217, Seksyen 2, Pekan Bukit Changgang, Daerah Kuala Langat, Selangor.	GRN 285709, Lot 217, Seksyen 2, Pekan Bukit Changgang, Daerah Kuala Langat, Selangor.	12/06/2012 (A)	N/A	Freehold	Rent	7.91 acres	17,300
6	GRN 285710, Lot 218, Seksyen 2, Pekan Bukit Changgang, Daerah Kuala Langat, Selangor.	GRN 285710, Lot 218, Seksyen 2, Pekan Bukit Changgang, Daerah Kuala Langat, Selangor.	12/06/2012 (A)	N/A	Freehold	Land	6.77 acres	11,788
7	B-28-03 Setia City Residence, No.6, Jalan Setia Dagang AH U13/AH, Setia Alam, Seksyen U13, 40170 Shah Alam, Selangor.	HSD 296567, PT 36938, Mukim Bukit Raja, Daerah Petaling, Selangor.	01/04/2021 (A)	2	Freehold	Accommodation for staff	113.43 square metres	780

## SECTION 8 OTHER INFORMATION

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**TOP GLOVE**  
TOP QUALITY, TOP EFFICIENCY
**List of Properties**

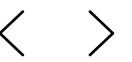
As at 31 August 2023 (cont'd)

	PARTICULARS OF PROPERTY	DATE OF ACQUISITION(A)/ REVALUATION(R)	AGE OF BUILDING, YEARS	TENURE	DESCRIPTION/ EXISTING USE	LAND AREA/ BUILD-UP AREA	AUDITED NET BOOK VALUE AS AT 31/08/2023, RM'000	
8	B-28-3A Setia City Residence, No.6, Jalan Setia Dagang AH U13/AH, Setia Alam, Seksyen U13, 40170 Shah Alam, Selangor.	HSD 296567, PT 36938, Mukim Bukit Raja, Daerah Petaling, Selangor.	01/04/2021 (A)	2	Freehold	Accommodation for staff	97.08 square feet	611
9	No.11, Jalan Setia Wawasan, U13/35D, Bandar Setia Alam, 40170 Shah Alam, Selangor.	HS (D) 291298, PT 32069, Mukim Bukit Raja, Daerah Petaling, Selangor.	01/11/2017 (A)	5	Freehold	Rent	397 square metres	1,923
10	No.13, Jalan Setia Wawasan, U13/35D, Bandar Setia Alam, 40170 Shah Alam, Selangor.	HS (D) 291299, PT 32070, Mukim Bukit Raja, Daerah Petaling, Selangor.	01/08/2017 (A)	6	Freehold	Rent	397 square metres	1,923
<b>D) TOP GLOVE MEDICAL (THAILAND) CO. LTD.</b>								
1	188, Moo 5, Karnchanawanich Road, Tambon Samnakkham, Sadao, Songkhla 90320, Thailand.	60199, 60200, 60201 & 60202, Tambon Samnakkham, Sadao, Songkhla 90320, Thailand.	28/02/2003 (A)	N/A	Freehold	Land	15.8 acers	3,842 (Thai Baht 29.06 mil)
			28/02/2003 (A)	20	Freehold	Factory/Office building	9,504 square metres	5,889 (Thai Baht 44.55 mil)
			28/02/2003 (A)	20	Freehold	Accommodation for worker	1,200 square metres	1,227 (Thai Baht 9.29 mil)
			01/12/2011 (A)	11	Freehold	Factory building	5,134.5 square metres	2,966 (Thai Baht 22.44mil)
			01/12/2011 (A)	11	Freehold	Accommodation for worker	882 square metres	1,186 (Thai Baht 8.98 mil)
2	Title Deed No.39553, Moo.5 Pruteaw Karnchanawanich Road, Tambon Samnakkham, Ampur Sadao, Songkhla 90320, Thailand.	Title Deed No.39553, Moo.5 Pruteaw Karnchanawanich Road, Tambon Samnakkham, Ampur Sadao, Songkhla 90320, Thailand.	03/03/2005 (A)	N/A	Freehold	Pond	Approx 2.8 acres	754 (Thai Baht 5.70 mil)
3	Nor. Sor. 3 Kor No.637 & 638, Tambon Samnakkham, Ampur Sadao, Songkhla 90320, Thailand.	Nor. Sor. 3 Kor No. 637 & 638, Tambon Samnakkham, Ampur Sadao, Songkhla 90320, Thailand.	16/11/2010 (A)	N/A	Freehold	Land	Approx 32 acres	6,501 (Thai Baht 49.18 mil)
4	Title Deed No.38237 & 38236, Tambon Samnakkham, Ampur Sadao, Songkhla 90320, Thailand.	Title Deed No.38237 & 38236, Tambon Samnakkham, Ampur Sadao, Songkhla 90320, Thailand.	01/12/2016 (A)	N/A	Freehold	Land	Approx 21 acres	6,915 (Thai Baht 52.31 mil)
5	Title Deed No.35843, Tambon Samnakkham, Ampur Sadao, Songkhla 90320, Thailand.	Title Deed No.35843, Tambon Samnakkham, Ampur Sadao, Songkhla 90320, Thailand.	27/09/2019 (A)	N/A	Freehold	Land	Approx 2.37 acres	610 (Thai Baht 4.61 mil)
<b>E) TG MEDICAL (U.S.A.), INC.</b>								
1	165 - 167 North Aspan, Avenue, Azusa, CA 91702, USA.	Assessor's ID #8615 018 010	31/03/2005 (A)	18	Freehold	Warehouse/Office building	25,878 square feet	8,740 (USD 1.89 mil)
2	153 - 155 North Aspan, Avenue, Azusa, CA 91702, USA.	Assessor's ID #8615 018 011	31/07/2013 (A)	10	Freehold	Warehouse/Office building	25,950 square feet	16,297 (USD 3.51 mil)

**List of Properties**

As at 31 August 2023 (cont'd)

	PARTICULARS OF PROPERTY	DATE OF ACQUISITION(A)/ REVALUATION(R)	AGE OF BUILDING, YEARS	TENURE	DESCRIPTION/ EXISTING USE	LAND AREA/ BUILD-UP AREA	AUDITED NET BOOK VALUE AS AT 31/08/2023, RM'000	
<b>F) TOP GLOVE TECHNOLOGY (THAILAND) CO. LTD.</b>								
1	188, Moo 5, Tambol Pangla, Ampur Sadao, Songkhla 90170, Thailand.	Channod No.52538, 52539 & 52540, Tambol Pangla, Ampur Sadao, Songkhla, Thailand.	23/02/2006 (A)	17	Freehold	Factory/Office building	Approx 40.4 acres/ 47,816.68 square metres	16,868 (Thai Baht 127.60 mil)
<b>G) GREAT GLOVE (XINGHUA) CO. LTD.</b>								
1	No. 4 Shazhuang Road, Economic Development District, Xinghua City, 225700 Jiang Su Province, P.R.China.	No. 4 Shazhuang Road, Economic Development District, Xinghua City, 225700 Jiang Su Province, P.R.China.	13/10/2005 (A)	17	Leasehold (Expiring on: Sept 2056)	Factory/ Office building, Industrial usage	112,234.48 square metres/ 30,646.96 square metres	9,821 (RMB 15.44 mil)
<b>H) B TECH INDUSTRY CO. LTD.</b>								
1	268 M.5 T. Kampangphet A.Rattaphum, Songkhla 90180, Thailand.	1. Nor Sor 3 Kor No. 2361 2. Nor Sor 4 Jor No. 5943 3. Nor Sor 4 Jor No. 5944 4. Nor Sor 4 Jor No. 5947 5. Nor Sor 4 Jor No. 5948 6. Nor Sor 4 Jor No. 5949 7. Nor Sor 4 Jor No. 5950 8. Nor Sor 4 Jor No. 5951	01/08/2006 (A)	17	Freehold	Factory/Office building	Approx 44,718 square metres/ 8,754 square metres	6,748 (Thai Baht 51.04 mil)
			21/08/2009 (A)	14	Freehold	Waste water pond	Approx 18.64 acres	
<b>I) FLEXITECH SDN. BHD.</b>								
1	Lot 128, Jalan 8, Komplek Olak Lempit, Mukim Tanjung 12, 42700 Banting, Selangor.	HS (M) 5719, PT 4049, Komplek Perabot Olak Lempit, Mukim Tanjung Dua Belas, Daerah Kuala Langat, Selangor.	02/08/2005 (A)	18	Leasehold (Expiring on: 26/09/2087)	Production/ Warehouse	Approx 11,916 square metres / 6,183 square metres	9,123
2	Lot 127, Jalan 6, Komplek Olak Lempit, Mukim Tanjung 12, 42700 Banting, Selangor.	HS (M) 5735, PT 4065, Komplek Perabot Olak Lempit, Mukim Tanjung Dua Belas, Daerah Kuala Langat, Selangor.	15/09/2005 (A)	17	Leasehold (Expiring on: 26/09/2087)	Accommodation for worker	Approx 11,916 square metres / 6,826 square metres	3,167
3	Lot 124, Jalan 8, Komplek Olak Lempit, Mukim Tanjung 12, 42700 Banting, Selangor.	HS (M) 5721, PT 4051, Komplek Perabot Olak Lempit, Mukim Tanjung Dua Belas, Daerah Kuala Langat, Selangor.	08/01/2009 (A)	14	Leasehold (Expiring on: 26/09/2087)	Production/ Office building	Approx 11,966 square metres / 10,172 square metres	5,246
4	Lot 126, Jalan 8, Komplek Olak Lempit, Mukim Tanjung 12, 42700 Banting, Selangor.	HS (M) 5720, PT 4050, Komplek Perabot Olak Lempit, Mukim Tanjung Dua Belas, Daerah Kuala Langat, Selangor.	08/01/2009 (A)	14	Leasehold (Expiring on: 26/09/2087)	Production/ Office building	Approx 11,966 square metres / 6,813 square metres	4,438
5	No.11, Jalan Emas 28, Bandar Sungai Emas, 42700 Banting, Selangor.	GRN 108819, Lot 630, Seksyen 5, Pekan Sungai Manggis, Mukim Tanjung Dua Belas, Daerah Kuala Langat, Selangor.	29/04/2013 (A)	10	Freehold	Accommodation for staff	Approx 130 square metres	183



## SECTION 8 OTHER INFORMATION

1 3 5 7  
2 4 6 8TOP GLOVE  
TOP QUALITY, TOP EFFICIENCY

## List of Properties

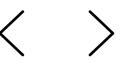
As at 31 August 2023 (cont'd)

		PARTICULARS OF PROPERTY	DATE OF ACQUISITION(A)/ REVALUATION(R)	AGE OF BUILDING, YEARS	TENURE	DESCRIPTION/ EXISTING USE	LAND AREA/ BUILD-UP AREA	AUDITED NET BOOK VALUE AS AT 31/08/2023, RM'000
6	No.7, Jalan Emas 28, Bandar Sungai Emas, 42700 Banting, Selangor.	GRN 108817, Lot 628, Seksyen 5, Pekan Sungai Manggis, Mukim Tanjong Dua Belas, Daerah Kuala Langat, Selangor.	19/06/2013 (A)	10	Freehold	Accommodation for staff	Approx 130 square metres	193
<b>J) TOP QUALITY GLOVE SDN. BHD.</b>								
1	Lot 2604, 2605, 2615 & 2616, Mukim Tanjong Dua Belas, Daerah Kuala Langat, Selangor.	HSD 50093, PT 53338, Mukim Tanjong Dua Belas, Daerah Kuala Langat, Selangor.	15/12/2022 (R)	N/A	Freehold	Land	69,994 square metres	18,492
2	Lot 5135, Jalan Dahlia, Off Jalan Meru, 41050 Klang, Selangor.	GM 5061, Lot 5135, Mukim Kapar, Daerah Klang, Selangor.	10/07/2014 (A)	N/A	Freehold	Vacant	Approx 4.656 acres/ 202,827 square feet	13,906
3	Lot 4977 & 4978, Jalan Dahlia, Off Jalan Meru, 41050 Klang, Selangor.	HS (M) 40486, PT 67437, Lot 4977 & 4978, Mukim Kapar, Daerah Klang, Selangor.	01/12/2016 (A) 01/12/2016 (A)	N/A 6	Freehold Freehold	Land Factory/Building	5.45 acres/ 2.21 hectares Double storey office building 8,874 square feet with 2 single storey warehouse 83,087 square feet	19,700 25,709
4	Lot 5144, 6 <sup>th</sup> Miles, Sungai Binjai Road, 41050 Klang, Selangor.	GM 2306, Lot 5144, Mukim Kapar, Daerah Klang, Selangor.	28/12/2016 (A)	4	Freehold	Factory	Approx 202,824.4 square feet	36,032
5	Lot 5145, 6 <sup>th</sup> Miles, Sungai Binjai Road, 41050 Klang, Selangor.	GM 5605, Lot 5145, Mukim Kapar, Daerah Klang, Selangor.	28/12/2016 (A)	1	Freehold	Factory	Approx 201,468.1 square feet	41,451
6	Lot 5133, Jalan Dahlia, Off Jalan Meru, 41050 Klang, Selangor.	GM 6046, Lot 5133, Mukim Kapar, Daerah Klang, Selangor.	31/08/2021 (R)	N/A	Freehold	Land	Approx 1.897 hectares	14,708
7	Lot 5054, Jalan Kenangan KU8, Meru, 41050 Klang, Selangor.	GM 2642, Lot 5054, Mukim Kapar, Daerah Klang, Selangor.	11/07/2017 (A)	N/A	Freehold	Factory	Approx 12,267 square metres	36,710
8	Lot 5049 & 5050, Off Jalan Bunga Raya, 5½ Mile Jalan Meru, 41050 Klang, Selangor.	Geran Mukim 277, Lot 5049, Geran Mukim 149, Lot 5050, Mukim Kapar, Daerah Klang, Selangor.	11/04/2018 (A) 11/04/2018 (A)	N/A 4	Freehold Freehold	Land Factory/Building	2.091 hectares 119,353.58 square feet	19,812 44,567
9	Lot 6472, Lorong Sg Puloh KU6, Kawasan Perindustrian Sungai Puloh, 42100 Klang, Selangor.	GM 52371, Lot 6472, Mukim Kapar, Daerah Klang, Selangor.	10/07/2018 (A)	5	Freehold	Factory	Approx 34,499 square metres	66,611
10	Lot 47442, Mukim Hulu Kinta, Daerah Kinta, Negeri Perak.	GRN 378905, Lot 47442, Mukim Hulu Kinta, Daerah Kinta, Negeri Perak.	14/02/2019 (A)	N/A	Leasehold	Land	217,456 square feet	37,932
11	Lot 4981 & 4982, Jalan Dahlia/KU8, Kawasan Perindustrian Meru Timur, 41050 Klang, Selangor.	GM 5117, Lot 4981, GM 4325, Lot 4982, Mukim Kapar, Daerah Klang, Selangor.	06/05/2019 (A)	4	Freehold	Factory	9,609 square metres	41,023
12	Lot 4948, Tempat Batu 5, Jalan Binjai, 41050 Klang, Selangor.	GM 1821, Lot 4948, Mukim Kapar, Daerah Klang, Selangor.	24/10/2019 (A)	N/A	Freehold	Vacant	Approx 1.2141 hectares	12,038

## List of Properties

As at 31 August 2023 (cont'd)

		PARTICULARS OF PROPERTY	DATE OF ACQUISITION(A)/ REVALUATION(R)	AGE OF BUILDING, YEARS	TENURE	DESCRIPTION/ EXISTING USE	LAND AREA/ BUILD-UP AREA	AUDITED NET BOOK VALUE AS AT 31/08/2023, RM'000
13	Lot 12, Jalan Banting Dengkil, Kampong Olak Lempit, 42799 Banting, Selangor.	H.S.(D) 41180 & 41181, No. P.T. 43686, Seksyen 2, Pekan Bukit Changgang, Daerah Kuala Langat, Selangor.	13/07/2020 (A)	N/A	Freehold	Vacant	Approx 67,647 square metres	106,207
14	Lot 2606, Mukim Tanjong Dua Belas, Daerah Kuala Langat, Selangor.	GRN 47719, Lot 2606, Mukim Tanjong Dua Belas, Daerah Kuala Langat, Selangor.	27/07/2020 (A)	N/A	Freehold	Vacant	Approx 1.9779 hectares/ 4 acres 3 rood 22 pole	6,618
15	Lot 2619, Mukim Tanjong Dua Belas, Daerah Kuala Langat, Selangor.	GRN 33015, Lot 2619, Mukim Tanjong Dua Belas, Daerah Kuala Langat, Selangor.	14/08/2020 (A)	N/A	Freehold	Vacant	Approx 2.1347 hectares/ 5 acres 1 rood 4 pole	5,731
16	Lot 4963, Tempat Batu 5, Jalan Sungai Binjai, 41050 Klang, Selangor.	GM 319, Lot 4963, Mukim Kapar, Daerah Klang, Selangor.	21/08/2020 (A)	N/A	Freehold	Vacant	Approx 1.2141 hectares	11,088
17	Lot 204, Seksyen 2, Pekan Bukit Changgang, Daerah Kuala Langat, Negeri Selangor.	GR 285695, Lot 204, Seksyen 2, Pekan Bukit Changgang, Daerah Kuala Langat, Negeri Selangor.	15/12/2020 (A)	N/A	Freehold	Vacant	Approx 3.9710 hectares	15,497
18	Lot 2618, Mukim Tanjong Dua Belas, Daerah Kuala Langat, Negeri Selangor.	GR 60388, Lot 2618, Mukim Tanjong Dua Belas, Daerah Kuala Langat, Negeri Selangor.	12/03/2021 (A)	N/A	Freehold	Vacant	Approx 1.8489 hectares	6,754
19	Lot 2617, Mukim Tanjong Dua Belas, Daerah Kuala Langat, Negeri Selangor.	GR 47726, Lot 2617, Mukim Tanjong Dua Belas, Daerah Kuala Langat, Negeri Selangor.	06/04/2021 (A)	N/A	Freehold	Vacant	Approx 2.1499 hectares	7,696
20	Lot 2600, Mukim Tanjong Dua Belas, Daerah Kuala Langat, Negeri Selangor.	GR 47741, Lot 2600, Mukim Tanjong Dua Belas, Daerah Kuala Langat, Negeri Selangor.	10/05/2021 (A)	N/A	Freehold	Vacant	Approx 1.9880 hectares	5,104
21	Lot 2601, Mukim Tanjong Dua Belas, Daerah Kuala Langat, Negeri Selangor.	PT 51671, H.S.(D) 48660, Lot 2601, Mukim Tanjong Dua Belas, Daerah Kuala Langat, Negeri Selangor.	25/05/2021 (A)	N/A	Freehold	Vacant	Approx 0.8107 hectares	2,075
22	Lot 2631, Mukim Tanjong Dua Belas, Daerah Kuala Langat, Negeri Selangor.	GR 47745, Lot 2631, Mukim Tanjong Dua Belas, Daerah Kuala Langat, Negeri Selangor.	25/05/2021 (A)	N/A	Freehold	Vacant	Approx 0.8574 hectares	2,196
23	Lot 2603, Mukim Tanjong Dua Belas, Daerah Kuala Langat, Negeri Selangor.	GR 47744, Lot 2603, Mukim Tanjong Dua Belas, Daerah Kuala Langat, Negeri Selangor.	15/02/2022 (A)	N/A	Freehold	Vacant	Approx 1.5378 hectares	3,944
<b>K) GMP MEDICARE SDN. BHD.</b>								
1	Lot 4985, Tempat Batu 5, Jalan Sungai Binjai, 41050 Klang, Selangor.	GM 2321, Lot 4985, Mukim Kapar, Daerah Klang, Selangor.	18/06/2010 (A)	13	Freehold	Factory/Glove manufacturing	3 acres	9,161



## SECTION 8 OTHER INFORMATION

1 3 5 7  
2 4 6 8TOP GLOVE  
TOP QUALITY, TOP EFFICIENCY

## List of Properties

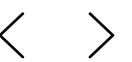
As at 31 August 2023 (cont'd)

	PARTICULARS OF PROPERTY	DATE OF ACQUISITION(A)/ REVALUATION(R)	AGE OF BUILDING, YEARS	TENURE	DESCRIPTION/ EXISTING USE	LAND AREA/ BUILD-UP AREA	AUDITED NET BOOK VALUE AS AT 31/08/2023, RM'000	
2	Lot 2431, Mukim Port Dickson, Sendayan, 71100 Silliau, Port Dickson, Negeri Sembilan.	Lot 11558, (Baki Lot 2431, PA 50813), Mukim Port Dickson, Daerah Port Dickson, Negeri Sembilan.	06/12/2012 (A)	Phase 1 : 24 years Phase 2 : 21 years	Freehold	Factory/Glove manufacturing	16.7 acres/ 22,000 square metres	23,227
3	Lot 4991, Jalan Bunga Raya, Batu 5½, Off Jalan Meru, 41050 Klang, Selangor.	HS (M) 39325, PT 64593, Mukim Kapar, Daerah Klang, Selangor.	01/08/2013 (A)	10	Freehold	Factory/Glove manufacturing	75,669 square feet	8,901
4	Lot 3726, Kawasan Perindustrian Nilai, Mukim Setul, Daerah Seremban, Negeri Sembilan.	GRN 164813, Lot 8196, Mukim Setul, Daerah Seremban, Negeri Sembilan.	14/08/2017 (A)	N/A	Freehold	Land	Approx 4.326 acres	19,752
5	Lot 3726, Kawasan Perindustrian Nilai, Mukim Setul, Daerah Seremban, 71800 Nilai, Negeri Sembilan.	Lot 3726, Kawasan Perindustrian Nilai, Mukim Setul, Daerah Seremban, 71800 Nilai, Negeri Sembilan.	14/08/2017 (A)	6	Freehold	Factory/Glove manufacturing	Approx 14,256 square metres/ 153,450 square feet	8,014
<b>L) TOP GLOVE PROPERTIES SDN. BHD.</b>								
1	No.16, Persiaran Setia Dagang, Bandar Setia Alam, Seksyen U13, 40170 Shah Alam, Selangor.	HS (D) 277347, PT 29363, Mukim Bukit Raja, Daerah Petaling, Selangor.	21/09/2011 (A)	11	Freehold	Office Tower	2 acres	163,900
2	No.18, Persiaran Setia Dagang, Bandar Setia Alam, Seksyen U13, 40170 Shah Alam, Selangor.	HS (D) 293019, PT 32307, Mukim Bukit Raja, Daerah Petaling, Selangor.	31/08/2021 (R)	N/A	Freehold	Open Space Carpark	6,070.30 square metres	26,100
3	No.20, Persiaran Setia Dagang, Bandar Setia Alam, Seksyen U13, 40170 Shah Alam, Selangor.	HS (D) 293020, PT 32308, Mukim Bukit Raja, Daerah Petaling, Selangor.	31/08/2021 (R)	N/A	Freehold	Open Space Carpark	5,403 square metres	23,400
<b>M) PT. AGRO PRATAMA SEJAHTERA</b>								
1	The City Tower, 12th Floor 1N, JL MH Thamrin No.81, Jakarta Pusat 10310, Indonesia.	Bangka Belitung Province	01/10/2012 (A)	N/A	Leasehold (Expiring on: 12/4/2071)	Industrial Forest Plantation	30,773 hectares	20,113 (IDR 66.2 bil)
<b>N) TG PORCELAIN SDN. BHD.</b>								
1	Lot 4946, Jalan Teratai, Batu 6, Off Jalan Meru, 41050 Klang, Selangor.	Lot 4946, Jalan Teratai, Batu 6, Off Jalan Meru, 41050 Klang, Selangor.	01/05/2018 (A)	5	Freehold	Factory/Former Manufacturing	52,513.14 square feet	6,102
<b>O) ASPION GROUP</b>								
1	Lot 7, Jalan Hi Tech 12, Kulim Hi Tech Park (Phase 3), 09090 Kulim, Kedah.	Lot 7 (PT2487), Kulim Hi-Tech Park, Bandar Kulim, Daerah Kulim, Kedah.	04/07/2013 (A)	N/A	Leasehold (Expiring on 03/07/2073)	Land	2,252,052 square feet	42,399
2	Lot E4(3) [PT 4093], No. 2, Jalan 8, Kawasan Perindustrian Pengkalan Chepa II, 16100 Kota Bharu, Kelantan.	Lot No 5052, Mukim Panchor, Daerah Kota Bharu, Kelantan.	05/04/2018 (A)	N/A	Leasehold (Expiring on: 15/02/2063)	Land	2.184 hectares	4,583
			05/04/2018 (A)	18		Factory/Office	9,496.09 square metres	6,966

## List of Properties

As at 31 August 2023 (cont'd)

	PARTICULARS OF PROPERTY	DATE OF ACQUISITION(A)/ REVALUATION(R)	AGE OF BUILDING, YEARS	TENURE	DESCRIPTION/ EXISTING USE	LAND AREA/ BUILD-UP AREA	AUDITED NET BOOK VALUE AS AT 31/08/2023, RM'000	
3	PLO 9 & 18, Jalan Mahsuri 1, 7.5km Jalan Mersing, Kawasan Perindustrian Kluang, 86007 Kluang, Johor.	PTD 84462, Mukim Kluang, Daerah Kluang, Johor.	05/04/2018 (A)	N/A	Leasehold (Expiring on: 28/08/2053)	Land	2.2781 hectares	2,705
			05/04/2018 (A)	12		Factory Building	12,225.98 square metres	8,698
4	Lot E4(4) [PT 4094], Jalan 8, Pengkalan Chepa II, 16100 Kota Bharu, Kelantan.	Lot No 5053, Mukim Panchor, Daerah Kota Bharu, Kelantan.	05/04/2018 (A)	N/A	Leasehold (Expiring on: 15/02/2063)	Land	2.341 hectares	4,909
			05/04/2018 (A)	15		Factory Building	14,604.21 square metres	7,566
5	Lot E4(6) & Lot E4(7), [PT 4091 & PT 4092], Kawasan Perindustrian Pengkalan Chepa II, 16100 Kota Bharu, Kelantan.	Lot No 5050, 5051, Mukim Panchor, Daerah Kota Bharu, Kelantan.	05/04/2018 (A)	N/A	Leasehold (Expiring on: 15/02/2063)	Land/ Biomass plant	Lot 5050: 2.640 hectares Lot 5051: 2.366 hectares	7,747
			05/04/2018 (A)	17		Factory/ Warehouse	10,546.36 square metres	8,026
			05/04/2018 (A)	9	Freehold	Office building/ Warehouse	2.64 hectares	4,608
6	PLO 5, Jalan Mahsuri 1, 7.5KM, Jalan Mersing, Kawasan Perindustrian Kluang, 86000 Kluang, Johor.	Lot PTD 38818, No. HS (D) 23914, Mukim of Kluang, Daerah Kluang, Johor.	05/04/2018 (A)	N/A	Leasehold (Expiring on: 01/10/2049)	Land	3 acres	785
			05/04/2018 (A)	35		Factory/Glove manufacturing	7,515.14 square metres	3,106
7	PLO 12, Jalan Mahsuri 1, 7.5KM, Jalan Mersing, Kawasan Perindustrian Kluang, 86000 Kluang, Johor.	Lot PTD 26427, No. HS(D) 25436, Mukim of Kluang, Daerah Kluang, Johor.	05/04/2018 (A)	N/A	Leasehold (Expiring on: 07/11/2050)	Land	3.206 acres	1,116
			05/04/2018 (A)	16		Factory/Glove manufacturing	8,929.41 square metres	3,588
8	Lot 366, GM 2547, Mukim of Kluang, Daerah Kluang, Johor.	GM 2547, Mukim of Kluang, Daerah Kluang, Johor.	05/04/2018 (A)	N/A	Freehold	Agricultural land	1.467 hectares	987
<b>P) GREAT GLOVE (THAILAND) CO. LTD.</b>								
1	180/3 Moo.7, Srisonthon Rd., T.Srisonthon, A.Thalang, Phuket 83110 Thailand.	180/3 Moo.7, Srisonthon Rd., T.Srisonthon, A.Thalang, Phuket 83110 Thailand.	28/02/2006 (A)	17	Freehold	Building Block A	3,832 square metres	2,776 (Thai Baht 21.00 mil)
			01/10/2016 (A)	6	Freehold	Building Block B	4,616 square metres	7,874 (Thai Baht 59.56 mil)
2	Title Deed No.64761, 64762, 64763, Moo.7 Srisonthon Rd., T.Srisonthon, A.Thalang, Phuket 83110 Thailand.	Title Deed No.64761, 64762, 64763, Moo.7 Srisonthon Rd., T.Srisonthon, A.Thalang, Phuket 83110 Thailand.	05/09/2019 (A)	N/A	Freehold	Pond	Approx 13.5 acres	2,545 (Thai Baht 19.25 mil)
<b>Q) TG FMT SDN. BHD.</b>								
1	Lot 4987, Jalan Bunga Raya, Batu 6, Off Jalan Meru, 41050 Klang, Selangor.	Block B, Lot 4987, Jalan Bunga Raya, Batu 6, Off Jalan Meru, 41050 Klang, Selangor.	01/06/2017 (A)	6	Freehold	Building	31,345 square feet	3,698
<b>R) EASTERN PRESS SDN. BHD.</b>								
1	Lot 1, Jalan Paku 16/6, 40000 Shah Alam, Selangor.	HS (D) 167430, Lot 1, Mukim Damansara, Petaling Jaya, Selangor.	05/01/2018 (A)	9	Leasehold (Expiring on: 03/04/2068)	Production use	3,121.44 square metres/ 1,148.84 square metres	3,680
2	Lot 3, Jalan Paku 16/6, 40000 Shah Alam, Selangor.	Q.T. R. 4248 L.O.No Lot 3, Jalan Paku 2/6, Mukim Damansara, District Klang.	05/01/2018 (A)	33	Leasehold (Expiring on: 03/04/2068)	Production use	1,774.39 square metres/ 1,038.19 square metres	4,349

**List of Properties**

As at 31 August 2023 (cont'd)

	PARTICULARS OF PROPERTY	DATE OF ACQUISITION(A)/ REVALUATION(R)	AGE OF BUILDING, YEARS	TENURE	DESCRIPTION/ EXISTING USE	LAND AREA/ BUILD-UP AREA	AUDITED NET BOOK VALUE AS AT 31/08/2023, RM'000
3	Lot 5, Jalan Paku 16/6, 40000 Shah Alam, Selangor.	Kawasan Kilang Berderet Seksyen 16, Shah Alam, Selangor.	05/01/2018 (A)	36	Leasehold (Expiring on: 03/04/2068)	Production use 1,774.39 square metres/ 1,209.96 square metres	3,411
4	Lot 13 & Lot 15, Jalan Paku 2/6, 40000 Shah Alam, Selangor.	Q.T. R 4253 & 4254, Mukim of Damansara, District Klang.	05/01/2018 (A)	27	Leasehold (Expiring on: 15/01/2068)	Production use Lot 13: 1,755.81 square metres/ 951.6 square metres Lot 15: 1,718.65 square metres/ 1,137.51 square metres	6,761
5	Unit B2-602 Block 2, Pangsapuri Anggerik Indah, Jalan Sempadan 16/7, Seksyen 16, 40200 Shah Alam, Selangor.	Lot 10970, Section 16, Shah Alam/Petaling/ Pajakan Negeri 110147 Apartment.	05/01/2018 (A)	25	Leasehold (Expiring on: 01/03/2099)	Workers apartment 823 square feet	55
6	Unit B2-604 Block 2, Pangsapuri Anggerik Indah, Jalan Sempadan 16/7, Seksyen 16, 40200 Shah Alam, Selangor.	Lot 10970, Section 16, Shah Alam/Petaling/ Pajakan Negeri 110147 Apartment.	05/01/2018 (A)	25	Leasehold (Expiring on: 01/03/2099)	Workers apartment 740 square feet	61
7	Lot 9, Jalan Paku 16/6, 40000 Shah Alam, Selangor.	HS (D) 167468, No 9, Mukim Damansara, Daerah Petaling, Selangor.	30/08/2018 (A)	5	Leasehold (Expiring on: 03/04/2068)	Production use 1,774.39 square metres/ 989.14 square metres	4,873
8	Lot 7, Jalan Paku 16/6, 40000 Shah Alam, Selangor.	HS (D) 308675, Lot 7, Mukim Damansara, Daerah Petaling, Selangor.	21/12/2018 (A)	4	Leasehold (Expiring on: 03/04/2068)	Production use 1,774.39 square metres/ 973.39 square metres	11,570
9	Unit 7-10-1, Suria Avenue, Lot 1, Jalan Dawai 16/2, Seksyen 16, 40200 Shah Alam, Selangor.	Lot 745, Section 16, Shah Alam/Petaling/ Pajakan Negeri 24691/ M1/10/145 Apartment.	21/02/2019 (A)	4	Leasehold (Expiring on: 22/01/2072)	Workers apartment 894 square feet	260
10	Unit 9-10-1, Suria Avenue, Lot 1, Jalan Dawai 16/2, Seksyen 16, 40200 Shah Alam, Selangor.	Lot 745, Section 16, Shah Alam/Petaling/ Pajakan Negeri 24691/ M1/10/145 Apartment.	21/02/2019 (A)	4	Leasehold (Expiring on: 22/01/2072)	Workers apartment 1,006 square feet	260
11	Lot 11, Jalan Paku 16/6, 40000 Shah Alam, Selangor.	HS (D) 79920, No 11, Mukim Damansara, Daerah Petaling, Selangor.	08/05/2019 (A)	4	Leasehold (Expiring on: 15/01/2068)	Production use 1,774.39 square metres/ 772.06 square metres	4,521
12	Lot 19, Jalan Paku 16/6, 40000 Shah Alam, Selangor.	HS (D) 144743, No 19, Mukim Damansara, Daerah Petaling, Selangor.	19/05/2021 (A)	2	Leasehold (Expiring on: 15/01/2068)	Production use 1,885.87 square metres	5,027
<b>S) TOP GLOVE VIETNAM COMPANY LIMITED</b>							
1	Land Lot A_8B_CN, Bau Bang Industrial Park, Lai Uyen Town, Bau Bang District, Binh Duong Province, Vietnam.	Land Lot A_8B_CN, Bau Bang Industrial Park, Lai Uyen Town, Bau Bang District, Binh Duong Province, Vietnam.	07/05/2018 (A)	5	Leasehold (Expiring on: 20/06/2057)	Production Office Warehouse 218,212 square metres	50,106 (USD 10.80 mil)

**Analysis of Shareholdings**

As at 28 November 2023

**Share Capital**

Total Issued Shares : 8,207,924,834 Ordinary Shares (including 199,764,300 Treasury Shares)

Types of Shares : Ordinary Shares

Voting Rights : One (1) vote per Ordinary Share on a poll

**1. DISTRIBUTION OF SHAREHOLDINGS**

Size of Holdings	No. of Holders <sup>^</sup>	% <sup>^</sup>	No. of Holdings <sup>^</sup>	% <sup>^</sup>
1 to 99	746	0.59	13,071	0.00
100 to 1,000	29,258	23.10	18,845,167	0.24
1,001 to 10,000	63,540	50.16	287,293,012	3.59
10,001 to 100,000	29,523	23.30	877,462,171	10.96
100,001 to 400,408,025 (less than 5% of Issued Shares)	3,615	2.85	5,488,391,368	68.53
400,408,026 (5% of Issued Shares) and above	2	0.00	1,336,155,745	16.68
<b>Total</b>	<b>126,684</b>	<b>100.00</b>	<b>8,008,160,534*</b>	<b>100.00</b>

**Note:**<sup>^</sup> Excluding Treasury Shares

\* Out of the total holdings of 8,008,160,534 shares, 765,953,137 shares were traded in Singapore Exchange Securities Trading Limited

**2. SUBSTANTIAL SHAREHOLDERS**

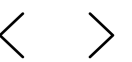
The Substantial Shareholders of the Company based on the Register of Substantial Shareholders of the Company and their respective shareholdings are as follows:

No.	Name of Substantial Shareholders	No. of Ordinary Shares Held			
		Direct	% <sup>^</sup>	Indirect	% <sup>^</sup>
1.	Tan Sri Dr <u>Lim</u> Wee Chai	2,231,043,256	27.86	692,691,448*	8.65
2.	Puan Sri Tong Siew Bee	17,562,876	0.22	2,906,171,828**	36.29
3.	Lim Hooi Sin	100,061,244	1.25	2,823,473,460***	35.26
4.	Lim Jin Feng	200,000	0.00	2,823,473,460***	35.26
5.	Firstway United Corp	554,966,328	6.93	-	-

**Note:**<sup>^</sup> Calculated based on 8,008,160,534 Ordinary Shares (Issued share capital of 8,207,924,834 Ordinary Shares less Treasury Shares of 199,764,300)

\* Deemed interested by virtue of the shareholding of Puan Sri Tong Siew Bee, Mr Lim Hooi Sin, Mr Lim Jin Feng, Firstway United Corp, Top Fortress Ventures Limited and TS Dr Lim WC (L) Foundation in Top Glove

\*\* Deemed interested by virtue of the shareholding of Tan Sri Dr Lim Wee Chai, Mr Lim Hooi Sin, Mr Lim Jin Feng, Firstway United Corp, Top Fortress Ventures Limited and TS Dr Lim WC (L) Foundation in Top Glove\*\*\* Deemed interested by virtue of the shareholding of Tan Sri Dr Lim Wee Chai, Puan Sri Tong Siew Bee, Firstway United Corp, Top Fortress Ventures Limited and TS Dr Lim WC (L) Foundation in Top Glove

**Analysis of Shareholdings**

As at 28 November 2023

**3. DIRECTORS' SHAREHOLDINGS**

The Directors' Shareholdings of Top Glove based on the Register of Directors' Shareholdings and/or Record of Depositors are as follows:

No.	Name of Directors	No. of Ordinary Shares Held			
		Direct	% <sup>^</sup>	Indirect	% <sup>^</sup>
1.	Tan Sri Dr <u>Lim</u> Wee Chai	2,231,043,256	27.86	692,691,448 *	8.65
2.	Lim Cheong Guan	418,000	0.01	-	-
3.	Lim Hooi Sin	100,061,244	1.25	2,823,473,460 **	35.26
4.	Ng Yong Lin	-	-	-	-
5.	Dato' Lee Kim Meow	2,912,100	0.04	120,000 ***	0.00
6.	Sharmila Sekarajasekaran	20,037,500	0.25	1,736,000 ****	0.02
7.	Datuk Dr. Norma Mansor	-	-	42,900 *****	0.00
8.	Azrina Arshad	10,000	0.00	-	-
9.	Martin Giles Manen	-	-	-	-
10.	Dr Ngo Get Ping	770,000	0.01	-	-
11.	Dr Chong Su-Lin	-	-	-	-
12.	Rowina Ghazali Seth	-	-	-	-

**Note:**

<sup>^</sup> Calculated based on 8,008,160,534 Ordinary Shares (Issued share capital of 8,207,924,834 Ordinary Shares less Treasury Shares of 199,764,300)

\* Deemed interested by virtue of the shareholding of Puan Sri Tong Siew Bee, Mr Lim Hooi Sin, Mr Lim Jin Feng, Firstway United Corp, Top Fortress Ventures Limited and TS Dr Lim WC (L) Foundation in Top Glove

\*\* Deemed interested by virtue of the shareholding of Tan Sri Dr Lim Wee Chai, Puan Sri Tong Siew Bee, Firstway United Corp, Top Fortress Ventures Limited and TS Dr Lim WC (L) Foundation in Top Glove

\*\*\* Deemed interested through his wife, Datin Chung Lee Moy

\*\*\*\* Deemed interested by virtue of her direct interest in Trinity Worldwide Holdings Limited

\*\*\*\*\* Deemed interested through her husband, Shamsuddin Bin Ali Hussin

The Directors' Share Options held under the Employees Share Option Scheme of the Company based on the Register of Directors' Shareholding are as follows:

No.	Name of Directors	No. of Options Held	
		Direct	Indirect
1.	Tan Sri Dr <u>Lim</u> Wee Chai	5,697,100	1,773,300 *
2.	Lim Cheong Guan	1,039,000	-
3.	Lim Hooi Sin	1,253,900	5,918,400 **
4.	Ng Yong Lin	1,075,200	-
5.	Dato' Lee Kim Meow	-	-
6.	Sharmila Sekarajasekaran	-	-
7.	Datuk Dr. Norma Mansor	-	-
8.	Azrina Arshad	-	-
9.	Martin Giles Manen	-	-
10.	Dr Ngo Get Ping	-	-
11.	Dr Chong Su-Lin	-	-
12.	Rowina Ghazali Seth	-	-

**Note:**

\* Deemed interested through Puan Sri Tong Siew Bee, Mr Lim Hooi Sin and Mr Lim Jin Feng's options held in Top Glove

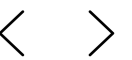
\*\* Deemed interested through Tan Sri Dr Lim Wee Chai and Puan Sri Tong Siew Bee's options held in Top Glove

**4. THIRTY (30) LARGEST SECURITIES ACCOUNT HOLDERS AS PER THE RECORD OF DEPOSITORS**

No.	Names	Shareholdings	% <sup>^</sup>
1.	Citigroup Nominees (Asing) Sdn. Bhd. - Exempt An for The Central Depository (Pte) Limited	762,522,545	9.52
2.	CIMSEC Nominees (Tempatan) Sdn. Bhd. - CIMB for Tan Sri Dr <u>Lim</u> Wee Chai (PB)	573,633,200	7.16
3.	Kumpulan Wang Persaraan (Diperbadankan)	263,630,550	3.29
4.	CIMSEC Nominees (Asing) Sdn. Bhd. - CIMB for Firstway United Corp (PB)	241,845,528	3.02
5.	UOBM Nominees (Tempatan) Sdn. Bhd. - United Overseas Bank Nominees (Pte) Ltd for Tan Sri Dr <u>Lim</u> Wee Chai	228,000,000	2.85
6.	Citigroup Nominees (Tempatan) Sdn. Bhd. - Exempt An for Bank of Singapore Limited (Local)	225,200,500	2.81
7.	Tan Sri Dr <u>Lim</u> Wee Chai	176,189,600	2.20
8.	Citigroup Nominees (Asing) Sdn. Bhd. - Exempt An for UBS AG Singapore (Foreign)	166,230,000	2.08
9.	CIMB Group Nominees (Tempatan) Sdn. Bhd. - Pledged securities account - DBS Bank Ltd for Tan Sri Dr <u>Lim</u> Wee Chai (SG1400360353)	150,000,000	1.87
10.	MFP Capital Corporation	125,952,922	1.57
11.	HSBC Nominees (Tempatan) Sdn. Bhd. - Pledged securities account - HBAP SG for Tan Sri Dr <u>Lim</u> Wee Chai (PB-SGDIV)	114,000,000	1.42
12.	Citigroup Nominees (Tempatan) Sdn. Bhd. - Exempt An for AIA Bhd.	103,418,500	1.29
13.	CIMB Group Nominees (Tempatan) Sdn. Bhd. - Pledged securities account - Cathay United Bank for Tan Sri Dr <u>Lim</u> Wee Chai	99,000,000	1.24
14.	Maybank Nominees (Tempatan) Sdn. Bhd. - Nomura Singapore Limited for Tan Sri Dr <u>Lim</u> Wee Chai (419597)	90,000,000	1.12
15.	Citigroup Nominees (Tempatan) Sdn. Bhd. - Exempt An for UBS Switzerland AG (MY- RES)	82,000,000	1.02
16.	RHB Nominees (Tempatan) Sdn. Bhd. - Tan Sri Dr <u>Lim</u> Wee Chai	81,156,200	1.01
17.	HSBC Nominees (Asing) Sdn. Bhd. - JPMCB NA for Vanguard Emerging Markets Stock Index Fund	73,619,090	0.92
18.	HLB Nominees (Tempatan) Sdn. Bhd. - Pledged securities account for Tan Sri Dr <u>Lim</u> Wee Chai (SIN 8001084)	72,600,000	0.91
19.	HSBC Nominees (Asing) Sdn. Bhd. - JPMCB NA for Vanguard Total International Stock Index Fund	70,232,798	0.88
20.	DB (Malaysia) Nominee (Tempatan) Sendirian Berhad - Deutsche Trustees Malaysia Berhad for Hong Leong Value Fund	63,200,000	0.79
21.	Lim Hooi Sin	61,736,760	0.77
22.	Citigroup Nominees (Tempatan) Sdn. Bhd. - Employees Provident Fund Board (AHAM AM)	57,801,100	0.72
23.	Citigroup Nominees (Asing) Sdn. Bhd. - CBLDN for Polunin Developing Countries Fund, LLC	51,203,000	0.64
24.	Cartaban Nominees (Asing) Sdn. Bhd. - Exempt An for State Street Bank & Trust Company (West CLT OD67)	51,037,900	0.64
25.	Cartaban Nominees (Tempatan) Sdn. Bhd. - LGT Bank AG (Tempatan) for Tan Sri Dr <u>Lim</u> Wee Chai	49,551,000	0.62
26.	Citigroup Nominees (Tempatan) Sdn. Bhd. - Bank of Singapore Limited for Tan Sri Dr <u>Lim</u> Wee Chai	48,000,000	0.60
27.	HSBC Nominees (Tempatan) Sdn. Bhd. - HSBC (M) Trustee Bhd for Principal Dali Equity Growth Fund	47,694,061	0.60
28.	Maybank Nominees (Tempatan) Sdn. Bhd. - Maybank Trustees Berhad for Public Regular Savings Fund (N14011940100)	47,250,000	0.59
29.	Tan Sri Dr <u>Lim</u> Wee Chai	46,853,256	0.59
30.	HSBC Nominees (Tempatan) Sdn. Bhd. - Tan Sri Dr <u>Lim</u> Wee Chai	46,800,000	0.58
	<b>Total</b>	<b>4,270,358,510</b>	<b>53.33</b>

**Note:**

<sup>^</sup> Calculated based on 8,008,160,534 Ordinary Shares (Issued share capital of 8,207,924,834 Ordinary Shares less Treasury Shares of 199,764,300)



## Notice of the Twenty Fifth Annual General Meeting

**NOTICE IS HEREBY GIVEN THAT** the Twenty Fifth Annual General Meeting (“25<sup>th</sup> AGM”) of Top Glove Corporation Bhd (“Top Glove” or “Company”) will be conducted virtually for the purpose of considering and if thought fit, passing with or without any modification, the resolutions set out in this Notice:

<b>Day and Date</b>	: Wednesday, 10 January 2024
<b>Time</b>	: 10:30 a.m.
<b>Broadcast Venue</b>	: TG Grand Ballroom Level 9, Top Glove Tower, 16, Persiaran Setia Dagang, Setia Alam, Seksyen U13, 40170 Shah Alam, Selangor Darul Ehsan, Malaysia <i>(Members/Proxies/Corporate Representatives will not be allowed to be physically present at the Broadcast Venue)</i>
<b>Online Meeting Platform</b>	: Securities Services ePortal <a href="https://sshsb.net.my/">https://sshsb.net.my/</a>
<b>Modes of Communication</b>	: 1. Typed text in the Online Meeting Platform 2. Email your questions to <a href="mailto:topglovecosec@topglove.com.my">topglovecosec@topglove.com.my</a> prior to the 25 <sup>th</sup> AGM no later than 10:30 a.m. on Tuesday, 9 January 2024

### AGENDA

- To receive the Audited Financial Statements for the financial year ended 31 August 2023 together with the Reports of the Directors and the Auditors thereon.

*Please refer to Explanatory Note 1*

- To re-elect the following Directors who retire by rotation pursuant to Article 94 of the Company's Constitution and being eligible, have offered themselves for re-election:

- Sharmila Sekarajasekaran
- Datuk Dr. Norma Mansor
- Lim Hooi Sin

**(Resolution 1)**  
**(Resolution 2)**  
**(Resolution 3)**

*Please refer to Explanatory Note 2*

- To re-elect the following Directors who retire pursuant to Article 100 of the Company's Constitution and being eligible, have offered themselves for re-election:

- Dr Chong Su-Lin
- Rowina Ghazali Seth

**(Resolution 4)**  
**(Resolution 5)**

*Please refer to Explanatory Note 3*

- To approve the payment of Directors' fees for the financial year ended 31 August 2023.

*Please refer to Explanatory Note 4*

**(Resolution 6)**

- To approve the payment of Directors' benefits (excluding Directors' fees) to the Non-Executive Directors up to an amount of RM300,000.00 from 11 January 2024 until the next Annual General Meeting of the Company to be held in year 2025.

*Please refer to Explanatory Note 5*

**(Resolution 7)**

- To re-appoint Ernst & Young PLT as Auditors of the Company until the conclusion of the next Annual General Meeting of the Company and to authorise the Directors to fix their remuneration.

*Please refer to Explanatory Note 6*

**(Resolution 8)**

### 7. As Special Business

To consider and, if thought fit, with or without any modification, to pass the following resolutions which will be proposed as Ordinary Resolutions:

#### (a) Ordinary Resolution No. 1

##### Authority to Issue Shares pursuant to the Companies Act 2016 (“the Act”) and Waiver of Pre-Emptive Rights

“THAT subject to the Act, the Constitution of the Company, and the approvals from Bursa Malaysia Securities Berhad (“Bursa Securities”) and any relevant governmental/regulatory authority, the Directors of the Company be and are hereby empowered, pursuant to the Act, to issue and allot shares in the Company, at any time to such persons and upon such terms and conditions and for such purposes as the Directors may, in their absolute discretion, deem fit, provided that the aggregate number of shares issued pursuant to this resolution does not exceed ten per centum (10%) of the total number of issued shares of the Company for the time being;

THAT pursuant to Section 85 of the Act to be read together with Article 58 of the Constitution of the Company, approval be and is hereby given to waive the statutory pre-emptive rights of the shareholders of the Company to be offered new shares of the Company ranking equally to the existing issued shares arising from any issuance of new shares in the Company pursuant to Sections 75 and 76 of the Act;

AND THAT the Directors be and are also empowered to obtain the approval for the listing of and quotation for the additional shares so issued on Bursa Securities;

AND FURTHER THAT such authority shall commence immediately upon the passing of this resolution and continue to be in force until the conclusion of the next Annual General Meeting of the Company.”

*Please refer to Explanatory Note 7*

**(Resolution 9)**

#### (b) Ordinary Resolution No. 2

##### Proposed Renewal of Share Buy-Back Authority

“THAT subject to the Companies Act 2016 (“the Act”), the Constitution of the Company, Bursa Malaysia Securities Berhad (“Bursa Securities”) Main Market Listing Requirements (“Main LR”) and the approvals of all relevant governmental and/or regulatory authorities (if any), the Company be and is hereby authorised to purchase such amount of ordinary shares in the Company (“Proposed Share Buy-Back”) as may be determined by the Board of Directors (“Board”) from time to time through Bursa Securities upon such terms and conditions as the Board may deem fit and expedient in the interest of the Company provided that the aggregate number of shares purchased pursuant to this resolution shall not exceed ten per centum (10%) of the total number of issued shares of the Company;

THAT the maximum amount of funds to be utilised for the purpose of the Proposed Share Buy-Back shall not exceed the aggregate retained profits of the Company based on its audited financial statements for the financial year ended 31 August 2023 of RM2,337,684,000;

THAT at the discretion of the Board, the shares of the Company to be purchased are proposed to be cancelled and/or retained as treasury shares and/or distributed as dividends and/or resold on Bursa Securities and/or transferred the shares for the purposes of or under an employees' share scheme in the manner as prescribed by the Act, rules, regulations and orders made pursuant to the Act and Bursa Securities Main LR and any other relevant authorities for the time being in force;

## Notice of the Twenty Fifth Annual General Meeting

**THAT** such authority shall commence immediately upon the passing of this resolution until:

- (i) the conclusion of the next Annual General Meeting of the Company following this general meeting at which such resolution was passed at which time it will lapse unless by ordinary resolution passed at that Meeting, the authority is renewed, either unconditionally or subject to conditions;
- (ii) the expiration of the period within which the next Annual General Meeting of the Company after that date 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 in general meeting,

whichever is the earlier;

**AND THAT** the Board be and is hereby authorised to take such steps to give full effect to the Proposed Share Buy-Back with full power to assent to any condition, modification, variation and/or amendment as may be imposed by the relevant authorities and/or to do all such acts and things as the Board may deem fit and expedient in the best interest of the Company.”

Please refer to Explanatory Note 8

**(Resolution 10)**

8. To transact any other ordinary business for which due notice shall have been given.

By Order of the Board of Directors

**CHUA SIEW CHUAN**  
SSM PC No.: 201908002648  
MAICSA No.: 0777689  
Chartered Secretary

**CHIN MUN YEE**  
SSM PC No.: 201908002785  
MAICSA No.: 7019243  
Chartered Secretary

**LIM KEAT SEE**  
SSM PC No.: 201908001159  
MAICSA No.: 7020290  
Chartered Secretary

Shah Alam  
11 December 2023

### NOTES:

1. The 25<sup>th</sup> AGM will be conducted virtually through live streaming and online remote voting via the Remote Participation and Voting (“RPV”) facilities to be provided by SS E Solutions Sdn. Bhd. via Securities Services ePortal’s platform at <https://sshbsb.net.my/>. Please follow the procedures provided in the Administrative Details for the 25<sup>th</sup> AGM in order 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 Companies Act 2016 (“the Act”) and Article 64A of the Company’s Constitution which requires the Chairman of the Meeting to be present at the main venue of the Meeting. Members/proxies/corporate representatives will not be allowed to be physically present at the Broadcast Venue.
3. In respect of deposited securities, only members whose names appear in the Record of Depositors on 29 December 2023 (General Meeting Record of Depositors) shall be eligible to participate in the 25<sup>th</sup> AGM.
4. A member of the Company entitled to participate and vote at the 25<sup>th</sup> AGM is entitled to appoint more than one (1) proxy to participate, speak and vote in his/her stead. A proxy may but need not be a member of the Company and a member may appoint any person to be his/her proxy. There shall be no restriction as to the qualification of the proxy. A proxy appointed by the member shall have the same rights as the member to participate, speak and vote at the 25<sup>th</sup> AGM. The members or their proxies or their corporate representatives may submit questions to the Company at [topglovecosec@topglove.com.my](mailto:topglovecosec@topglove.com.my) prior to the 25<sup>th</sup> AGM or via real-time submission of typed texts through a text box within Securities Services ePortal’s platform during live streaming of the 25<sup>th</sup> AGM as the primary mode of communication. In the event of any technical glitch in the primary mode of communication, shareholders, proxies and corporate representatives may email their questions to [eservices@sshbsb.com.my](mailto:eservices@sshbsb.com.my) during the 25<sup>th</sup> AGM.

## Notice of the Twenty Fifth Annual General Meeting

5. Where a holder appoints more than one (1) proxy, the appointment shall be invalid unless he/she specifies the proportion of his/her shareholdings to be represented by each proxy.
6. The instrument appointing a proxy or representative and the duly registered power of attorney or other authority, if any, shall be in writing under the hand of the appointor or his/her attorney duly appointed under a power of attorney or, if such appointor is a corporation, either under its seal or under the hand of an officer or attorney duly appointed under a power of attorney.
7. 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.
8. The instrument appointing a proxy may be made via hardcopy or by electronic means in the following manner and must be received by the Company not less than forty-eight (48) hours before the time appointed for holding the 25<sup>th</sup> AGM or at any adjournment thereof:

**(i) In Hardcopy Form**

The proxy form shall be deposited at the Share Registrar’s office, Securities Services (Holdings) Sdn. Bhd. at Level 7, Menara Milenium, Jalan Damanlela, Pusat Bandar Damansara, Damansara Heights, 50490 Kuala Lumpur, Wilayah Persekutuan, Malaysia.

**(ii) By Electronic Means**

The proxy form shall be electronically lodged via Securities Services ePortal’s platform at <https://sshbsb.net.my/> or by fax to +603 2094 9940 or by email to [eservices@sshbsb.com.my](mailto:eservices@sshbsb.com.my).

9. The lodging of the proxy form will not preclude any shareholder from participating and voting remotely at the 25<sup>th</sup> AGM should any shareholder subsequently wish to do so, provided a notice of termination of proxy authority in writing is given to the Company and deposited with the Company’s Share Registrar, Securities Services (Holdings) Sdn. Bhd. at Level 7, Menara Milenium, Jalan Damanlela, Pusat Bandar Damansara, Damansara Heights, 50490 Kuala Lumpur, Wilayah Persekutuan, Malaysia or email to [eservices@sshbsb.com.my](mailto:eservices@sshbsb.com.my) not less than forty-eight (48) hours before the time stipulated for holding the 25<sup>th</sup> AGM or at any adjournment thereof.

### EXPLANATORY NOTES:

1. **Audited Financial Statements for the financial year ended 31 August 2023**  
The Audited Financial Statements under Agenda item 1 is meant for discussion only as the provision of Section 340(1) of the Act does not require the Audited Financial Statements to be formally approved by the shareholders of the Company. As such, this item is not put forward for voting.
2. **Re-election of Directors who retire by rotation pursuant to Article 94 of the Company’s Constitution**  
Article 94 of the Company’s Constitution provides that one-third (1/3) of the Directors of the Company, for the time being, shall retire by rotation at an Annual General Meeting (“AGM”) of the Company. All the Directors shall retire from office once at least in each three (3) years but shall be eligible for re-election.

The Board of Directors (“Board”) through the Board Nomination and Remuneration Committee has conducted an assessment on all the Directors of the Company via the Board Effectiveness Evaluation 2023 including the Fit and Proper assessment/declaration which was facilitated by the Company Secretary. The retiring Directors have met the fit and proper criteria of Character and Integrity, Experience and Competence as well as Time and Commitment as set up in the Directors’ Fit and Proper Policy of the Company and the Board is satisfied with the individual performance of the retiring Directors. The retiring Independent Directors have also satisfied and complied with the independence criteria set out in the relevant regulatory requirements on Directors’ independence. The Board endorsed the Board Nomination and Remuneration Committee’s recommendation on the re-election of the retiring Directors.

## Notice of the Twenty Fifth Annual General Meeting

The Board agreed to propose to the shareholders of the Company for the re-election of the following retiring Directors, based on the following justifications:

Directors subject to re-election pursuant to Article 94	Statement of Support by the Board
Sharmila Sekarajasekaran	<ol style="list-style-type: none"> <li>Her specialised knowledge and expertise in the areas related to legal and sustainability governance equipped her to make well-informed decisions and recommendations in these areas which add vast value to the Company.</li> <li>She is skillful in providing independent judgement that could steer discussions to be more meaningful and effective.</li> </ol>
Datuk Dr. Norma Mansor	<ol style="list-style-type: none"> <li>She has demonstrated active participation in the boardroom and supports continuous encouragement for constructive debates that bring efficient and high-quality discussions during meetings.</li> <li>She is highly literate in the economic and administrative language as an academic which enables her to make strategic decisions that bring forth commendable results.</li> </ol>
Lim Hooi Sin	<ol style="list-style-type: none"> <li>With over twenty-eight (28) years of experience at Top Glove Group, he possesses a deep understanding of the Company's business operations and consistently adopts a comprehensive approach to managing the Group's operations.</li> <li>His extensive expertise in sales and marketing enables him to effectively manage the business operations of all overseas subsidiaries, providing invaluable assistance to the Company.</li> </ol>

Ms Sharmila Sekarajasekaran will complete her nine (9) years tenure as an Independent Director on 18 March 2024 and she will vacate her Board seat in accordance with the Independent Director Tenure Policy adopted in 2021.

The profiles of the Directors who are standing for re-election as per Agenda item 2 of the Notice of the 25<sup>th</sup> AGM are stated on pages 46, 47 and 48 of the Integrated Annual Report 2023.

### 3. Re-election of Directors who retire pursuant to Article 100 of the Company's Constitution

Article 100 of the Company's Constitution provides that the Directors shall have power at any time and from time to time to appoint any other person to be a Director of the Company either to fill a casual vacancy or as an addition to the existing Directors but so that the total number of Directors shall not at any time exceed the maximum number fixed by the Company's Constitution. Any Director so appointed shall hold office only until the next AGM of the Company when he shall retire but shall then be eligible for re-election but he shall not be taken into account in determining the Directors who are to retire by rotation at the meeting.

The Board agreed to propose to the shareholders of the Company for the re-election of the following retiring Directors, based on the following justifications:

Directors subject to re-election pursuant to Article 100	Statement of Support by the Board
Dr Chong Su-Lin	<ol style="list-style-type: none"> <li>With her vast experience in similar industrial operations such as the healthcare industry, she is a valuable member of the Board.</li> <li>She continues to maintain objectivity while articulating her opinions during meetings, which enables her to guide discussions toward being more relevant and useful to the agenda.</li> </ol>
Rowina Ghazali Seth	<ol style="list-style-type: none"> <li>She is highly literate in both the governance affairs and sustainability language with her vast experience and skills attained from serving other Public Listed Companies.</li> <li>She has a high ambition and is passionate in the Environmental, Social and Governance pillars that would add value in developing sustainability strategies for the Company.</li> </ol>

The profiles of the Directors who are standing for re-election as per Agenda item 3 of the Notice of the 25<sup>th</sup> AGM are stated on page 50 of the Integrated Annual Report 2023.

Any Director referred to in Resolutions 1 to 5, who is a shareholder of the Company will abstain from voting on the resolution in respect of his/her re-election at the 25<sup>th</sup> AGM.

## Notice of the Twenty Fifth Annual General Meeting

### 4. Determination and Payment of Directors' Fees

Paragraph 7.24 of Bursa Securities Main LR stipulates that the fees of Directors and any benefits payable to Directors shall be subject to annual shareholders' approval at a general meeting. Therefore, shareholders' approval is required for the determination and payment of Directors' fees amounting to RM1,365,000 for the financial year ended 31 August 2023.

The following table outlines the Directors' fees structure for the financial year ended 31 August 2023:

		Annual Fees (RM)
Board	Executive Chairman	115,000
	Managing Director	99,000
	Executive Director and Non-Executive Director	92,000
	Senior Independent Non-Executive Director	98,000
Board Audit Committee		7,000
Board Risk, Investment and Compliance Committee		7,000
Board Nomination and Remuneration Committee		4,000
Board Sustainability Committee		4,000

### 5. Directors' Benefits (excluding Directors' Fees)

The Directors' benefits (excluding Directors' fees) comprise the meeting allowances payable to the Non-Executive Directors of the Company. The meeting allowances are fixed as follows:

Type of Meeting	Meeting Allowance per Meeting (RM)			
	Chairman		Non-Executive Director/Member	
	Physical	Virtual	Physical	Virtual
Board	Nil	Nil	1,500	750
General	Nil	Nil	1,500	750
Board Committee	1,200	600	1,000	500

In determining the estimated total Directors' benefits (excluding Directors' fees) for the period commencing 11 January 2024 until the next AGM of the Company ("Relevant Period"), the size of the Board and Board Committees as well as the estimated number of meetings scheduled to be held during the Relevant Period were taken into consideration. Hence, the Board is recommending an estimated total amount of RM300,000 as per the previous AGM of the Company.

Subject to the shareholders' approval of Ordinary Resolutions 6 and 7, the payment for fees will be made to the Directors of the Company after the AGM of the Company while Directors' benefits will be made by the Company as and when incurred. The Board opined that the payments to the Directors of the Company are just and equitable, taking into account their roles and responsibilities towards the Group and the services that they have rendered to the Company.

Directors who are also shareholders of the Company will abstain from voting on the resolutions in respect of the fees and benefits payable to him/her.

### 6. Re-appointment of Auditors

The Board Audit Committee and the Board have considered the re-appointment of Ernst & Young PLT as Auditors of the Company, are satisfied with the performance, competency, audit approach and independence of Ernst & Young PLT and viewed that they have met the relevant criteria prescribed by Paragraph 15.21 of Bursa Securities Main LR.

The Board endorsed the Board Audit Committee's recommendation to seek shareholders' approval to re-appoint Ernst & Young PLT as external auditors of the Company until the conclusion of the next AGM of the Company and to authorise the Directors to fix their remuneration.



## Notice of the Twenty Fifth Annual General Meeting

### 7. Authority to Issue Shares pursuant to the Act and Waiver of Pre-Emptive Rights

The proposed adoption of Ordinary Resolution No. 1 is for the purpose of waiving the statutory pre-emptive rights of shareholders of the Company (“**Waiver of Pre-Emptive Rights**”) and granting a renewed general mandate (“**General Mandate**”) and empowering the Directors of the Company, pursuant to the Act, to issue and allot new shares in the Company from time to time provided that the aggregate number of shares issued pursuant to the General Mandate does not exceed ten per centum (10%) of the total number of issued shares of the Company for the time being. The General Mandate, unless revoked or varied by the Company in the general meeting, will expire at the conclusion of the next AGM of the Company.

The Waiver of Pre-Emptive Rights will allow the Directors of the Company to issue new shares of the Company which rank equally to existing issued shares of the Company, to any person without having to offer the new shares to all existing shareholders of the Company prior to issuance of new shares in the Company under the General Mandate.

The General Mandate will provide flexibility to the Company for allotment of shares for any possible fundraising activities, including but not limited to placement of shares for the purpose of funding future investment project(s), working capital and/or acquisition(s).

As at the date of this Notice, there were no new shares issued pursuant to the mandate granted to the Directors of the Company at the Twenty Fourth (“24<sup>th</sup>”) AGM held on 6 January 2023 and which will lapse at the conclusion of the 25<sup>th</sup> AGM.

### 8. Proposed Renewal of Authority for Share Buy-Back

The proposed adoption of Ordinary Resolution No. 2 is for the purpose of renewing the authority granted by the shareholders of the Company at the 24<sup>th</sup> AGM held on 6 January 2023. The aforesaid proposed renewal will allow the Board to exercise the power of the Company to purchase not more than ten per centum (10%) of the total number of issued shares of the Company at any time within the time period stipulated in Bursa Securities Main LR.

#### Personal Data Privacy:

By submitting an instrument appointing a proxy(ies) and/or representative(s) to participate and vote at the 25<sup>th</sup> AGM and/or any adjournment thereof, a member of the Company (i) consents to the collection, use and disclosure of the member's personal data by the Company (or its agents) for the purpose of the processing and administration by the Company (or its agents) of proxies and representatives appointed for the 25<sup>th</sup> AGM (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the 25<sup>th</sup> AGM (including any adjournment thereof), and in order for the Company (or its agents) to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the “**Purposes**”); (ii) warrants that where the member discloses the personal data of the member's proxy(ies) and/or representative(s) to the Company (or its agents), the member has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by the Company (or its agents) of the personal data of such proxy(ies) and/or representative(s) for the Purposes; and (iii) agrees that the member will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the member's breach of warranty.

#### STATEMENT ACCOMPANYING NOTICE OF AGM

As at the date of this Notice, there are no individuals who are standing for election as Directors (excluding the above Directors who are standing for re-election) at this 25<sup>th</sup> AGM.

## Corporate Information

### REGISTERED & CORPORATE OFFICE

Level 21, Top Glove Tower  
16, Persiaran Setia Dagang  
Setia Alam, Seksyen U13  
40170 Shah Alam  
Selangor D.E., Malaysia  
Tel. : +603 3362 3098  
Fax : +603 3362 3860  
Email : (i) sales@topglove.com.my  
(ii) invest@topglove.com.my  
(iii) TG@whistleblower.com.my  
(iv) media@topglove.com.my  
Website : <https://www.topglove.com>

### SENIOR INDEPENDENT NON-EXECUTIVE DIRECTOR

**Sharmila Sekarajasekaran**  
Tel : +603 3362 3098  
Email : sharmila@topglove.com.my

### AUDITORS

**Ernst & Young PLT**  
202006000003  
(LLP0022760-LCA) & AF 0039  
Chartered Accountants  
Level 23A, Menara Milenium  
Jalan Damanlela  
Pusat Bandar Damansara  
50490 Kuala Lumpur, Malaysia

### CHARTERED SECRETARIES

**Chua Siew Chuan**  
SSM PC No.: 201908002648  
MAICSA No.: 0777689

**Chin Mun Yee**  
SSM PC No.: 201908002785  
MAICSA No.: 7019243

**Lim Keat See**  
SSM PC No.: 201908001159  
MAICSA No.: 7020290  
Tel : +603 3362 3098  
Email : kslim@topglove.com.my

### STOCK EXCHANGE LISTING

#### Main Market of Bursa Malaysia Securities Berhad

Stock Code : 7113  
Stock Name : TOPGLOV  
Listing Date : 27 March 2001

#### Main Board of Singapore Exchange Securities Trading Limited

Stock Code : BVA  
Stock Name : Top Glove  
Listing Date : 28 June 2016

#### ADR Programme

(Depository Receipt Programme) USA  
ADR Symbol : TGLVY

### SHARE TRANSFER AGENT IN SINGAPORE

#### Boardroom Corporate & Advisory Services Pte. Ltd.

1 Harbourfront Avenue  
#14-07 Keppel Bay Tower  
Singapore 098632  
Tel. : +65 6536 5355  
Fax : +65 6438 8710  
Email : SRS.TeamC@boardroomlimited.com

### SHARE REGISTRAR IN MALAYSIA

#### Securities Services (Holdings) Sdn Bhd

Level 7, Menara Milenium  
Jalan Damanlela  
Pusat Bandar Damansara  
Damansara Heights  
50490 Kuala Lumpur, Malaysia  
Tel. : +603 2084 9000  
Fax : +603 2094 9940  
+603 2095 0292  
Email : info@sshb.com.my

### PRINCIPAL BANKERS

1. BNP Paribas Malaysia Berhad
2. CIMB Bank Berhad
3. Citibank Berhad
4. Deutsche Bank (Malaysia) Berhad
5. Hong Leong Bank Berhad
6. Industrial and Commercial Bank of China (Malaysia) Berhad
7. Malayan Banking Berhad
8. Mizuho Bank (Malaysia) Berhad
9. MUFG Bank (Malaysia) Berhad
10. OCBC Bank (Malaysia) Berhad
11. Public Bank Berhad
12. Siam Commercial Bank Public Company Limited
13. Standard Chartered Bank Malaysia Berhad
14. Sumitomo Mitsui Banking Corporation Malaysia Berhad
15. United Overseas Bank (Malaysia) Berhad



Scan the QR code to view the Administrative Details for the 25<sup>th</sup> AGM

[https://tgapp.topglove.com/IAR/2023/Administrative\\_Details/index.php](https://tgapp.topglove.com/IAR/2023/Administrative_Details/index.php)



Scan the QR code to view the Proxy Form

[https://tgapp.topglove.com/IAR/2023/Proxy\\_Form/index.php](https://tgapp.topglove.com/IAR/2023/Proxy_Form/index.php)



Scan the QR code to view Our Corporate Directory

<https://www.topglove.com/contact-us-location>

# TOP GLOVE

TOP QUALITY, TOP EFFICIENCY

## INTEGRATED ANNUAL REPORT 2023

FINANCIAL YEAR ENDED  
31 AUGUST 2023

### EXPORTS TO 195 COUNTRIES WORLDWIDE



**48**  
FACTORIES



**788**  
PRODUCTION LINES



**10,700**  
EMPLOYEES



**95 Billion**  
GLOVES PER ANNUM

**TOP GLOVE CORPORATION BHD**  
Registration No.: 199801018294 (474423-X)

Level 21, Top Glove Tower, 16, Persiaran Setia Dagang, Setia Alam,  
Seksyen U13, 40170 Shah Alam, Selangor Darul Ehsan, Malaysia.

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Email : sales@topglove.com.my / invest@topglove.com.my / tgfoundation@topglove.com.my

SCAN FOR  
WEBSITE



SCAN FOR  
CORPORATE VIDEO



[www.topglove.com](http://www.topglove.com)