

TOP GLOVE

TOP QUALITY, TOP EFFICIENCY

**INTEGRATED
ANNUAL
REPORT
2022**

FINANCIAL YEAR ENDED
31 AUGUST 2022

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



SCAN FOR TG
INTEGRATED ANNUAL
REPORT 2022



SCAN FOR TG
SUSTAINABILITY
REPORT 2022



**A FOCUS ON
CUSTOMER CENTRICITY**

2022 Key Highlights

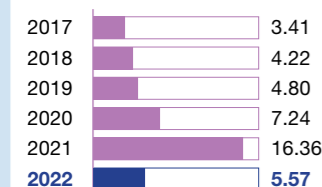
6-YEAR FINANCIAL REVIEW

The Group registered Compounded Annual Growth Rates (CAGR) for revenue and profit after tax of revenue: 20.3% and PAT 15.5% respectively, since listing in 2001.

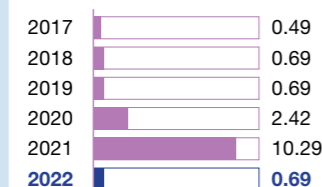
Group	2022 (RM'000)	2021 (RM'000)	2020 (RM'000)	2019** (RM'000)	2018** (RM'000)	2017** (RM'000)
Revenue	5,572,349	16,361,443	7,237,427	4,801,139	4,220,742	3,409,176
Earnings Before Interest, Taxes, Depreciation & Amortisation (EBITDA)	686,686	10,285,089	2,421,457	687,493	694,002	489,255
Profit Before Taxation	358,424	10,033,813	2,165,551	423,588	522,800	393,402
Taxation	76,834	2,209,821	376,721	56,042	89,594	54,514
Profit After Tax	281,590	7,823,992	1,788,830	367,546	433,206	338,888
Profit Attributable to Owners of the Parent	225,564	7,710,327	1,752,584	364,678	428,830	339,023
Net Cash/(Borrowings)	315,604	1,743,037	2,342,651	(2,250,848)	(1,960,042)	(54,869)
Total Equity/Net Assets	6,793,235	7,220,160	6,190,883	2,554,141	2,398,396	2,072,791
Return on Equity (%)	4.0	131.3	36.0	14.4	18.0	16.4
Net Assets Per Share (sen)**	69.7	73.3	60.0	33.0	31.1	27.4
Basic Earnings Per Share (sen)**	2.8	95.9	21.9	4.8	5.6	4.5
Net Dividend (sen)*	1.2	65.1	11.8	2.5	2.8	2.4
Number of Shares in Issue ('000)**	8,007,341	8,006,950	8,124,491	7,679,441	7,668,950	7,524,806
Share Price (RM)**	0.81	4.00	8.76	1.58	1.86	0.94
Market Capitalisation [^]	6,445,909	32,027,801	71,170,541	12,133,517	14,264,247	7,073,318

* 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.

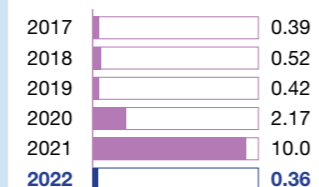
REVENUE (RM Billion)



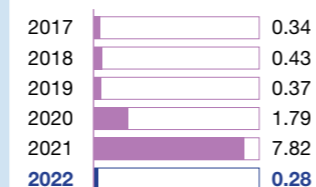
EBITDA (RM Billion)



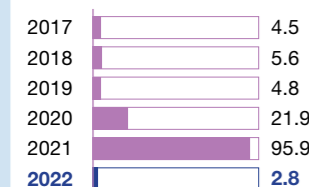
PROFIT BEFORE TAX (RM Billion)



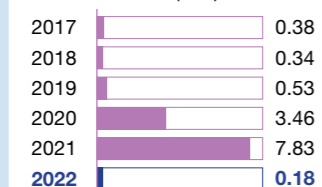
PROFIT AFTER TAX (RM Billion)



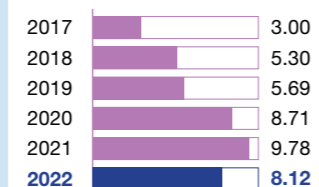
EARNINGS PER SHARE (sen)



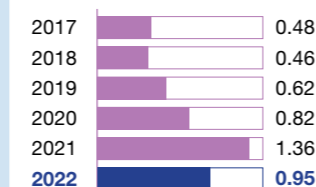
NET CASH FLOWS GENERATED FROM OPERATIONS (sen)



TOTAL ASSETS (RM Billion)



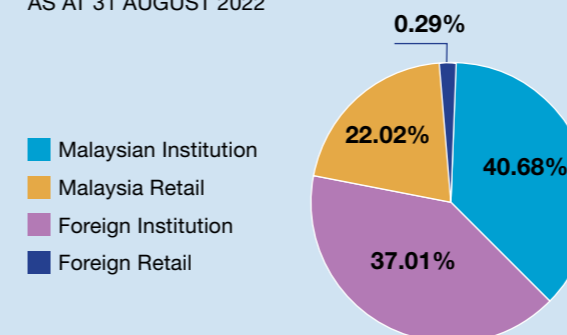
CAPITAL EXPENDITURE (RM Billion)



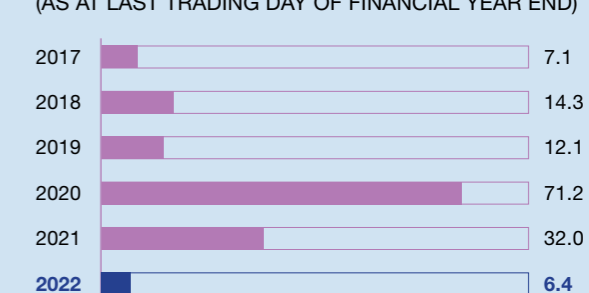
Investor Relations Contact

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

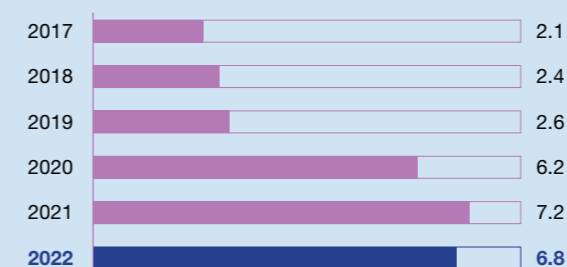
SHAREHOLDER MIX (MALAYSIA VS. FOREIGN) AS AT 31 AUGUST 2022



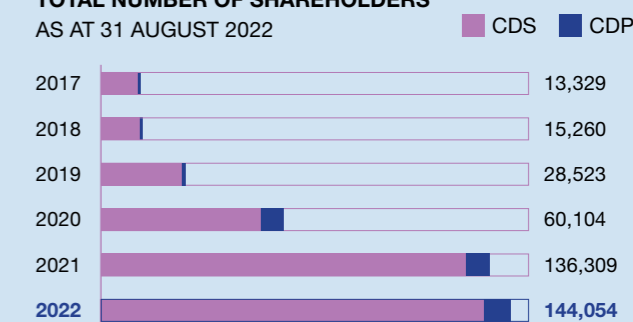
MARKET CAPITALISATION (RM BILLION) (AS AT LAST TRADING DAY OF FINANCIAL YEAR END)



TOTAL EQUITY (RM BILLION)

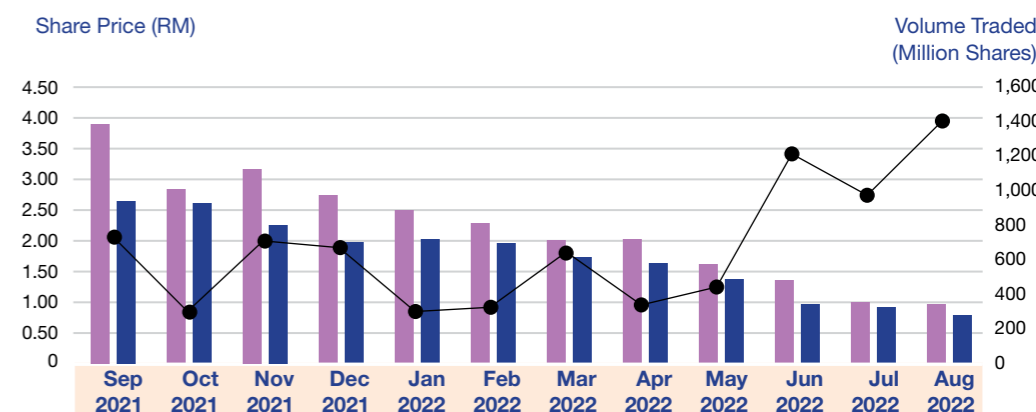


TOTAL NUMBER OF SHAREHOLDERS AS AT 31 AUGUST 2022



Total number of shareholders (based on CDS & CDP accounts) as at 26 October 2022: 144,867

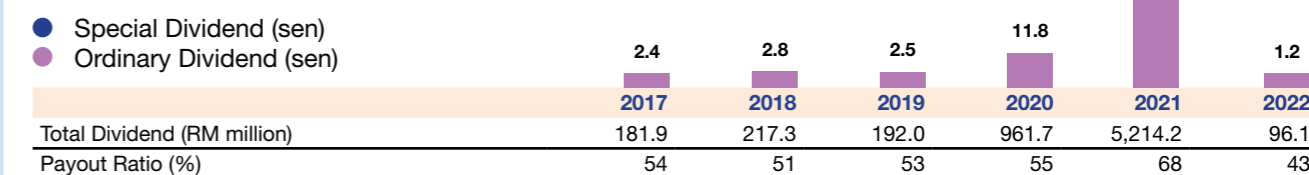
OUR SHARE PRICE MOVEMENT



● Highest Share Price (RM)	3.90	2.86	3.19	2.81	2.50	2.35	2.06	2.05	1.67	1.37	1.04	1.01
● Lowest Share Price (RM)	2.66	2.59	2.24	2.00	2.04	1.97	1.67	1.68	1.37	0.98	0.94	0.80
● Total Volume Traded (Million)	748	300	728	688	317	338	653	332	462	1,240	984	1,431

DIVIDEND PAYOUT

For FY2022, Dividend of 1.20 sen was declared on 10 December 2021



Total Dividend (RM million)	181.9	217.3	192.0	961.7	5,214.2	96.1
Payout Ratio (%)	54	51	53	55	68	43

TOTAL DIVIDEND PAYMENT OF RM7.84 BILLION SINCE LISTING IN YEAR 2001

Note: The dividends have been restated to reflect the effect of bonus issue.

About 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 32](#)

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 44](#)

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 66](#)

Strength of Our Governance

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 78](#)

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 54](#)

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 key 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
- Main Market Listing Requirements (MMLR)
- Global Reporting Initiative (GRI) Standards: Core Option.
- FTSE4Good Bursa Malaysia Index Rating Guide
- Bursa Malaysia Sustainability Reporting Guidelines 3rd Edition
- Bursa Malaysia Corporate Governance Guide 4th Edition
- Dow Jones Sustainability Index (DJSI)
- Morgan Stanley Capital International (MSCI) Global Standard Index
- Sustainability-related indices criteria such as FTSE Russell ESG Ratings and Bloomberg Gender Equality Index
- Task Force on Climate-related Financial Disclosures Framework
- Ten Principles of the UN Global Compact
- Malaysian Financial Reporting Standards (MFRSs)
- International Financial Reporting Standards (IFRSs)
- Greenhouse Gas (GHG) Protocol
- Zoological Society of London SPOTT

FORWARD-LOOKING STATEMENTS

This Report contains forward-looking statements concerning our financial condition, results of operations and businesses. 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.

No assurance can be given that such future results will be achieved. Actual events or results may differ materially as a result of risks and uncertainties facing us and our subsidiaries. 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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“
Quality
and Cost
Efficiency are
important
”

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-  Informs where to find more information online.
-  Informs which related pages to refer for more information.



Our Business Overview

Established in 1991 and headquartered in Malaysia, Top Glove Corporation Bhd which started as a local business enterprise with 1 factory and 1 glove production line, has today become the world's largest manufacturer of gloves. The Company has manufacturing operations in **Malaysia, Thailand, Vietnam and China**. It also has marketing offices in these countries as well as **USA, Germany and Brazil** and exports to about **2,000 customers** across 195 countries worldwide.

Listed on the Kuala Lumpur Stock Exchange (2001) and Mainboard of the Singapore Exchange (2016), Top Glove has demonstrated steady growth with a compound annual growth rate (CAGR) of 20% for Revenue and 15% for Profit After Tax over the past 20 years. It is also a component stock of the MSCI Global Standard Index, FTSE Bursa Malaysia KLCI Index, FBM Top 100 Index, FBM Emas Index, FBM Hijrah Syariah Index, FBM Emas Syariah Index and the Dow Jones Sustainability Index (DJSI) for Emerging Markets.

Top Glove offers a comprehensive product range, which now includes a non-glove segment comprising condoms, face masks, dental dams, rapid test kits, exercise bands and household products, fulfilling demand in both the healthcare and non-healthcare segment.

In line with its commitment to sustainability, Top Glove continues to level up its practices in the Environmental, Social and Governance (ESG) space. Top Glove launched its Sustainability Policy in June 2022, reaffirming the Group's commitment to building a better future, community and planet for all. We believe in doing business in a sustainable and responsible manner across our value chain which will create long term positive value for our stakeholders and business.

Our robust commitment and investment in sustainability was recognised both by our stakeholders and the industry. We garnered double recognition with an improved performance on both the renowned Dow Jones Sustainability Indices (DJSI) 2022 and FTSE Russell ESG Ratings in which we were ranked top 3% (as at 21 October 2022) and top 16% respectively amongst industry peers and the healthcare sector. Top Glove was included in the Sustainability Yearbook 2022 by S&P Global with an Industry Mover distinction and the Bloomberg Gender Equality Index in year 2022. Top Glove was also named Company of Year Overall Excellence in Sustainability and CSR 2022 under the manufacturing category at the Sustainability & CSR Malaysia Awards 2022.

Details of our stakeholder engagement, including stakeholder groups, the reason we engage, top 5 material matters concerned, engagement approaches, responses to concerns and value created can be found on page 46 of this Integrated Annual Report.

For detailed reporting of our annual ESG issues management and progress in FY2022, please refer to the Sustainability Report 2022.



Top Glove was established in 1991 with 1 factory and 1 glove production line



Top Glove's listing on the Kuala Lumpur Stock Exchange (now Bursa Malaysia) in 2001



Top Glove's secondary listing on the Main Board of Singapore Exchange (SGX) in 2016

Our Export Markets

THE WORLD IS OUR MARKET EXPORTS TO 195 COUNTRIES WORLDWIDE

North America

1. Canada
2. USA

Latin America

3. Antigua and Barbuda
4. Argentina
5. Bahamas
6. Barbados
7. Belize
8. Bolivia
9. Brazil
10. Chile
11. Colombia
12. Costa Rica
13. Dominica
14. Dominican Republic
15. Ecuador
16. El Salvador
17. Grenada
18. Guatemala
19. Guyana
20. Haiti
21. Honduras
22. Jamaica
23. Mexico
24. Nicaragua
25. Panama
26. Paraguay
27. Peru
28. Puerto Rico
29. Saint Lucia
30. Suriname
31. Trinidad and Tobago
32. Uruguay
33. Venezuela

Europe (cont'd)

47. France
48. Germany
49. Greece
50. Hungary
51. Iceland
52. Ireland
53. Italy
54. Kosovo
55. Latvia
56. Liechtenstein
57. Lithuania
58. Luxembourg
59. Macedonia, FYR
60. Malta
61. Moldova
62. Monaco
63. Montenegro
64. Netherlands
65. Norway
66. Poland
67. Portugal
68. Romania
69. Russia
70. San Marino
71. Serbia
72. Slovakia
73. Slovenia
74. Spain
75. Sweden
76. Switzerland
77. Ukraine
78. United Kingdom

Africa

79. Algeria
80. Angola
81. Benin
82. Botswana
83. Burkina Faso
84. Burundi
85. Cameroon
86. Cape Verde
87. Central African Republic
88. Chad
89. Comoros
90. Democratic Republic of the Congo
91. Djibouti
92. Egypt
93. Equatorial Guinea
94. Eritrea
95. Ethiopia

Africa (cont'd)

96. Gabon
97. Gambia
98. Ghana
99. Guinea
100. Ivory Coast
101. Kenya
102. Lesotho
103. Liberia
104. Libya
105. Madagascar
106. Malawi
107. Mali
108. Mauritania
109. Mauritius
110. Morocco
111. Mozambique
112. Namibia
113. Niger
114. Nigeria
115. Republic of Congo
116. Reunion
117. Rwanda
118. Sao Tome and Principe
119. Senegal
120. Seychelles
121. Sierra Leone
122. Somalia
123. South Africa
124. Sudan
125. Swaziland
126. Tanzania
127. Togo
128. Tunisia
129. Uganda
130. Zambia
131. Zimbabwe

Asia

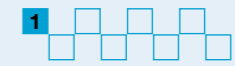
132. Afghanistan
133. Armenia
134. Azerbaijan
135. Bahrain
136. Bangladesh
137. Bhutan
138. Brunei
139. Cambodia
140. China
141. Cyprus
142. East Timor
143. Georgia
144. Hong Kong
145. India
146. Indonesia

Asia (cont'd)

147. Iraq
148. Israel
149. Japan
150. Jordan
151. Kazakhstan
152. Kuwait
153. Kyrgyzstan
154. Laos
155. Lebanon
156. Macau
157. Malaysia
158. Maldives
159. Mongolia
160. Myanmar
161. Nepal
162. Oman
163. Pakistan
164. Palestine
165. Philippines
166. Qatar
167. Saudi Arabia
168. Singapore
169. South Korea
170. Sri Lanka
171. Syria
172. Taiwan
173. Tajikistan
174. Thailand
175. Turkey
176. Turkmenistan
177. United Arab Emirates
178. Uzbekistan
179. Vietnam
180. Yemen

Oceania

181. Australia
182. Fiji
183. Guam
184. Kiribati
185. Marshall Islands
186. Micronesia
187. Nauru
188. New Caledonia
189. New Zealand
190. Palau
191. Papua New Guinea
192. Samoa
193. Solomon Islands
194. Tonga
195. Vanuatu



Our Guiding Principles

BUSINESS DIRECTION

To Produce Consistently
High Quality Gloves At
Efficient Low Cost

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**

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

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

- 1 **R**espect
- 2 **I**ntegrity
- 3 **V**alue
- 4 **E**mpowerment
- 5 **R**elationship

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

BUSINESS ETHICS

- 1 Honesty
- 2 Integrity
- 3 Transparency

5 HEALTHY WELLS

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

CUSTOMER CENTRICITY

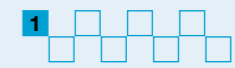
- 1 Quality
- 2 Value
- 3 Service

Our Global Offices



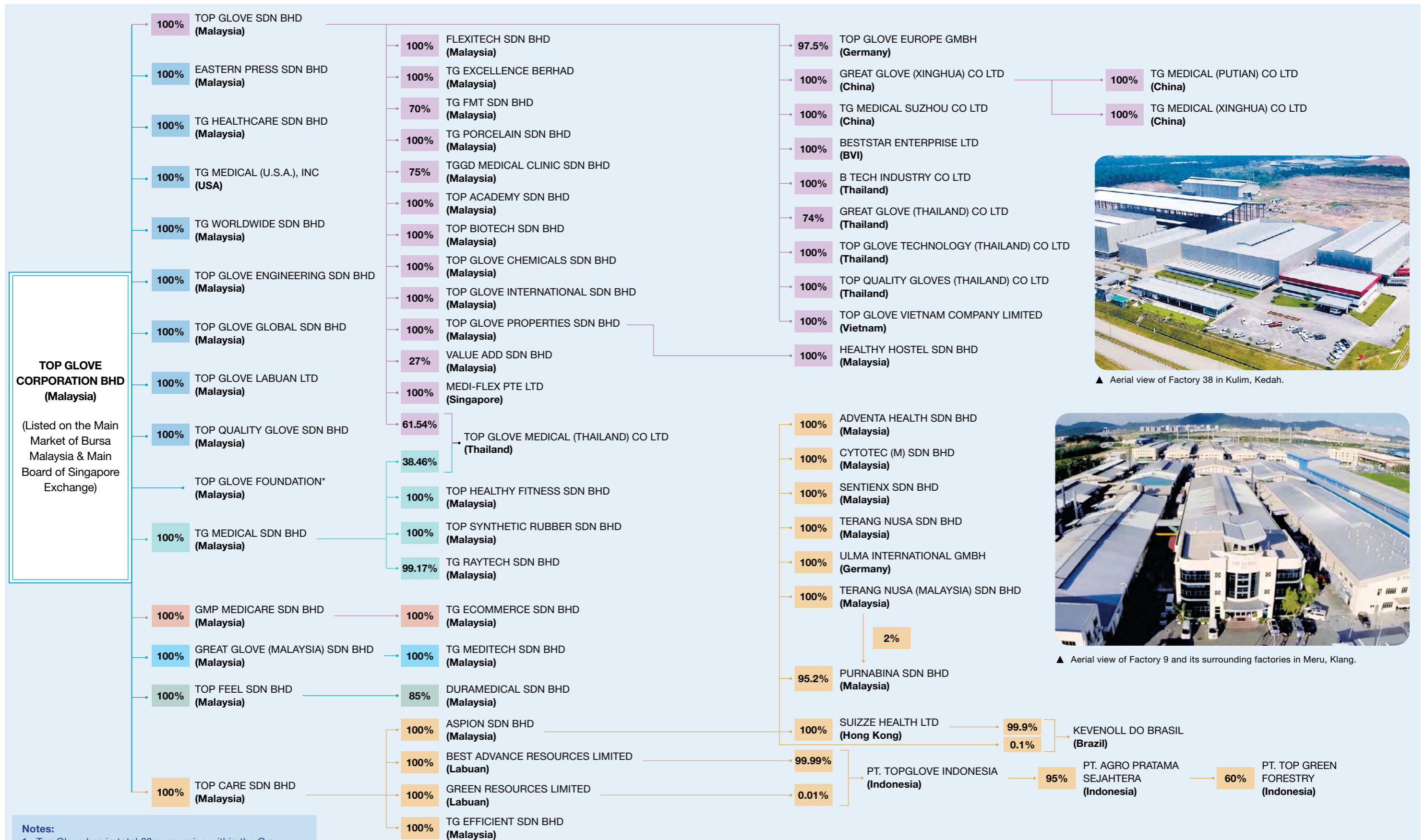
TAN SRI DR LIM WEE CHAI
Executive Chairman
Top Glove Corporation Bhd





Corporate Structure

Corporate Structure

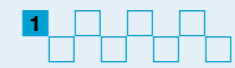


▲ Aerial view of Factory 38 in Kulim, Kedah.



▲ 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.



International Quality Awards And Certifications

NEW LEVELS OF EXCELLENCE

We are honoured to be conferred notable awards, certifications 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.



2022

The Edge Billion Ringgit Club 2022

- Highest Return on Equity Over 3 Years (Healthcare Sector)

by The Edge

Sustainability & CSR Malaysia Awards 2022

- Winner: Company of Year Overall Excellence in Sustainability and CSR (Manufacturing category)

by CSR Malaysia

Australasian Reporting Awards 2022

- Bronze General Award

by Australasian Reporting Awards Limited

Graduates' Choice Awards 2022

- Winner: Best Employer Brand (Category: Manufacturing)

by Talentbank

The Star Export Excellence Awards 2021

- Gold: Consumer Products Category

by The Star Media Group, Malaysia

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

2021

MIRA Investor Relations Awards 2021

- Best Company for IR (Large Cap)
- Best Quality of Annual Reports

by Malaysian Investor Relations Association (MIRA)

Malaysia's 100 Leading Graduate Employers 2021

- Winner: Most Preferred Employer
- Winner: Heavy Industry & Engineering

by GTI Media

The Edge Billion Ringgit Club 2021

- Highest Growth in Profit After Tax over 3 years (Category: Big Cap Companies with RM10bn to RM40bn)

by The Edge

GRADUAN Brand Awards 2021

- Winner: Most Preferred Employer (Category: Manufacturing Industry)

by GRADUAN

Clarivate South and Southeast Asia Innovation Awards 2021

- Winner: Corporations Category

by Clarivate

MSWG: Top 100 Companies For CG Disclosure 2020

by Minority Shareholders Watch Group (MSWG)

HR Excellence Awards 2021 Malaysia

- Silver: Excellence in Talent Management
- Silver: Excellence in Total Rewards Strategy
- Silver: Excellence in Corporate Wellness
- Bronze: Employer of the Year

by Human Resources Online

HRD Awards Asia 2021

- Winner: Best Leadership Development Programme
- Excellence Award: Best Learning & Development Programme

by Key Media

The Edge Billion Dollar Club 2021

- Winner: Best Performing Stock, Fastest Growing Company, Best in Sector and Overall Winner; Category: Healthcare Services and Pharmaceutical sector

by The Edge

Graduates' Choice Awards 2021

- Winner: Best Employer Brand (Category: Manufacturing)

by Talentbank

Employee Experience Awards 2021 Malaysia

- Bronze: Best Employer Branding

by Human Resources Online

2020

Best Companies To Work For In Asia 2020

by HR Asia

Prime Minister's Hibiscus Award (PMHA) 2019/2020

- Notable Achievement in Environmental Performance

by Malaysian International Chamber of Commerce & Industry (MICCI)

HR Excellence Awards 2020 Malaysia

- Gold Award: Excellence in Leadership Development Category
- Silver Award: Excellence in Talent Management Category
- Silver Award: Most People-Focused CEO Category
- Bronze Award: Excellence in Corporate Wellness Category

by Human Resources Online

The Edge Billion Ringgit Club 2020

- Highest Returns to Shareholders Over Three (3) Years Award (Category: The Super Big Cap Companies more than RM40bn)

by The Edge Malaysia

The Edge Billion Dollar Club 2020

- Highest Returns to Shareholders Over Three (3) Years Award (Category: Healthcare Services & Pharmaceutical sector)

by The Edge Singapore

Winner: International Innovation Awards 2020

- Top Eco Rubber, Top Grip Thermoplastic Elastomer (TPE) Glove, Finessis (Category: Product)

by The International Innovation Awards® (IIA)

Winner: CSR-Department of Industrial Works (DIW) Awards 2020

by CSR DIW Award

National Energy Awards 2020 (NEA)

- Winner: Category 1: Energy Efficiency; Energy Management in Large Industry: Top Glove Factory 29

by the Ministry of Energy and Natural Resource

MSWG-Asean Corporate Governance Award 2019

- Industry Excellence Award (Healthcare)
- ASEAN Asset Class

by MSWG

Asia Recruitment Awards 2020

- Category: Best Use of Recruitment Technology Tools (Silver)

by Human Resources Online

International Quality Awards And Certifications

2019

The BrandLaureate Iconic Brands of the Decade Award 2019

- Category: Manufacturing-Gloves

by The World Brands Foundation (TWBF)

Highly Commended: Healthiest Workplace 2019

by AIA Vitality 2019

The Star Export Excellence Awards 2019

- Silver Award: Other Industries Category

by The Star Media Group, Malaysia

Winner: Five Petal BEIM Gold Ethics Award 2019

by Business Ethics Institute of Malaysia (BEIM)

Malaysia's 100 Leading Graduate Employers 2019

- Winner: Manufacturing (Chemical & Heavy Industries Most Popular Graduate Recruiter 2019)

by GTI Media

Best Companies To Work For In Asia 2019

by HR Asia

Human Resources Excellence Awards 2019

- Excellence in Talent Management (Bronze)

by Human Resources Online

Graduates' Choice Award 2019

- Winner: Best Employer Brand (Category: Manufacturing)

by Talentbank

MSWG-Asean Corporate Governance Award 2018

- Industry Excellence Award (Healthcare)

by MSWG

CSR Malaysia Awards 2019

- CSR Malaysia Company of the Year 2019 (Category: Manufacturing of Gloves)

by CSR Malaysia

The 100 Most Influential Young Entrepreneurs 2019

- Category: Lifetime Achievement Award

by Entrepreneur Insight

The Golden Brick Award 2019

- Category: Lifetime Achievement

by the Hokkien Association of Malaysia

National Cooperative Education Awards 2019 (Thailand)

2012 to 2018

1991 to 2011

Accolades, Recognitions & Certifications

Bloomberg Gender Equality Index 2021

One of four Malaysian companies which made it to the 2022 Bloomberg Gender Equality Index

Sustainability Award Industry Mover 2022 S&P Global

Inclusion in The Sustainability Yearbook 2022 by S&P Global with an Industry Mover distinction. The Company is one of 53 Industry Movers in the 2022 Yearbook.

Dow Jones Sustainability Index (DJSI) Emerging Markets in 2020

The only Malaysian company being included in the Dow Jones Sustainability Index (DJSI) Emerging Markets in 2020

MSCI

Inclusion in the Morgan Stanley Capital International (MSCI) Global Standard Index since 2018

FSC

Forest Stewardship Council (FSC) Chain of Custody certification for our latex concentrate Factory 16L in Thailand

10 TOP GLOVE CORPORATION BHD

INTEGRATED ANNUAL REPORT 2022 11

Our Corporate Directory

Our Corporate Directory

MALAYSIA OFFICES AND FACTORIES



CORPORATE OFFICE, SETIA ALAM

Address : 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 : sales@topglove.com.my
invest@topglove.com.my
tgfoundation@topglove.com.my
Website : https://www.topglove.com



FACTORY OFFICE, KLANG (FACTORY 9)

Address : Lot 4969, Jalan Teratai,
Batu 6, Off Jalan Meru,
41050 Klang,
Selangor D.E., Malaysia.
Tel : +603 3392 1992/1905
Fax : +603 3392 9848

FACTORY 21 & 21RBD

Lot 4989, Jalan Dahlia/KU8, Kawasan
Perindustrian Meru Timur, 41050 Klang,
Selangor D.E., Malaysia.
Tel : +603 3392 4614/5166/4642
+603 7890 3321

FACTORY 22

Lot 4990, Jalan Bunga Raya, Batu 6,
Off Jalan Meru, 41050 Klang,
Selangor D.E., Malaysia.
Tel : +603 7890 3322
Fax : +603 3392 1186

FACTORY 24

Lot 4986, Jalan Dahlia/KU8,
Kawasan Perindustrian Meru Timur,
41050 Klang, Selangor D.E.,
Malaysia.
Tel : +603 3392 6010/0975
Fax : +603 3392 0289

FACTORY 25

PT 64593, Jalan Dahlia/KU8,
Kawasan Perindustrian Meru Timur,
41050 Klang, Selangor D.E., Malaysia.
Tel : +603 3392 6341/6317
Fax : +603 3392 6348

FACTORY 25ACB

Lot 5144, Jalan Dahlia KU8,
Kawasan Perindustrian Meru,
Mukim Kapar, 41050 Klang,
Selangor D.E., Malaysia.

FACTORY 26

Lot 4961, Jalan Teratai, Batu 6,
Off Jalan Meru, 41050 Klang,
Selangor D.E., Malaysia.
Tel : +603 3392 3375
Fax : +603 3392 5200

FACTORY 29

Lot 4985, Jalan Dahlia/KU8,
Kawasan Perindustrian Meru Timur,
41050 Klang, Selangor D.E., Malaysia.
Tel : +603 3392 6010

FACTORY 30

Lot 4983 & 4984, Jalan Dahlia,
Kawasan Perindustrian Meru Timur,
41050 Klang, Selangor D.E., Malaysia.
Tel : +603 7890 3330

FACTORY 31

Lot 6472, Lorong Sungai Puloh/KU06,
Kawasan Perindustrian Sungai Puloh,
42100 Klang, Selangor D.E., Malaysia.
Tel : +603 7890 3331

FACTORY 32

Lot 4981 & 4982, Jalan Dahlia,
Kawasan Perindustrian Meru Timur,
41050 Klang, Selangor D.E., Malaysia.
Tel : +603 7890 3332
Fax : +603 3392 1291/8410

FACTORY 34PM

Lot 5, Jalan Paku 16/6,
40000 Shah Alam, Selangor D.E., Malaysia.
Tel : +603 5519 1576
Fax : +603 5510 0072

FACTORY 35A, 35CD & 35FM

Lot 5090, Jalan Teratai, Batu 5,
Off Jalan Meru, 41050 Klang,
Selangor D.E., Malaysia.
Tel : +603 3392 7880/7350

FACTORY 39/Duramedical

Lot 4962, Jalan Teratai,
Batu 6, Off Jalan Meru,
41050 Klang, Selangor D.E., Malaysia.
Tel : +603 7890 3339

FACTORY 40

Lot 67330, Lorong Bougainvilleae/KU8,
Kawasan Perindustrian Meru Timur,
41050 Klang, Selangor D.E., Malaysia.
Tel : +603 7890 3340

Factory 43GM

Lot 5054, Jalan Dahlia/KU8,
Kawasan Perindustrian Meru Timur,
41050 Klang, Selangor D. E., Malaysia.
Tel : +603 3392 1992
Fax : +603 3392 1291

Factory 44SL

Lot 2604, 2605, 2615 & 2616,
Mukim Tanjung Dua Belas,
Daerah Kuala Langat,
42700 Banting, Selangor D.E., Malaysia.

INTERNATIONAL OFFICES AND FACTORIES

THAILAND

FACTORY 6

180/3, Moo 7, Srisoontorn Road,
Tambon Srisoontorn, Amphur
Thalang, Phuket 83110, Thailand.
Tel : +66 76 620 190
Fax : +66 76 620 196

FACTORY 7 & 8A

188, 189, 190 Moo 5, Karnchanawanich
Road, Tambol Samnakkham,
Amphur Sadao, Songkhla 90320
Thailand.
Tel : +66 74 410 000
Fax : +66 74 410 007/008

FACTORY 16L

188, Moo 5, Tambol Pangla,
Amphur Sadao,
Songkhla 90170 Thailand.
Tel : +66 74 410 888
Fax : +66 74 410 886

FACTORY 17L

268, Moo 5, Tambol Kumpangphet,
Amphur Rattaphum,
Songkhla 90180 Thailand.
Tel : +66 74 302 888
Fax : +66 74 302 889/302 890

PERAK

FACTORY 5 & 5B

Lot 18, 27, 38 & 57, Medan Tasek,
Kawasan Perindustrian Tasek,
31400 Ipoh, Perak D.R., Malaysia.
Tel : +605 546 6360/+605 547 9271
Fax : +605 547 8975

FACTORY 5C

Lot 7, Medan Tasek,
Kawasan Perindustrian Tasek,
31400 Ipoh, Perak D.R., Malaysia.
Tel : +605 546 6360/+605 547 9271
Fax : +605 547 8975

FACTORY 23

Lot 12, Medan Tasek,
Kawasan Perindustrian Tasek,
31400 Ipoh, Perak D.R., Malaysia.
Tel : +605 545 5032
Fax : +605 547 8975

NEGERI SEMBILAN

FACTORY 27

Lot 2431 Mukim Port Dickson,
Sendayan, 71100 Siliu,
Negeri Sembilan D.K., Malaysia.
Tel : +603 7890 3327
Fax : +606 651 6896

FACTORY 33

Lot 3726, Kawasan Perindustrian Nilai,
Mukim Setul Daerah Seremban,
71800 Nilai, Negeri Sembilan D.K.,
Malaysia.
Tel : +603 7890 3333

KELANTAN

FACTORY 36

2, Jalan 8, Pengkalan Chepa 2
Industrial Zone, 16100 Kota Bharu,
Kelantan D.N., Malaysia.
Tel : +609 774 7171
Fax : +609 774 7757

KEDAH

FACTORY 38

Lot 7, Jalan Hi-Tech 12,
Zon Industri Fasa 3,
09090 Kulim Hi-Tech Park,
Kedah D.A., Malaysia.
Tel : +603 7890 3338

JOHOR

FACTORY 37AB

No. 2 & 6, Jalan Mahsuri 1,
Kawasan Perindustrian Kluang 1,
86000 Kluang, Johor D.T., Malaysia.
Tel : +607 787 9731
Fax : +607 787 9733

FACTORY 37CD

No. 7, Jalan Mahsuri 1,
Kawasan Perindustrian Kluang 1,
86000 Kluang, Johor D.T., Malaysia.
Tel : +607 787 9815/+603 3362 3098
Fax : +607 787 9736

SELANGOR

FACTORY 2

Lot 4968, Jalan Teratai, Batu 6,
Off Jalan Meru, 41050 Klang,
Selangor D.E., Malaysia.
Tel : +603 3392 1992/1905

FACTORY 3

Lot 5091, Jalan Teratai, Batu 5,
Off Jalan Meru, 41050 Klang,
Selangor D.E., Malaysia.
Tel : +603 3392 7880/7350
Fax : +603 3392 9160

FACTORY 4

Lot 5987, Jalan Teratai, Batu 5,
Off Jalan Meru, 41050 Klang,
Selangor D.E., Malaysia.
Tel : +603 3392 8588/8996
Fax : +603 3392 6788

FACTORY 10

Lot 4970, Jalan Teratai, Batu 6,
Off Jalan Meru, 41050 Klang,
Selangor D.E., Malaysia.
Tel : +603 3392 9288/9942/3320
Fax : +603 3392 8984

FACTORY 11

Lot 4967, Jalan Teratai, Batu 6,
Off Jalan Meru, 41050 Klang,
Selangor D.E., Malaysia.
Tel : +603 3392 1899/5399

FACTORY 12

Lot 4960, Jalan Teratai, Batu 6,
Off Jalan Meru, 41050 Klang,
Selangor D.E., Malaysia.
Tel : +603 3392 3375
Fax : +603 3392 5200

FACTORY 13

Lot 4947, Jalan Teratai, Batu 6,
Off Jalan Meru, 41050 Klang,
Selangor D.E., Malaysia.
Tel : +603 3393 1288
Fax : +603 3393 1993

FACTORY 13P

Lot 4946, Jalan Teratai, Batu 6,
Off Jalan Meru, 41050 Klang,
Selangor D.E., Malaysia.
Tel : +603 3885 3141

FACTORY 14

Lot 5104, Jalan Teratai, Batu 5,
Off Jalan Meru, 41050 Klang,
Selangor D.E., Malaysia.
Tel : +603 3392 3626

FACTORY 18B & 18G

Lot 124 & 126, Jalan Lapan,
Kompleks Perabot Olak Lempit,
13 KM, Jalan Banting Dengkil,
42700 Banting,
Selangor D.E., Malaysia.
Tel : +603 3149 1998
Fax : +603 3149 3008

FACTORY 19 & 19BF

Lot 4987, Jalan Bunga Raya, Batu 6,
Off Jalan Meru, 41050 Klang,
Selangor D.E., Malaysia.
Tel : +603 3392 5900/+603 3392 1992
Fax : +603 3392 5910

FACTORY 20 & 20BC

Lot 4988, Jalan Bunga Raya, Batu 6,
Off Jalan Meru, 41050 Klang,
Selangor D.E., Malaysia.
Tel : +603 3392 4211/+603 7890 3322





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>

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

AUDITORS

Ernst & Young PLT
202006000003
(LLP0022760-LCA) & AF 0039
Chartered Accountants
Level 23A, Menara Milenium
Jalan Damanlela
Pusat Bandar Damansara
50490 Kuala Lumpur, Malaysia

SENIOR INDEPENDENT NON-EXECUTIVE DIRECTOR

Sharmila Sekarajasekaran
Tel : +603 3362 3098
Email : sharmila@topglove.com.my

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@sshsb.com.my

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

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

PRINCIPAL BANKERS

- | | |
|--|---|
| 1. BNP Paribas Malaysia Berhad | 10. OCBC Bank (Malaysia) Berhad |
| 2. CIMB Bank Berhad | 11. Public Bank Berhad |
| 3. Citibank Berhad | 12. Siam Commercial Bank Public Company Limited |
| 4. Deutsche Bank (Malaysia) Berhad | 13. Standard Chartered Bank Malaysia Berhad |
| 5. Hong Leong Bank Berhad | 14. Sumitomo Mitsui Banking Corporation Malaysia Berhad |
| 6. Industrial and Commercial Bank of China (Malaysia) Berhad | 15. United Overseas Bank (Malaysia) Berhad |
| 7. Malayan Banking Berhad | |
| 8. Mizuho Bank (Malaysia) Berhad | |
| 9. MUFG Bank (Malaysia) Berhad | |



Board of Directors



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

OUR MISSION
Ensuring safe human protection globally



① Tan Sri Dr Lim Wee Chai ② Lim Cheong Guan



③ Lim Hooi Sin ④ Ng Yong Lin



⑤ Dato' Lee Kim Meow ⑥ Sharmila Sekarajasekaran



⑦ Datuk Noripah Kamso ⑧ Datuk Dr. Norma Mansor



⑨ Azrina Arshad ⑩ Martin Giles Manen



⑪ Dato' Kong Sooi Lin ⑫ Dr Ngo Get Ping

Board of Directors

Board of Directors



TAN SRI DR LIM WEE CHAI

Executive Chairman

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
- Honorary Doctorate in Management from University of Cyberjaya, Malaysia, 2021

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
- 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.

- ▶ **NATIONALITY**
Malaysian
- ▶ **AGE/GENDER**
64/Male
- ▶ **DATE OF APPOINTMENT**
4 September 2000
(Founder)
- ▶ **LENGTH OF SERVICE (AS AT 11 NOVEMBER 2022)**
22 years 2 months
- ▶ **DATE OF LAST RE-ELECTION**
8 January 2020
- ▶ **BOARD COMMITTEE(S) (AS AT 11 NOVEMBER 2022)**

ESOSC ESGPC

Note: He is a healthy vegetarian.

Meeting Attendance in FY2022:

BOD
8/8



LIM CHEONG GUAN

Managing Director

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.

- ▶ **NATIONALITY**
Malaysian
- ▶ **AGE/GENDER**
57/Male
- ▶ **DATE OF APPOINTMENT**
31 August 2006
- ▶ **DATE OF RE-DESIGNATION AS MANAGING DIRECTOR**
1 August 2022
- ▶ **LENGTH OF SERVICE (AS AT 11 NOVEMBER 2022)**
16 years 2 months
- ▶ **DATE OF LAST RE-ELECTION**
8 January 2020
- ▶ **BOARD COMMITTEE(S) (AS AT 11 NOVEMBER 2022)**

ESOSC ESGPC

Meeting Attendance in FY2022:

BOD
8/8

Board of Directors

Board of Directors



LIM HOOI SIN

Executive Director

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 experiences include 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 is 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(s) and/or Substantial Shareholder(s) 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.

- ▶ **NATIONALITY**
Malaysian
- ▶ **AGE/GENDER**
60/Male
- ▶ **DATE OF APPOINTMENT**
4 September 2000
- ▶ **LENGTH OF SERVICE (AS AT 11 NOVEMBER 2022)**
22 years 2 months
- ▶ **DATE OF LAST RE-ELECTION**
6 January 2022
- ▶ **BOARD COMMITTEE(S) (AS AT 11 NOVEMBER 2022)**
Nil

Meeting Attendance in FY2022:

BOD

8/8



NG YONG LIN

Executive Director

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.

- ▶ **NATIONALITY**
Malaysian
- ▶ **AGE/GENDER**
37/Male
- ▶ **DATE OF APPOINTMENT**
1 August 2022
- ▶ **LENGTH OF SERVICE (AS AT 11 NOVEMBER 2022)**
3 months
- ▶ **DATE OF LAST RE-ELECTION**
Nil
- ▶ **BOARD COMMITTEE(S) (AS AT 11 NOVEMBER 2022)**
Nil

Meeting Attendance in FY2022:

BOD

1/1

Board of Directors

Board of Directors



DATO' LEE KIM MEOW

Non-Independent Non-Executive Director

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-two (22) 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.

- ▶ **NATIONALITY**
Malaysian
- ▶ **AGE/GENDER**
63/Male
- ▶ **DATE OF APPOINTMENT**
15 October 2003
- ▶ **DATE OF RE-DESIGNATION AS NON-INDEPENDENT NON-EXECUTIVE DIRECTOR**
1 August 2022
- ▶ **LENGTH OF SERVICE (AS AT 11 NOVEMBER 2022)**
19 years
- ▶ **DATE OF LAST RE-ELECTION**
6 January 2022
- ▶ **BOARD COMMITTEE(S) (AS AT 11 NOVEMBER 2022)**

BRIC BNRC

Meeting Attendance in FY2022:

BOD
8/8



SHARMILA SEKARAJASEKARAN

Senior Independent Non-Executive Director

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.

- ▶ **NATIONALITY**
Malaysian
- ▶ **AGE/GENDER**
53/Female
- ▶ **DATE OF APPOINTMENT**
18 March 2015
- ▶ **DATE OF RE-DESIGNATION AS SENIOR INDEPENDENT NON-EXECUTIVE DIRECTOR**
6 January 2022
- ▶ **LENGTH OF SERVICE (AS AT 11 NOVEMBER 2022)**
7 years 7 months
- ▶ **DATE OF LAST RE-ELECTION**
6 January 2021
- ▶ **BOARD COMMITTEE(S) (AS AT 11 NOVEMBER 2022)**

BSC BAC BNRC ESOSC ESGPC

Meeting Attendance in FY2022:

BOD	BSC	BAC	BNRC
8/8	6/6	10/10	7/7

Board of Directors

Board of Directors



DATUK NORIPAH KAMSO

Independent Non-Executive Director

Qualifications:

- Master of Business Administration from Marshall University, Huntington, West Virginia, United States of America, 1981
- Bachelor of Science Degree from Northern Illinois University, Dekalb, Illinois, United States of America, 1980
- Diploma in Business Studies, Institute Technology MARA, Malaysia, 1978

Present Directorship(s):

- **Listed entity:**
Swift Haulage Berhad
- **Other public company:**
DXN Holdings Berhad

Present Appointment(s):

- Independent Non-Executive Director of Swift Haulage Berhad since June 2021
- Senior Independent Non-Executive Director of DXN Holdings Berhad since February 2022
- Chairman of Arabesque Malaysia since August 2022
- International Advisory Board of Islamic Finance News (IFN)
- Corporate Advisor of Pantas Software Sdn Bhd

Past Appointment(s) and Working Experience:

Datuk Noripah began her career with Urban Development Authority (UDA) in 1980. In 1983, she joined Bank of Commerce (M) Berhad (CIMB Group) and held various key positions in the CIMB Group until 2014 where her last position was as Advisor to CIMB Group Islamic Banking Division. She was formerly an Adjunct Professor to School of Economics, Finance and Banking, UUM and the Board of Trustees of the International Council of Islamic Finance Educators (ICIFE).

She was the Chief Executive Officer of CIMB Futures Sdn Bhd from 1996 to 2012, the Chief Executive Officer of CIMB Principal Asset Management Berhad from 2005 to 2013. She was the founding Chief Executive Officer of CIMB Principal Islamic Asset Management Sdn Bhd from 2008 to 2012 where she successfully established a global platform for the firm to extend its reach to UK, Europe, GCC, Asia, USA and Australia. Datuk Noripah was a former Advisor of CIMB Islamic from 2013 to 2014.

Datuk Noripah was also the Past President of the Malaysian Futures Brokers Association (MFBA). She was formerly a Global Practitioner in Residence in Principal Financial Group Centre for Global Citizenship, USA in 2015. In the academic year 2016/2017, she was a Fellow in Islamic Finance in Oxford Center for Islamic Studies (OCIS), an independent centre of the University of Oxford, United Kingdom and was an Adjunct Professor for Faculty of Business Management, UiTM. She was the Chairman of Bank Kerjasama Rakyat Malaysia (being one of the Top 10 largest Islamic Banks in the world) and the Chairman of Yayasan Bank Rakyat from 2018 to 2020.

- **NATIONALITY**
Malaysian
- **AGE/GENDER**
65/Female
- **DATE OF APPOINTMENT**
18 March 2015
- **LENGTH OF SERVICE (AS AT 11 NOVEMBER 2022)**
7 years 7 months
- **DATE OF LAST RE-ELECTION**
6 January 2021
- **BOARD COMMITTEE(S) (AS AT 11 NOVEMBER 2022)**

BRIC BAC
ESOSC ESGPC

Meeting Attendance in FY2022:

BOD	BRIC	BAC	BSC
8/8	7/7	10/10	4/4



DATUK DR. NORMA MANSOR

Independent Non-Executive Director

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 company:**
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 Prime Minister's Department as Secretary to the National Economic Advisory Council (NEAC) from 2009 to 2011.

- **NATIONALITY**
Malaysian
- **AGE/GENDER**
65/Female
- **DATE OF APPOINTMENT**
12 May 2017
- **LENGTH OF SERVICE (AS AT 11 NOVEMBER 2022)**
5 years 5 months
- **DATE OF LAST RE-ELECTION**
6 January 2021
- **BOARD COMMITTEE(S) (AS AT 11 NOVEMBER 2022)**

BNRC BRIC
ESOSC ESGPC

Meeting Attendance in FY2022:

BOD	BNRC	BRIC
8/8	7/7	7/7

Board of Directors

Board of Directors



AZRINA ARSHAD

Independent Non-Executive Director

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 company:**
Trustee of Yayasan Arshad Ayub

Present Appointment(s):

- Project Director of Zalaraz Sdn Bhd since 2010
- Director and Partner of I-Partnership (M) Sdn Bhd (formerly known as Woods Bagot (M) Sdn Bhd) since 1997
- Freelance Project Architect & Project Manager of FOCUS Architects and Urban Planners Sdn Bhd since 2015

Past Appointment(s) and Working Experience:

Director and Partner of I-Partnership (M) Sdn Bhd (formerly known as Woods Bagot (M) Sdn Bhd) since year 1997. 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 Technology Malaysia (UTM) in year 1994.

Puan Azrina 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.

- ▶ **NATIONALITY**
Malaysian
- ▶ **AGE/GENDER**
53/Female
- ▶ **DATE OF APPOINTMENT**
8 January 2019
- ▶ **LENGTH OF SERVICE (AS AT 11 NOVEMBER 2022)**
3 years 10 months
- ▶ **DATE OF LAST RE-ELECTION**
6 January 2022
- ▶ **BOARD COMMITTEE(S) (AS AT 11 NOVEMBER 2022)**

BNRC **BSC**

Meeting Attendance in FY2022:

BOD	BAC	BNRC	BSC
8/8	6/6	7/7	6/6



MARTIN GILES MANEN

Independent Non-Executive Director

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:**
 - BOS Wealth Management Malaysia Berhad (formerly known as Pacific Mutual Fund Berhad)
 - 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 (formerly known as Pacific Mutual Fund 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 and 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.

- ▶ **NATIONALITY**
Malaysian
- ▶ **AGE/GENDER**
67/Male
- ▶ **DATE OF APPOINTMENT**
25 January 2022
- ▶ **LENGTH OF SERVICE (AS AT 11 NOVEMBER 2022)**
9 months
- ▶ **DATE OF LAST RE-ELECTION**
Nil
- ▶ **BOARD COMMITTEE(S) (AS AT 11 NOVEMBER 2022)**

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

Meeting Attendance in FY2022:

BOD	BAC	BRIC	BSC
5/5	4/4	5/5	4/4

Board of Directors

Board of Directors



DATO' KONG SOOI LIN

Independent Non-Executive Director

Qualifications:

- Bachelor of Commerce (Honours), University of New South Wales, 1985
- Fellow Membership of Certified Practising Account Australia since 2017
- Chartered Banker of the Asian Institute of Chartered Bankers since 2017
- Chartered Accountant of the Malaysian Institute of Accountants since 2019

Present Directorship(s):

• **Listed entities:**

- i. AMMB Holdings Berhad
- ii. Ecoworld International Berhad
- iii. IOI Corporation Berhad

• **Other public company:**

AmlInvestment Bank Berhad

Present Appointment(s):

- Independent Non-Executive Director of AMMB Holdings Berhad since 30 October 2019
- Independent Non-Executive Director of Ecoworld International Berhad since 1 April 2019
- Independent Non-Executive Director of IOI Corporation Berhad since 16 February 2022
- Independent Non-Executive Director of AmlInvestment Bank Berhad since 30 October 2019

Past Appointment(s) and Working Experience:

Dato' Kong began her career with Ernst & Whinney (now known as Ernst & Young) and Arthur Anderson & Co. and then joined Bumiputra Merchant Bankers Berhad under Corporate Banking in 1989.

In 1994, she joined CIMB Investment Bank Berhad ("CIMB Investment Bank") and had been with CIMB Group Holdings Berhad ("CIMB Group") for twenty-five (25) years until her retirement from CIMB Investment Bank as its CEO in March 2019. Throughout her tenure with CIMB Group, Dato' Kong has contributed significantly to entrenching CIMB as one of the top investment banking houses domestically and across ASEAN.

Dato' Kong has held various capacities within CIMB Group including Group Head of Investment Banking Division for Asia Pacific region, Group Head of Private Banking, Head of Senior Bankers Group, Chairperson of CIMB Private Limited Sri Lanka and Commissioner on the Board of CIMB Securities Indonesia.

She was formerly an Independent Director of Malaysia Venture Capital Management Berhad.

Meeting Attendance in FY2022:

BOD

2/3

- ▶ **NATIONALITY**
Malaysian
- ▶ **AGE/GENDER**
61/Female
- ▶ **DATE OF APPOINTMENT**
9 March 2022
- ▶ **LENGTH OF SERVICE (AS AT 11 NOVEMBER 2022)**
8 months
- ▶ **DATE OF LAST RE-ELECTION**
Nil
- ▶ **BOARD COMMITTEE(S) (AS AT 11 NOVEMBER 2022)**
Nil



DR NGO GET PING

Independent Non-Executive Director

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:**

OSK Ventures International Berhad

• **Other public company:**

Nil

Present Appointment(s):

- Independent Non-Executive Director of OSK Ventures International Berhad since 2017

Past Appointment(s) and Working Experience:

Dr Ngo Get Ping is an Independent Non-Executive Director ("INED") of OSK Ventures International Berhad since 2013 and was redesignated as Senior Independent Non-Executive Director in 2017. He is 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 FDSC (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.

- ▶ **NATIONALITY**
Malaysian [Singapore Permanent Resident]
- ▶ **AGE/GENDER**
64/Male
- ▶ **DATE OF APPOINTMENT**
9 March 2022
- ▶ **LENGTH OF SERVICE (AS AT 11 NOVEMBER 2022)**
8 months
- ▶ **DATE OF LAST RE-ELECTION**
Nil
- ▶ **BOARD COMMITTEE(S) (AS AT 11 NOVEMBER 2022)**
BNRC

BNRC

Meeting Attendance in FY2022:

BOD **BNRC**

2/3

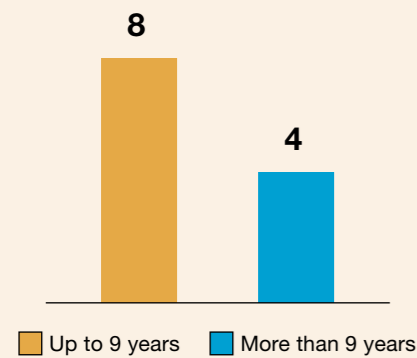
1/1

Note:

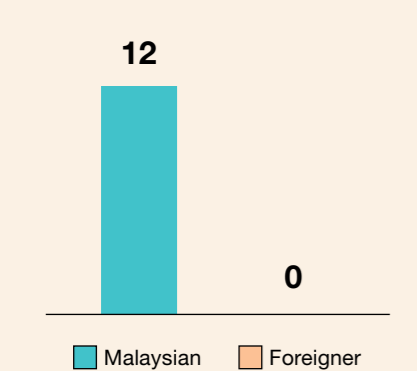
Save as disclosed, all other Directors have no family relationship with any Director(s) and/or Substantial Shareholder(s) of the Company, have no conflict of interest with the Company, have not been convicted of any offence within the past five (5) years other than traffic offences, if any, and have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

An Empowered Board

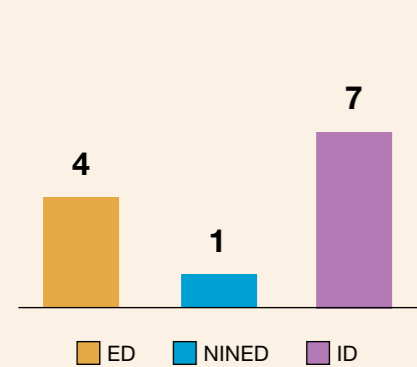
Length of Tenure
(As at 11 November 2022)



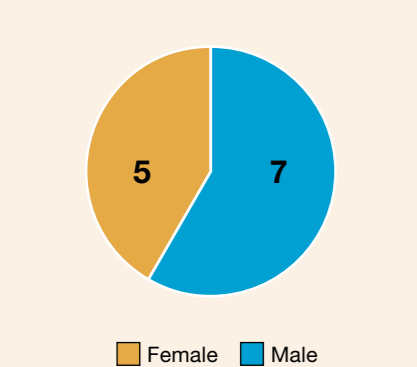
Nationality



Composition



Gender

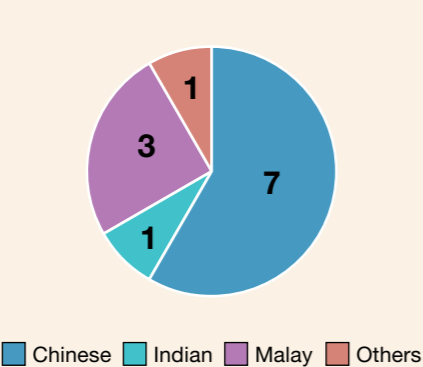


The current composition of Board Members comprised appropriate mix of Skills and Experience as follows:

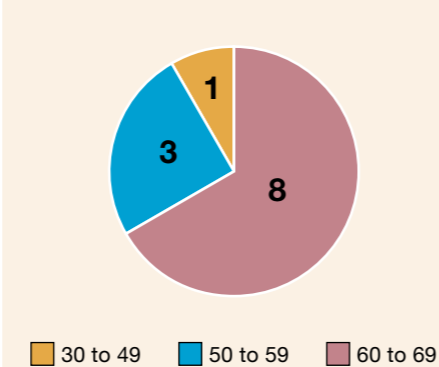


Please refer to page 85 of this Integrated Annual Report for further details on Board Balance, Composition and Diversity.

Ethnicity



Age



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:



(From Left to Right):

Lim Jing Feng, Melissa Cheoh Hooi Gaik, Ng Yong Lin, Lim Cheong Guan, Tan Sri Dr Lim Wee Chai (centre), Lim Hooi Sin, Lew Sin Chiang, Hue Kon Fah, Aaron Lam Yat Hing

Please refer to pages 16, 17, 18 and 19 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.

MELISSA CHEOH HOOI GAIK

Director, Financial Controller

Nationality Malaysian	Qualification(s) MBA (London), International Business
Age 49	Experience More than 25 years of experience in the banking and finance industry
Gender Female	Date of Appointment 15 May 2019

AARON LAM YAT HING

Director, Marketing

Nationality Malaysian	Qualification(s) Diploma in Material Engineering
Age 56	Experience More than 20 years of experience in the marketing field
Gender Male	Date of Appointment 17 January 2011

HUE KON FAH

Executive Director (Subsidiary),
Joint Manufacturing Council

Nationality Malaysian	Qualification(s) BA (Honours) Economics, MMIM, DPRIM
Age 65	Experience More than 39 years of experience in the manufacturing field
Gender Male	Date of Appointment 9 January 2003

LEW SIN CHIANG

Senior General Manager,
Joint Manufacturing Council

Nationality Malaysian	Qualification(s) Bachelor of Science, Industrial Chemistry
Age 49	Experience More than 20 years of experience in the glove manufacturing industry
Gender Male	Date of Appointment 16 March 1998

Note:
Mr Lew is the brother-in-law of both Tan Sri Dr Lim Wee Chai and Puan Sri Tong Siew Bee.

LIM JIN FENG

Deputy General Manager, Marketing

Nationality Malaysian	Qualification(s) Bachelor of Science in Business Administration International Business Option
Age 35	Experience More than 10 years of experience in the glove manufacturing industry
Gender Male	Date of Appointment 17 January 2011

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

Notes:

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.

Senior Management Team

Senior Management Team



Hue Kon Fah
Executive Director (Subsidiary),
Joint Manufacturing Council



Melissa Cheoh Hooi Gaik
Director, Financial Controller



Aaron Lam Yat Hing
Director,
Marketing



Lew Sin Chiang
Senior General Manager,
Joint Manufacturing Council



Jeremy Liew Say Keong
Senior General Manager,
Finance



Lim Hwa Chuan
Senior General Manager,
Joint Manufacturing Council



John Wu Kin Yeap
Senior General Manager,
Manufacturing



Chookiad Usaha
Senior General Manager,
Manufacturing



Leong Chew Mun
Senior General Manager,
Marketing



Michelle Ang Peck Kean
General Manager,
Sourcing & Procurement



Tan Boon Kuie
Senior General Manager,
Marketing



Ken Soo
Senior General Manager
cum Assistant to Chairman



Johnny Loy Joo Ling
Senior General Manager,
Marketing



Matthew Ong Guan Heng
Senior General Manager,
Compliance



Chen Chew Lan
General Manager,
Finance



Ravi A/L Supramaniam
General Manager,
Manufacturing



Tan Kian Guan
General Manager,
Information Technology



Noor Akilah Saidin
General Manager,
Regulatory Affairs System &
Conformance and Corporate Integrity



Jack Lim Lung Fui
General Manager,
Internal Audit



Ong Ah Chye
General Manager,
Manufacturing



Loo Sun Nooi
General Manager,
Group Quality Assurance



Dr. Kiwi Lim Keuw Wei
General Manager,
Research & Development



Tan Chee Hoong
General Manager,
Manufacturing



Puon Tuck Seng
General Manager,
Operation Audit



Dorothy Ressel
V.P. Global Marketing & Sales,
Member of the Management Board



Ng Seow Wei
General Manager,
Manufacturing



Chan Siew Lan
General Manager,
Finance



Kelvin Lee Kok Seng
General Manager,
Manufacturing



Stephanie Thong Pei Ling
General Manager,
Property & Leasing



Kassy Lim Keat See
General Manager,
Corporate Services



Chang Chee Keong
General Manager,
Tax



Chong Fei Meng
General Manager,
Marketing



Lim Jin Feng
Deputy General Manager,
Marketing



Wilawan Sakulsongboonsiri
Deputy General Manager,
Finance



Tan Lee Sem
Deputy General Manager,
Marketing



Chia Hock Yi
Deputy General Manager,
Engineering



Norhazlin Hamzah
Deputy General Manager,
Marketing



Daryl Ooi Keat Leong
Deputy General Manager,
Group Human Resources



Florence Teng Gaik Kim
General Manager,
Logistics & PM Purchasing



Phattaraporn Fueangthong
Deputy General Manager,
Finance



Izzati Nazreen Bt. Ahmad Tajudin
Deputy General Manager,
Manufacturing



Ho Kim Nam
Deputy General Manager,
Manufacturing



Aileen Choh Ai Ying
Vice President,
Marketing



Michelle Voon Wei-Ann
Deputy General Manager,
Corporate Communications



Siah Ming Lei
Senior Manager,
Marketing



Thomas Buri
National Sales Manager



Loh Xzee Ling
Deputy General Manager,
Group Human Resources



Mansor Bin Daud
Deputy General Manager,
Engineering

In Conversation with the Executive Chairman Tan Sri Dr Lim Wee Chai

As the world emerges from the shadow of the pandemic, the glove industry now finds itself traversing a period of great volatility. Quite undeterred, Tan Sri Dr Lim Wee Chai, Executive Chairman of Top Glove remains cautiously optimistic and upbeat on the industry's long-term outlook. He tackles the tough questions squarely, telling it like it is; while displaying his trademark positivity, providing clarity and certainty in these murky, uncertain times.



Imbas kod QR untuk membaca *Perbualan dengan Pengerusi Eksekutif* dalam Bahasa Malaysia

https://tgapp.topglove.com/IAR2022/In_Conversation_with_EC/BM_Version/2022/index.php



扫描二维码以查阅中文版《与执行主席的对话》

https://tgapp.topglove.com/IAR2022/In_Conversation_with_EC/Chinese_Version/2022/index.php

In Conversation with the Executive Chairman Tan Sri Dr Lim Wee Chai

Q1

Top Glove's financial performance in FY2022 is considerably softer compared with FY2021. What factors account for the subdued set of numbers?

This is one of the most challenging times the glove industry has experienced. As the world moves toward endemicity, we are also transitioning to normality while contending with several simultaneously occurring headwinds. During this adjustment period, we have had to manage glove oversupply arising from new capacity, along with the effects of excess stockpiling by customers during the pandemic. As a result, orders have slowed considerably, alongside a corresponding downtrend in average selling prices (ASPs). Moreover, owing to lower utilisation, there has been no urgency on the part of customers to place sizeable orders, while some are also adopting a "wait and see" approach in anticipation of a further decline in ASPs.

Meanwhile, our operating costs continued to escalate on the back of global supply chain disruptions, as well as increases in natural gas tariff over the course of FY2022 and the Malaysian minimum wage which took effect in May 2022. A lower utilisation rate has also meant our unit costs are higher. We were unable to pass these cost increases on to customers amidst the ongoing oversupply situation, impacting our bottom line.

“

Although difficult, this is a temporary situation which we must go through as we move toward a post pandemic era. We believe the glove demand/supply situation will equilibrate in time to be more reflective of our business and the sector's true potential, both of which remain very promising in the longer term.

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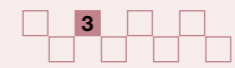
Q2

What plans has Top Glove instituted to better navigate this challenging season for the glove industry?

This period has not taken us by surprise. Having been in the glove business for over 31 years, we have come to expect and prepare for challenging times, which we know will typically follow good times. Hence, after 2 years of exceptional highs in glove demand and ASPs, we have anticipated that the descent into normalisation will also be exceptional, as part of the business cycle. This is why it is so important for us to maintain the "3 healths", mental, physical and financial, as our foundation, so that we are able to outlast the tough times and poised to capitalise on opportunities during favourable times when they come again.

In order to go through this season, our highest priority for the present is to conserve cash and reduce losses. To this end, we are embarking on cost rationalisation towards optimising cost, manpower and resources while continuing to improve operational effectiveness. Notwithstanding, talent development and retention remains an important area of focus, as there will always be a place in our company for good and quality people who will help us weather the tough times and take advantage of the rebound.

It is important to note that the industry's fundamentals remain intact, with no structural changes; gloves continue to be an essential item in the medical sector with no viable replacement. We are confident the glove industry will eventually recover once the demand/supply mechanism rebalances and glove demand resumes its 10% growth per annum as projected by the Malaysian Rubber Glove Manufacturers Association (MARGMA), in line with actual consumption which is driven by heightened hygiene awareness and usage post pandemic.



**In Conversation with the Executive Chairman
Tan Sri Dr Lim Wee Chai**

**In Conversation with the Executive Chairman
Tan Sri Dr Lim Wee Chai**

Q3

The glove industry seems to be on a protracted downcycle, possibly the worst it has seen in a long time. When is the market expected to recover?

The market will require some time to adjust to the normalising trend and for glove demand to gradually pick up, as customers have stocked up on gloves during the pandemic and are now still utilising their stockpile. As a result, for example, hospitals still have gloves which they are exhausting and are not buying from our customers at the moment, causing a temporary slowdown in orders.

However, as gloves remain a necessity in the medical industry and a disposable item, existing stockpiles will eventually be depleted and demand will return. Based on prevailing trends, we anticipate glove demand and ASPs are likely to rebalance within the next 1 year.

Q4

Top Glove's share price has now slid below RM1. How do you view this development?

The glove industry was in a very unique position during the pandemic. Unlike many other industries, we did extremely well and were able to provide attractive dividends and capital returns via a higher share price, while protecting frontliners with our gloves at the same time.

The current share price reflects weaker sentiment in response to the softer performance delivered by glove manufacturers, due to the reasons aforementioned. We are certain however, that once glove demand starts to pick up, alongside industry consolidation and new capacity being deferred, our performance will return to pre-pandemic levels or even better, and our share price will correspondingly reflect that position as well.

“As always, we continue to encourage our investors to adopt a long-term perspective to investing in Top Glove and to consider the industry's strong and unchanging fundamentals rather than share price alone.”



Q5

How has Top Glove progressed in delivering on its Environmental, Social and Governance (ESG) aspirations and Sustainability agenda?



Sustainability has been well integrated into our corporate agenda and daily operations, and the temporal challenging times have not derailed our focus on this important area.

Reflecting our robust commitment, we launched our Sustainability Policy in June 2022, detailing our commitments in the areas of environmental, social, governance and traceability. Additionally, our Sustainability Roadmap within the Policy outlines steps and measurable targets up to FY2025, which include setting a Net Zero Carbon target year and achieving 70% traceability to plantations of natural rubber sourcing.



More recently, in October 2022, Top Glove was included on the Dow Jones Sustainability Indices (DJSI) 2022 for the fourth consecutive year, emerging among the top 3% (as at 21 October 2022), as well as top 16% in the FTSE Russell ESG Ratings, underscoring our ongoing resolve to continue levelling up our sustainability practices to be on par with international standards.

We are mindful there is always more we can do and will keep improving so that we continue to perform well not just as a business but equally importantly, as a corporate citizen.

Our Sustainability Roadmap outlines our targets up to FY2025 which include:

-  Setting a **Net Zero Carbon** target year
-  Achieving **70% traceability** to plantations of natural rubber sourcing

Underscoring our commitment to sustainability, Top Glove emerged:

-  **Top 3%** on the Dow Jones Sustainability Indices 2022 having been included on the index for the 4th year running
-  **Top 16%** in the FTSE Russell ESG Ratings

Q6

Top Glove has on several occasions stated that the company is always asking itself “what's next?”. What lies ahead for Top Glove? What are the key priorities for financial year 2023 and beyond?

Priorities will change during challenging times. Our immediate, most pressing one is to sustain ourselves in light of present circumstances which are characterised by twin challenges of glove oversupply and overstocking.

To this end, the focus will be on strengthening our fundamentals in preparation for industry recovery, particularly in the 4 critical areas of operational effectiveness, cost rationalisation, talent development and retention, as well as sustainable stakeholder value creation. In addition, we will take this opportunity to refurbish and upgrade our existing production lines, so we are strongly positioned for when the industry recovers.


**Strengthening Our Fundamentals
in 4 Critical Areas**



Operational Effectiveness



Cost Rationalisation



Talent Development and Retention



Sustainable Stakeholder Value Creation

Q7

The glove industry has always been touted as being resilient towards external factors such as political or economic uncertainty. In terms of outlook, does this still hold true?

Definitely. While the challenging environment is expected to persist in the near term, we must bear in mind that nothing fundamental has changed about the glove industry.

The rubber glove business continues to offer good prospects, with global glove demand projected to grow healthily at a rate of 10% yearly post pandemic. Our optimism is well founded. Gloves are both an essential and disposable item in the healthcare industry, which means usage/demand will be recurring. As healthcare awareness and standards increase on the back of new global health threats emerging, consumption is also expected to go up correspondingly. Consider too, that with life expectancy on the rise owing to advances in medicine and technology, there will be a growing ageing population who will require more healthcare, pushing glove usage up.

We are certain the impact from these key growth drivers will be felt in their entirety once the market attains equilibrium, rendering the long-term outlook for the glove industry a very promising one.



Top Glove participated in the 10th International Rubber Glove Conference & Exhibition (IRGCE 2022) from 6th to 8th September 2022

Letter to Stakeholders and Management Discussion & Analysis

STAYING SUSTAINABLE THROUGH POST PANDEMIC CHALLENGES

Good health and good day Fellow Stakeholders.

Many words have been used to describe this period of great upheaval particularly in the 2nd half of FY2022, which has not only affected our company Top Glove, but the glove industry at large. *The Perfect Storm. Disruptive landscape. Industry shakeout.*

Indeed, we are experiencing a season of unprecedented challenge and change, further exacerbated by the backdrop of global uncertainty against which it takes place.

However, while these times are tough, they do not take us by surprise. Our global industry experience has taught us to expect and prepare for the ebb and flow of business cycles. Throughout our company's rich 31 year history, we have traversed the toughest of times, and are confident of successfully navigating this temporary setback, just as we have before.

On this hopeful note, we are pleased to present you with our Integrated Annual Report for FY2022.

TAN SRI DR LIM WEE CHAI
Executive Chairman

LIM CHEONG GUAN
Managing Director



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

https://tgapp.topglove.com/IAR2022/Letter_to_Stakeholders_MDA/BM_Version/2022/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/IAR2022/Letter_to_Stakeholders_MDA/Chinese_Version/2022/index.php

Letter to Stakeholders and Management Discussion & Analysis

Inflationary effects on packaging materials and chemicals also contributed to rising costs, as did lower production utilisation rates. Unable to activate the cost pass through mechanism amidst the ongoing oversupply situation, the Group absorbed the escalating costs, adversely impacting its bottom line.

Temporary Headwinds in FY2022

- 1 **Glove oversupply** arising from aggressive expansions and new capacity within the glove industry
- 2 **Excess stockpiling** from pandemic driven panic buying
- 3 **Easing ASPs** due to demand/supply imbalance caused by oversupply and stockpiling, aggravated by customer hesitation to place orders
- 4 **Slowdown in orders** as customers anticipate further decline in ASPs
- 5 **Escalating production related costs** on the global and domestic front

However, glove consumption continues to grow underpinned by strong industry fundamentals

Management Discussion and Analysis

A softer financial performance in transition to normality

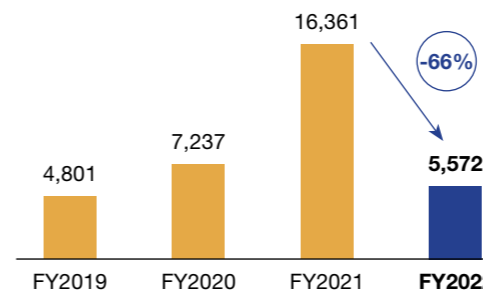
Against a highly challenging and volatile backdrop, and as the world verges on endemicity, the Group delivered Sales Revenue of RM5.57 billion and Profit After Tax of RM282 million for FY2022.

The softer financial performance in comparison with FY2021's historical high results occurred amidst a convergence of headwinds, as the glove industry weathers an adjustment period en route to normality. In particular, we contended with twin challenges of glove oversupply coupled with pandemic driven excess stockpiling. These resulted in a temporary but substantial slowdown in demand, which saw Sales Volume (Quantity) decrease by 25% in comparison with the previous financial year and set average selling prices (ASPs) on a downward trend, easing 59% year on year. The situation was compounded by customer hesitation to place orders in anticipation of further weakening in ASPs, as well as a lack of urgency to do so in light of low utilisation rates within the industry. Following the decline in ASPs, the Group also performed a write down of its inventory value to net realisable value by RM229 million for FY2022.

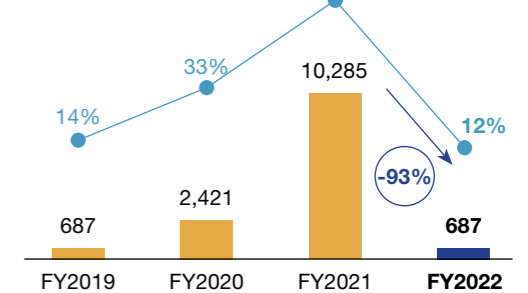
In addition, we were affected by an escalation in cost structure on the back of global supply chain disruptions. Meanwhile, on the domestic front, the Group felt the impact of approximately a 60% hike in the natural gas tariff over the course of FY2022, as well as a 25% increase in the Malaysian minimum wage from RM1,200 to RM1,500 which took effect in May 2022.

Performance Milestones for Financial Year 2022

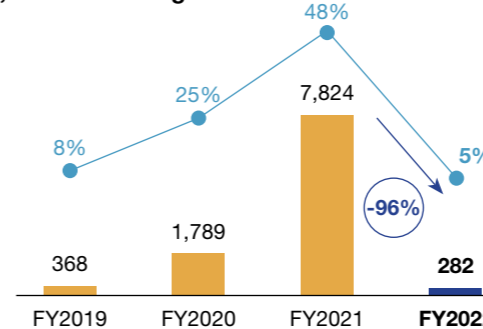
Revenue, RM'mil



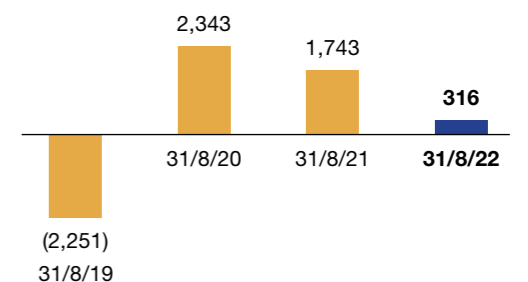
EBITDA, RM'mil & Margin%



PAT, RM'mil & Margin%

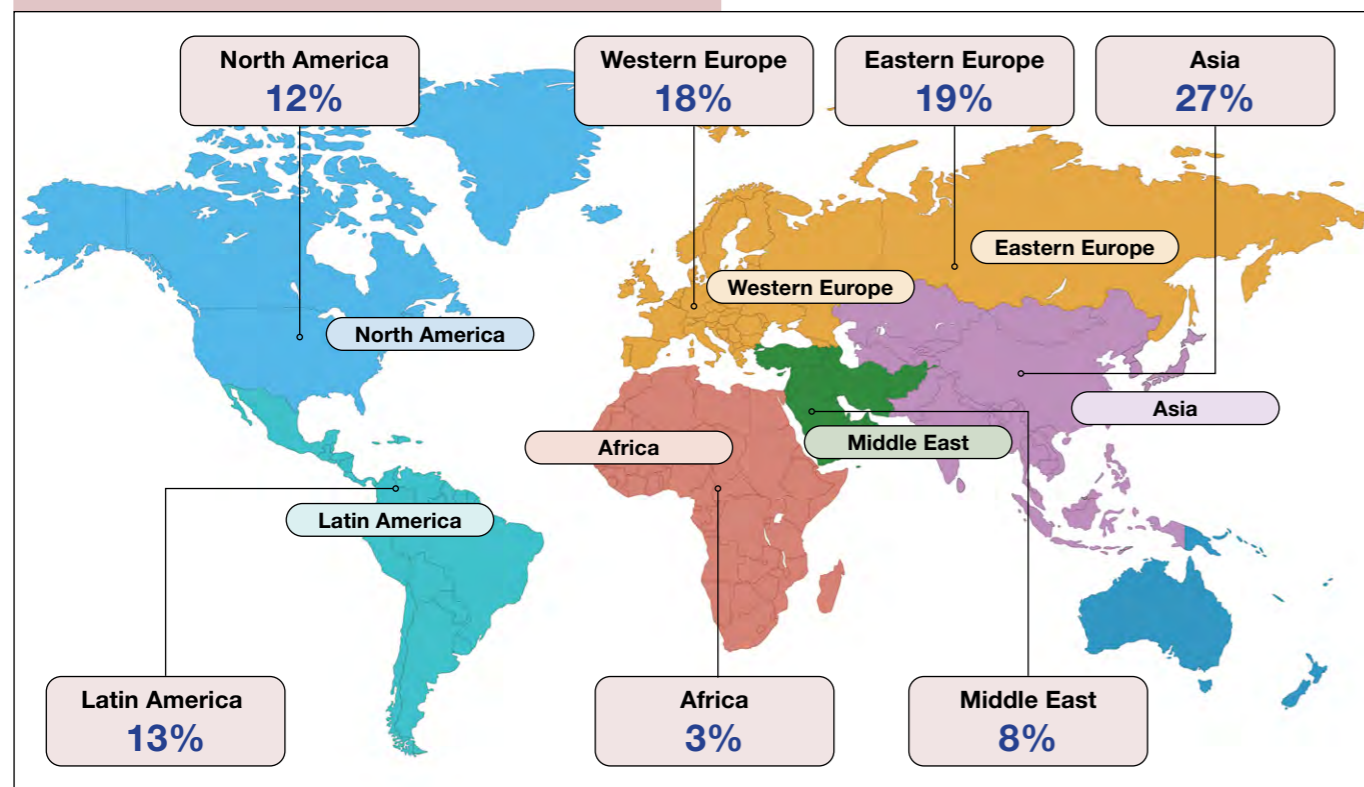


Net Cash/(Borrowings), RM'mil



Letter to Stakeholders and Management Discussion & Analysis

FY2022 Sales Volume (Quantity) Comparison by Region



Mitigating Measures: Pivoting from Profitability to Preservation

Mindful that our priorities would have to strategically shift from focusing on profitability to preservation, we have put the following mitigating measures in place towards ensuring operational efficiency and effecting cost rationalisation:

- Deferring all new CAPEX** for new capacity in view of lower utilisation levels
- Streamlining facilities** to focus on enhancing factories producing in house supply of materials
- Pursuing more **cost-effective procurement** through collaborations with suppliers
- Recapturing sales to the U.S.** through intensified sales and marketing efforts
- Enhancing our product** offerings with more cost efficient, value added and eco-friendly products, while maintaining a comprehensive and balanced portfolio of gloves complemented by a non-glove product range

Corporate Developments

Changing of the Guard

Top Glove saw several developments in the Boardroom during the financial year in review, standing it in good stead to weather the difficult times. On 1 August 2022, Dato' Lee Kim Meow who served for 13 years as our Managing Director was redesignated as Non-Independent Non-Executive Director, upon retiring after 25 years of service. Dato' Lee has been most fittingly succeeded by Mr Lim Cheong Guan, the Group's Executive Director. In line with Board succession planning, we are also pleased to have appointed Mr Ng Yong Lin, presently the Chief Operating Officer (COO), as our Executive Director effective 1 August 2022. Earlier in FY2022, the Group also appointed new Independent Non-Executive Directors Dato' Kong Sooi Lin, Dr Ngo Get Ping and Mr Martin Giles Manen, further enriching our board composition.

Letter to Stakeholders and Management Discussion & Analysis

Investing in Innovation and Technology for the Long Term

The challenging times have not dampened the spirit of innovation which continues to thrive at Top Glove. We continue to invest in R&D, to which end we have established 10 R&D Centres across Malaysia, Thailand and China each specialising in different areas and have filed over 400 patents to date. Our product development has been guided by a clear direction to enhance user experience through improved quality and customisation, as well as to expand our stable of environmentally friendly gloves. Over the course of the financial year, our meaningful pursuit of R&D has birthed new products which include Metal Detectable Nitrile Gloves (MDG), Eco-Friendly Nitrile Gloves and Plant-Based CPE Gloves.



Top Glove's Fully Virtual 23rd Annual General Meeting held on 6 January 2022

Awards & Accolades

We are honoured to have garnered multiple awards in FY2022, in recognition of our achievements in the areas of business sustainability and human resources.

In January 2022, Top Glove received a Gold in the Consumer Products Category (Mid Tier & Large Companies) at **The Star Export Excellence Awards 2021**. We were most recently recognised at **The Edge Billion Ringgit Club 2022** for *Highest Return on Equity Over 3 Years* under the Healthcare sector in October 2022.

A glowing testament to the company as an employer of choice, we were accorded top honours in three leading graduates' choice awards, namely the **GRADUAN Brand Awards 2021** where we were named *Malaysia's Most Preferred Employer* under the Manufacturing category; **Malaysia's 100 Leading Graduate Employers Awards 2021 (M100)**, where we emerged champion in the Engineering and Heavy Industry category for the 5th year running; and at **Talentbank's Graduates' Choice Awards 2022**, we were acknowledged as the *Most Preferred Graduate Employer*. Additionally, we walked away with multiple wins at the **Employee Experience Awards 2022** namely 4 Gold awards for *Best First Time Manager Programme*, *Best Employer Branding*, *Best Succession Planning*, *Best Learning and Development Programme*; and 2 Silver awards for *Best Rewards and Recognition Programme* and *Best In-House Learning Academy*.



Metal Detectable Nitrile Gloves are engineered with food safe magnetic material, enabling the detection of torn glove fragment contaminants in food processing to prevent product contamination.



Eco-Friendly Nitrile Gloves entail a green manufacturing process that eliminates chlorination and polymer coating, without compromising its smoothness and donning performance.



Plant-Based CPE Gloves encompass bio based raw material from renewable resources, able to absorb carbon dioxide during the plantation process to reduce carbon footprint.

Letter to Stakeholders and Management Discussion & Analysis

In tandem, we continue to leverage technology to advance our ongoing quest for improvement, particularly in terms of glove quality. We adopted an approach centred on “The Genealogy of Quality”, which entailed the implementation of a comprehensive Work Order and Batch Quality Management system. The system served to interconnect processes along our manufacturing value chain, enabling us to achieve full harmonisation and product traceability down to the origins of each glove produced. The data generated was also harnessed to provide real time visibility and transparency of operations, facilitating more effective communication and minimising mistakes/wastage. Going further, the measurement data was also fed into our machine learning models, for predictive data analytics to prevent glove defects.

Built for Good: Strengthening Sustainability

Our sustainability journey has been deeply satisfying and one on which we continue to make meaningful progress. We are mindful that as we grow, so will our stakeholders’ expectations of us as a corporate citizen and industry leader. Accordingly, we continue to step up our efforts in this important space, building on our achievements, with a view to going from good to even better.

In June 2022, we were especially pleased to have released our Sustainability Policy which articulates our commitments in the areas of environmental, social, governance and traceability. Developed in consultation with a variety of stakeholders, the Policy guides ethical and responsible sourcing and procurement for all Top Glove subsidiaries and

joint ventures, as well as our supply chain. As outlined in our Sustainability Roadmap, the Group has also committed to setting a Net Zero Carbon target year and aims to achieve 70% traceability to plantations of natural rubber sourcing by FY2025.

Our robust commitment to attain higher standards of sustainability practices garnered double recognition with an improved performance on both the renowned **Dow Jones Sustainability Indices (DJSI) 2022** for the 4th year in a row where we ranked among the top 3% (as at 21 October 2022) among our industry peers, outperforming 97% of companies in our industry category globally in 2022; and the **FTSE Russell Environmental, Social and Governance (ESG) Ratings** in which we scored among the top 16% in the Health Care sector. Top Glove also received an award for *Company of The Year Overall Excellence in Sustainability and CSR (Manufacturing category)* at the **Sustainability & CSR Malaysia Awards 2022**.

Underscoring our commitment to uphold human rights, our Board of Directors and Senior Management Team pledged their unwavering support of best practices articulated in the United Nations Guiding Principles on Business and Human Rights (UNGP BHR), at an internal ceremony held in conjunction with Human Rights Day 2021.

To understand more about how sustainability has been integrated into our business, we invite you to view our Sustainability Statement on pages 66 to 77.



Participants at Top Glove's Annual Leadership Summit 2022 themed “Make it right, make it happen, make it fast!”

Letter to Stakeholders and Management Discussion & Analysis

Priorities & Strategies for Uncertain Times: Reinforcing Our Fundamentals

While the long-term outlook for the glove industry remains promising, the challenging environment is expected to persist into CY2023 as glove demand stabilises. To ensure Top Glove is able to navigate the uncharted waters ahead, our focus will be on strengthening our fundamentals in preparation for industry recovery. To this end, we have a multi-pronged strategy focusing on the following pillars:

Operational Effectiveness

Our manufacturing process will continue to be finetuned for better efficiency as well as eco-friendliness, driven primarily by innovation and automation. In tandem, our operations will be reviewed to eliminate unnecessary processes towards minimising wastage and inefficiencies.

Cost Rationalisation

To address the impact of a lower utilisation rate, we will continue to rationalise our production facilities as required, adjusting capacity expansion plans to better align with market demand. Concurrently, we have redeployed manpower and resources to optimise productivity, while instituting a temporary pause on corporate hiring for noncritical positions.

Talent Development & Retention

While hiring strategies have been adjusted in line with the current economic climate, we stay true to our people first culture. Employee welfare remains a priority and we also continue investing in upskilling our human assets through robust talent development and training programmes.

Value Creation Through Sustainability

Sustainability considerations continue to drive our corporate agenda. Accordingly, our business decisions are rooted in a deep respect for human rights, good governance and community building. The company also continues to align all work processes with the United Nations Guiding Principles for Business and Human Rights on an ongoing basis. Additionally, we continually enrich our product portfolio with a growing range of green products, while refining our manufacturing operations to incorporate greener processes. ESG related initiatives may not always yield tangible returns in the immediate term; but as with our business, we take a long-term view of our ESG investments, and have every conviction that both our stakeholders and our business will reap the manifold benefits in due course.

Looking Ahead Towards Recovery

The unfavourable landscape notwithstanding, we are heartened that the situation is temporary and not reflective of the business or the glove industry’s true potential, both of which remain promising in the longer term. We are mindful that a period of adjustment is to be expected after each pandemic. While this cycle may be more protracted than hoped, we know that once the demand/supply mechanism rebalances, glove demand will resume its 10% growth per annum, in line with actual consumption driven by rising usage and hygiene awareness, post pandemic. More significantly, the glove industry’s fundamentals remain intact with no structural changes: gloves continue to be an essential item in the medical sector with no viable replacement, and are also disposable which will underpin recurring demand. We also believe these trying times provide good opportunities for the business, as we have in place the right talents, skills and experience to leverage them.

In view of ASPs declining at a slower rate, our selling prices have been raised 5% for October 2022, reactivating the cost pass through mechanism. Going forward, we foresee that glove orders will pick up as inventory on hand is cleared and ASPs eventually bottom out. Meanwhile, the downward trend in raw material prices is expected to help mitigate pressures from rising operational costs, as is the strengthening USD.

Letter to Stakeholders and Management Discussion & Analysis

With our strategic focus on fortifying our company fundamentals to adapt to the prevailing market environment and steadfast commitment to advancing sustainability, we are confident of riding out this difficult period and staying the course in our ongoing pursuit of creating sustainable, enduring value for all our stakeholders.

Heartfelt Thanks

In a year clouded with uncertainty for markets and businesses, we continue to see with great clarity the importance of our people. On this note, we wish to record our deepest appreciation to:



Our employees who amaze and inspire us daily, with their industriousness, commitment and tenacity. Time and again, you continue to meet challenges head-on with courage, ingenuity and a readiness to go beyond the call of duty. You are the embodiment of the undefeatable Top Glove spirit of entrepreneurship and professionalism that will carry us through this uneven post pandemic landscape, well into recovery and beyond.



Our Board of Directors who has steered us most judiciously through yet another challenging year, ensuring we are well positioned to outlast this difficult season and poised for the rebound. We would not have gone the distance we have, without your valued insights and experience, which will continue to astutely guide us forward.

We take this opportunity to warmly welcome our Independent Non-Executive Directors, Dato' Kong Sooi Lin, Dr Ngo Get Ping and Mr Martin Giles Manen whose timely addition and varied experience will serve to fortify our board composition. We also wish to express our gratitude to Dato' Lee Kim Meow, who completed his term as Managing Director on 31 July 2022, and count ourselves most fortunate to be able to continue benefitting from his wisdom in his new role as Non-Independent Non-Executive Director. Finally, we extend our sincere thanks to Independent Non-Executive Directors, Mr Lester Garson Huang and Mr Anthony Lo, for their service and positive contributions.



Our loyal customers, vendors, shareholders and other stakeholders; thank you for your unwavering support, feedback and constructive critique, which motivate us to level up our performance and be the best possible version of ourselves every day.

TAN SRI DR LIM WEE CHAI
Executive Chairman
Top Glove Corporation Bhd
1 November 2022

LIM CHEONG GUAN
Managing Director
Top Glove Corporation Bhd
1 November 2022

Letter to Stakeholders and Management Discussion & Analysis

A tribute to Dato' Lee Kim Meow

We place on record our utmost gratitude to Dato' Lee Kim Meow, who retired on 31 July 2022, after 25 years of invaluable service at Top Glove, 13 of which he served as Managing Director. We are privileged indeed to have Dato' Lee remain as Non-Independent Non-Executive Director on Top Glove's Board of Directors, where he continues to have an instrumental role in driving the company's agenda.

Dato' Lee Kim Meow joined Top Glove in 1997 during the company's early years when it was a local business with a global vision. He was appointed Executive Director in 2003 and redesignated Managing Director in 2009, a role he carried out with utmost distinction. Concurrently, he helmed the Marketing Department, spearheading multiple strategic initiatives that have helped win the loyal businesses of over 2,000 customers across some 195 countries.

Dato' Lee's astute leadership has been key to supporting our Executive Chairman, Tan Sri Dr Lim Wee Chai, in deftly steering Top Glove through the peaks and valleys of an ever-changing business landscape, ensuring the company emerges stronger and better every time. Working hand in glove with Tan Sri Lim, they turned mission into action, and vision into reality, building Top Glove into the resounding international success it is today: the world's largest manufacturer of gloves with a Revenue which peaked at a record breaking RM16.4 billion in FY2021. Dato' Lee also played an important part in the successful listing of Top Glove on Bursa Malaysia in 2001 and Singapore Exchange in 2016.

We appreciate Dato's good service enormously and look forward to continue drawing on his vast industry knowledge and experience for many more years to come.

The Board and Management of Top Glove



The Market and Trends that Shape Us

Our performance is influenced by various business dynamics, economic climates and societal changes that shape the world. We consistently monitor the key trends that have an impact on our long term business sustainability.

Increased Health & Hygiene Awareness



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 (PPE) including disposable gloves.

According to the International Monetary Fund (IMF)¹, emerging markets and developing economies are projected to grow 3.8% in 2022 and 4.4% in 2023. 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 USD1,105 in 2020 and is estimated to increase to USD1,515 by 2050.²

Ageing Population and Higher Life Expectancy



Life expectancy has increased overall and people worldwide are living longer. Every country in the world is experiencing growth in both the size and the proportion of older persons in the population. According to World Health Organisation (WHO), by 2050, the world's population aged 60 years and above will double to about 2.1 billion people³. 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 aged population has pushed the demand for healthcare products and services, resulting in higher glove consumption.

Global Macroeconomic Outlook



Risks to the global economic outlook are overwhelmingly tilted to the downside. According to the IMF, after taking into consideration risks arising from Russia-Ukraine war, inflation globally, the tight labour market and monetary policies, potential debt distress in emerging markets, the property sector crisis in China and geopolitical

fragmentation, which could impede global trade and cooperation. The IMF has cut its year-on-year gross domestic product (GDP) growth forecast from 6.1% in 2021 to 3.2% in 2022⁴. In 2023, disinflationary monetary policy is expected to bite, with global output growing by just 2.9%.

The Federal Reserve raised the target range for the fed funds rate by 75bps to 3% to 3.25% range during its September 2022 meeting⁵, the third straight 75 bps increase, and pushing borrowing costs to the highest level since 2008. The central bank said that ongoing increases in the target range will be appropriate and that it is prepared to adjust the stance of monetary policy. Federal Reserve officials committed to raising interest rates to a restrictive level in the near term and holding them there to curb inflation.

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.

The average selling price (ASP) of nitrile latex gloves is higher than other major materials which made it difficult to penetrate the market of developing areas. So, to make products more cost-effective, glove manufacturers have invested heavily in automation and digitalisation resulting in higher productivity and lower overheads, improving companies' competitiveness. ASPs of gloves will gradually decrease in the future along with improved production efficiency and utilisation rate.

Source:

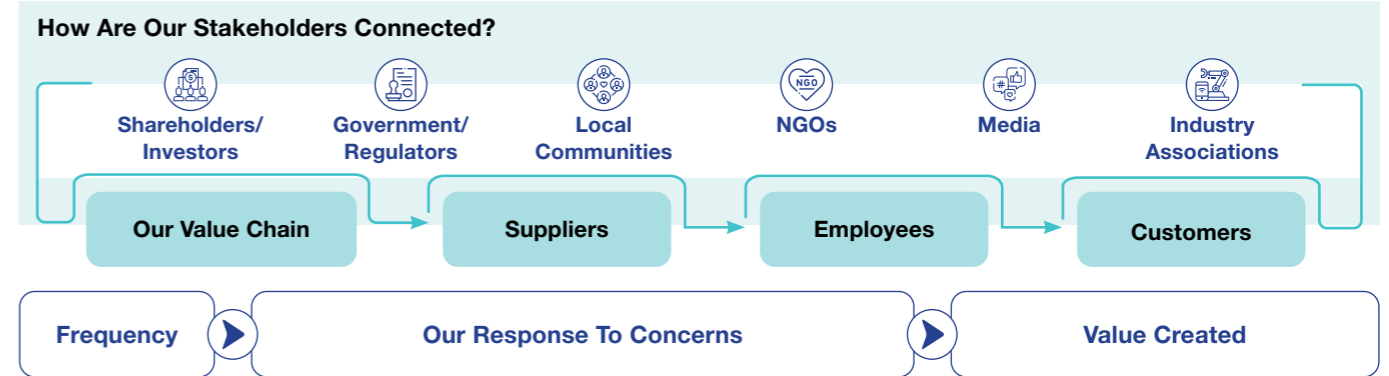
- <https://www.imf.org/en/Publications/WEO/Issues/2022/04/19/world-economic-outlook-april-2022>
- <https://www.statista.com/statistics/856380/per-person-health-spending-globally>
- <https://www.who.int/news-room/fact-sheets/detail/ageing-and-health>
- <https://www.imf.org/en/Publications/WEO/Issues/2022/07/26/world-economic-outlook-update-july-2022>
- <https://tradingeconomics.com/united-states/interest-rate>

Stakeholder Engagement

Stakeholder Engagement

STAKEHOLDER ENGAGEMENT

Our value creation model is very much designed based on multi stakeholder facets because we are aware that our business strategies would not work if formulated and obtruded from top down. We continually engage with stakeholders via different channels, respond to their concerns and expectations in order to align their key priorities with our business strategy. The outcome of the engagement enables us to identify upcoming market trends, anticipate challenges and align our sustainability strategy and business activities with broader interests of the economy, society and environment.



Stakeholder Group	Why We Engage	Top 5 Material Matters Concerned	How We Engage	Frequency	Our Response To Concerns	Value Created
<p>Employees Employees are the lifeblood of the Group's business. Skilled management is needed to steer the Company and keep the business running to achieve Top Glove's long term goals.</p>	<ol style="list-style-type: none"> Labour Management Relations Product Quality & Safety Environmental Compliance Human Rights Customer Experience 	<ul style="list-style-type: none"> Employee assembly Employee satisfaction survey Performance appraisal review Recreational activities/empowerment and training opportunities Newsletters Corporate events 	<ul style="list-style-type: none"> Weekly Annually Half yearly As needed 	<ol style="list-style-type: none"> Employee engagement survey Improved Grievance Procedure Improved workers' accommodation according to regulations Independent Audits on labour practices Workers' town hall Training on social and environmental aspects Training on product quality & safety Tighten quality control 	<ol style="list-style-type: none"> Strong relationships with employees Stronger motivation to improve productivity Improved awareness on environmental compliance and product quality & safety 	
<p>Customers Our products ensure safe human protection globally. Fulfilling global customers' needs is our responsibility.</p>	<ol style="list-style-type: none"> Environmental Compliance Supply Chain Management Product Quality & Safety Customer Experience Human Rights 	<ul style="list-style-type: none"> Meetings Social compliance audits Customer portal Business trips Tradeshows 	<ul style="list-style-type: none"> As needed Annually 	<ol style="list-style-type: none"> Incorporated environmentally-friendly practices in manufacturing process Initiated traceability study Product inspections prior to delivery to customers Quality testing of random samples from finished products by Quality Assurance Department Customer satisfaction survey SMETA and BSCI social audits initiated by Top Glove and customers 	<ol style="list-style-type: none"> Stronger customer relationships, leading to larger customer base and improved retention Increased brand relevance globally Renewal of product licenses and business permits Customer satisfaction 	
<p>Shareholders/Investors, Analysts & Bankers Shareholders and investors invest in the Group's business and we are compelled to deliver financial performance and strategic decisions for future prospect.</p>	<ol style="list-style-type: none"> Product Quality & Safety Environmental Compliance Labour Management Relations Ethics, Integrity & Governance Supply Chain Management 	<ul style="list-style-type: none"> Analysts' briefings Annual feedback form General meetings Analysts/fund managers/investors meetings Roadshows and conferences Social media platform 	<ul style="list-style-type: none"> Quarterly Annually Annually and as needed As needed 	<ol style="list-style-type: none"> Innovation through R&D Investment in automation and digitalisation Updated corporate website Improvement on environmental best practices Implementation of the ISO 37001 Anti-Bribery Management System Initiated traceability study 	<ol style="list-style-type: none"> Maintained investors' confidence Transparency in corporate governance reporting and practices Wider product range Consistent product quality and lower production cost 	
<p>Suppliers Suppliers provide necessary materials and services for us to produce products and deliver to customers. We work closely and maintain good relationships with them.</p>	<ol style="list-style-type: none"> Environmental Compliance Ethics, Integrity & Governance Product Quality & Safety Labour Management Relations Supply Chain Management 	<ul style="list-style-type: none"> Audits and site visits Meetings Electronic procurement network 	<ul style="list-style-type: none"> Annually As needed 	<ol style="list-style-type: none"> Handle, store, use and dispose materials in environmentally-sound manner Updated Business Partners' Code of Conduct Quality testing of random samples from finished products by Quality Assurance Department Regular meetings and interactions on issues encountered Supplier audits COVID vaccination for employees 	<ol style="list-style-type: none"> Sustainable sourcing process Business reputation and integrity assured Stronger business relationship with suppliers 	

Stakeholder Engagement

Stakeholder Engagement

Stakeholder Group	Why We Engage	Top 5 Material Matters Concerned	How We Engage	Frequency	Our Response To Concerns	Value Created
<p>Government/Regulators Governmental bodies regulate our daily business activities. It is our responsibility to comply with applicable local, national and international laws and regulations.</p>		<ol style="list-style-type: none"> Environmental Compliance Human Rights Labour Management Relations Waste & Effluent Ethics, Integrity & Governance 	Formal meetings include factory/ hostel visits	As needed	<ol style="list-style-type: none"> Adherence to Environmental Quality Act (1974) Factories certification with ISO 14001 Environmental Management System Enhance social compliance and Human Rights & Ethical Conduct by reference to UNGP Business & Human Rights Disposal of scheduled waste and discharge of effluent according to the Department of Environment's (DOE) standards Implementation of the ISO 37001 Anti-Bribery Management System 	<ol style="list-style-type: none"> Renewal of product licenses and business permits Employees' rights assured Business reputation and integrity assured Compliance with governmental regulations
<p>Local Communities We are cognisant that our operations may have an effect to the nearby community. We are dedicated to assuage their concerns and uplift the community.</p>		<ol style="list-style-type: none"> Waste & Effluent Infectious Diseases Environmental Compliance Occupational Health & Safety Human Rights 	Engagements with local councils and Residence Associations Community support programmes	As needed	<ol style="list-style-type: none"> Disposal of scheduled waste and discharge of effluent according to the Department of Environment's (DOE) standards Monitoring of direct and indirect emissions COVID vaccination for employees and local communities Independent audits on social compliance TGGD Clinic is open to local communities 	<ol style="list-style-type: none"> Sustainable relationship with the local communities Safer and cleaner living environment for the local communities Harmonious community
<p>Non-Governmental Organisations (NGOs) NGOs provide beneficial inputs on our social and environmental initiatives. They also bridge the distance between us and other stakeholders.</p>		<ol style="list-style-type: none"> Environmental Compliance Human Rights Labour Management Relations Ethics, Integrity & Governance Waste & Effluent 	Formal/casual meetings Campaigns	As needed	<ol style="list-style-type: none"> Factories certification with ISO 14001 Environmental Management System Independent audits on social compliance Implementation of the ISO 37001 Anti-Bribery Management System Disposal of scheduled waste and discharge of effluent according to the Department of Environment's (DOE) standards 	<ol style="list-style-type: none"> Positive relationship with NGOs Improved company's image among the public
<p>Media 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>		<ol style="list-style-type: none"> Labour Management Relations Human Rights Environmental Compliance Ethics, Integrity & Governance Physical Impacts on Climate Change 	Quartely financial results' briefings Interviews Media inquiries	Quarterly As needed	<ol style="list-style-type: none"> Independent audits on social compliance Adherence to Environmental Quality Act (1974) Implementation of the ISO 37001 Anti-Bribery Management System Set Scope 1 & 2 emissions reduction target and include Employee Commuting in Scope 3 	<ol style="list-style-type: none"> Increased brand relevance and reputation Transparency in information reporting to all relevant parties
<p>Industry Associations Different associations convey different market insights. Effective engagement and collaboration with them could add value to the Group's long term growth.</p>		<ol style="list-style-type: none"> Human Rights Product Safety & Quality Ethics, Integrity & Governance Labour Management Relations Environmental Compliance 	Formal meetings	As needed	<ol style="list-style-type: none"> Independent audits on social compliance Innovation through R&D Investment in automation and digitalisation Whistleblowing channel Factories certification with ISO 14001 Environmental Management System 	<ol style="list-style-type: none"> Continuous support from industry peers Informational updates about the industry Stronger relationships with our peers Industry peers assured of business integrity and sustainability

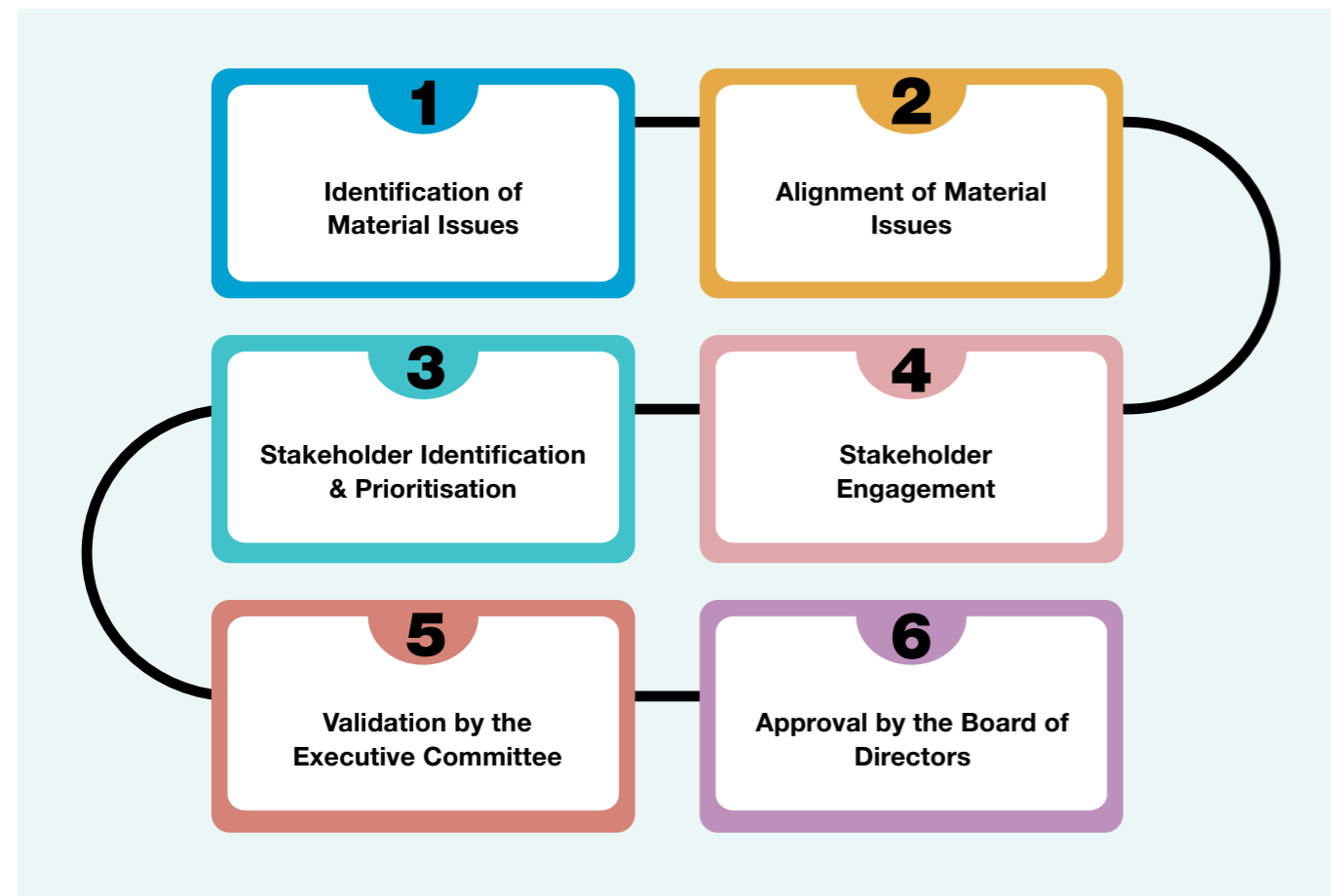
Materiality Assessment 2022

MATERIALITY ASSESSMENT 2022: A TRANSITION PHASE FOR THE GLOVE INDUSTRY POST PANDEMIC

Material ESG issues have a significant impact on our Company's business performance and they are the drivers of our long term value creation. Top Glove conducts a major material assessment every four years and a minor assessment every two years or when there is a need.

In July 2022, Top Glove conducted a minor materiality assessment after FY2021's formal and comprehensive assessment in view of the transition phase which the glove industry is facing post pandemic. We engaged with stakeholders to ensure the prioritisation of materiality issues were still valid and representative. By understanding our stakeholders' concerns and expectations, we can better identify our material issues and areas which we can provide the most value, drive our strategy, allocate effort and resources, and direct our reporting.

The chart below illustrates our holistic approach to the materiality process.



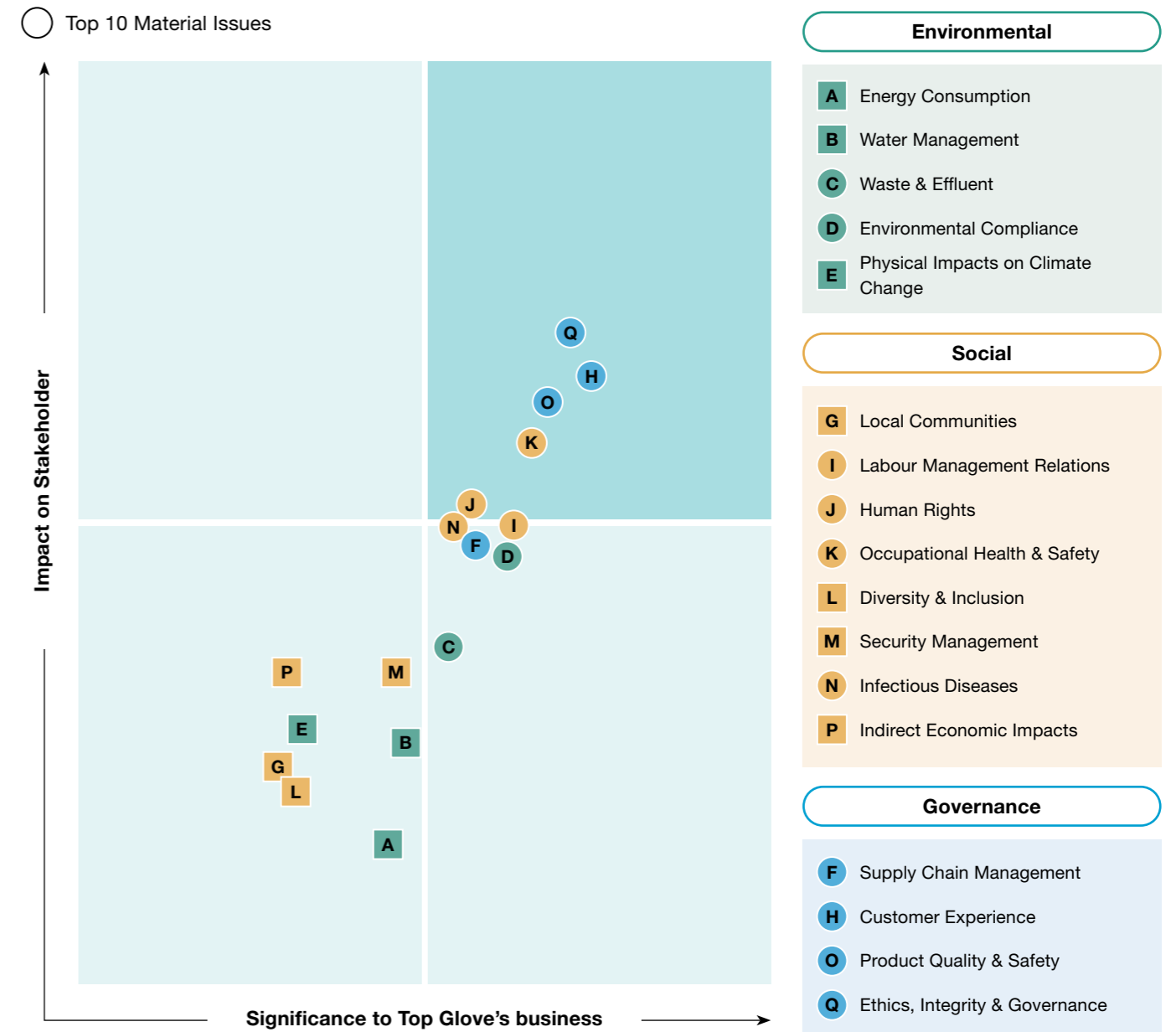
Materiality Assessment Guideline
Scan the QR code to view our Materiality Assessment Guideline
[https://www.topglove.com/storage/sustainability-policies/October2022/Materiality%20Assessment%20Guideline%20\(1\).pdf](https://www.topglove.com/storage/sustainability-policies/October2022/Materiality%20Assessment%20Guideline%20(1).pdf)

Detailed Materiality Process
Scan the QR code to view our Detailed Materiality Process
<https://www.topglove.com/materiality-assessment>

Materiality Assessment 2022

From the responses, we could see changes of the importance of material issues to stakeholders. Ethics, Integrity & Governance has become the most important material issue in the eyes of stakeholders for FY2022. FY2022 is Top Glove's Year of Customer Centricity, multifarious customer-centric programmes were carried out and had successfully raised awareness on the importance of quality product, value add and excellent customer service which are very important to our business sustainability. Hence, we can see an increase in the importance of Customer Experience. Besides that, Product Quality & Safety, Occupational Health & Safety and Human Rights continue to remain in the Top 5 material issues. We have moved Product Quality & Safety, Supply Chain Management and Customer Experience from social to governance sphere to align with our Sustainability Roadmap.

Material Matrix



Materiality Assessment 2022

Materiality Assessment 2022

Environmental				
No.	Material Issue	Related UN SDGs	Related GRI Topic	Page Reference in Sustainability Report 2022
1	Physical Impacts on Climate Change	 	305: Emissions	17 to 28
2	Energy Consumption	 	302: Energy	29 to 31
3	Environmental Compliance		2-27: Compliance with laws and regulations	31 to 32
4	Waste and Effluent	 	306: Waste	32 to 34
5	Water Management	 	303: Water and effluents 2018 306: Waste	35 to 39

Social				
No.	Material Issue	Related UN SDGs	Related GRI Topic	Page Reference in Sustainability Report 2022
1	Human Rights	 	406: Non-discrimination 407: Freedom of association and collective bargaining 408: Child labour 409: Forced or compulsory labour 2-27: Compliance with laws and regulations	41 to 48
2	Labour Management Relations		402: Labour management relations	41 to 48
3	Occupational Health & Safety	 	403: Occupational health & safety	48 to 54
4	Diversity & Inclusion	 	405: Diversity and equal opportunity 406: Non-discrimination	55 to 61
5	Security Management		410: Security practices	62

Social				
No.	Material Issue	Related UN SDGs	Related GRI Topic	Page Reference in Sustainability Report 2022
6	Infectious Diseases	 	403: Occupational health & safety	63 to 64
7	Local Communities	 	413: Local communities	65 to 69
8	Indirect Economic Impacts	 	203: Indirect economic impacts	19 & 53 Reported as part of Task Force on Climate-related Financial Disclosure (page 19) and Promoting Wellness (page 53)

Governance				
No.	Material Issue	Related UN SDGs	Related GRI Topic	Page Reference in Sustainability Report 2022
1	Ethics, Integrity & Governance	 	205: Anti-corruption 418: Customer privacy	71 to 78
2	Product Quality & Safety	 	416: Customer health & safety 2016 417: Marketing & labelling	78 to 79
3	Supply Chain Management	 	204: Procurement practices 308: Supplier environmental assessment 414: Supplier social assessment	80 to 83
4	Customer Experience		417: Marketing & labelling	83 to 84

Our Value Creation Model

Our Value Creation Model

Our model is built with sustainability and responsibility in mind. We leverage on the six capitals to drive our strategic intents, after taking into consideration of our material matters and competitive strengths, which in turn generate the output and the outcomes that reflect the value created for our stakeholders.

Our Capitals and Significance

Financial Capital

- COVID pandemic allows us to strengthen our cash position. Our strong cash flow and robust balance sheet provides us with the ability to implement and execute our growth strategy

Manufactured Capital

- Our high quality facilities and complex manufacturing expertise supported by a wide distribution network across the globe give us a broad revenue base to tap into

Intellectual Capital

- Our targeted products portfolio are backed by R&D initiatives that in line with ESG by enhancing manufacturing process, better energy savings and environment friendly

Human Capital

- We continue to invest in upskilling our human assets through comprehensive talent development and training programmes to create long term business sustainability

Social and Relationship Capital

- We themed FY2022 as year of Customer Centric with focus on developing quality relationships with our stakeholders and bolstering our corporate reputation while contributing back to the communities

Natural Capital

- We had launched Top Glove sustainability policy to reaffirm the Group's commitment to building better community and place to live for all

Strategic Intents

- | | | | |
|--|----------|--|----------|
| To be the world's undisputed leading producer of latex gloves | 1 | To be the world's leading nitrile glove manufacturer | 2 |
| To be the fastest growing surgical solutions provider | 3 | To materialise strategic acquisitions that can contribute at least 20% additional revenue | 4 |

Material Matters

- ENVIRONMENT**
Improving efficiency and investing in solutions that mitigate negative impact on the environment.
- SOCIAL**
Investing in our employees' social well-being to create and foster a supportive and conducive working environment.
- GOVERNANCE**
Pursuing the highest levels of compliance to foster trust in our business practices.



Business Activities

- | | | | |
|-------------------------------------|----------|--|----------|
| Product Pipeline Development | 1 | Manufacturing and Supply Chain Operations | 2 |
| Capital Reinvestment | 3 | Commercialisation | 4 |

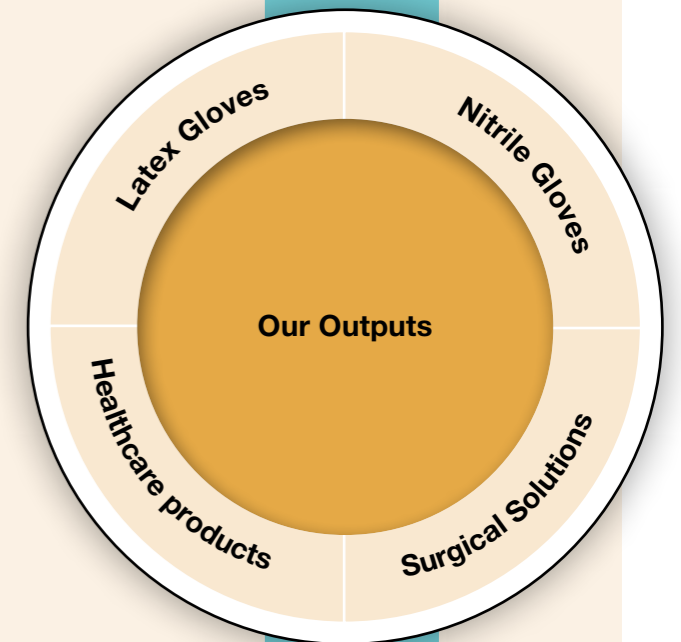
- Our Vision**
To be your world class partner in gloves and healthcare products
- Our Mission**
Ensuring safe human protection globally

Our Outcomes For FY2022

- 1. Financial Capital: Displaying Financial Strength and Sharing Wealth**
 - Net profit of **RM282 million**
 - Earnings per share of **2.82 sen**
 - Total dividend of **RM547 million** distributed to shareholders
- 2. Manufactured Capital: Developing Quality Products and Providing Access Worldwide**
 - Capital expenditure of **RM0.9 billion**
 - RM4.5 billion** worth of property, plant and equipment
 - 50** factories with manufacturing capabilities of **100 billion** pieces of gloves per annum
- 3. Intellectual Capital: Investing in Innovation**
 - 11** R&D centres dedicated to driving innovation
 - 117** patents applied
 - 18** new products developed

Competitive Strengths

- Well-positioned global market leader
- Comprehensive and high quality product portfolio
- Extensive sales network and diverse customer base
- Strategic manufacturing footprint with best-in-class support
- Strong research and development capabilities and technical expertise
- High corporate governance standards



Our Outcomes For FY2022

- 4. Human Capital: Developing, Engaging and Leveraging on Our People**
 - Average training hours per employee of **55.5 hours**
 - Total training expenses of **RM0.8 million**
- 5. Social and Relationship Capital: Giving Back to The Local Communities and The Nation**
 - Total volunteering hours of **22,219 hours**
 - RM0.9 million** donated to local communities via Top Glove Foundation
- 6. Natural Capital: Creating A Sustainable Environment for All**
 - 5.75 GWh** generated from solar panels
 - 2.89 million cubic meter** of water recycled and reused

Our Business Strategies

Our Business Strategies

To be the world's number one gloves manufacturer, we focus on strengthening our fundamentals to adapt into the challenging market environment, remain our commitment on ESG initiatives with the vision and mission to build a better future and create sustainable values for our stakeholders and community. Our focus areas, namely cost efficiency, product quality, customer service, and strategic acquisitions, drive our strategic intents which aim to expand and cement our operations, drive business competitiveness through time and create meaningful value for stakeholders. Our Value Creation Model has guided us in our strategy and decision making to adapt into the challenging business environment.

Our Focus Areas



Cost Efficiency



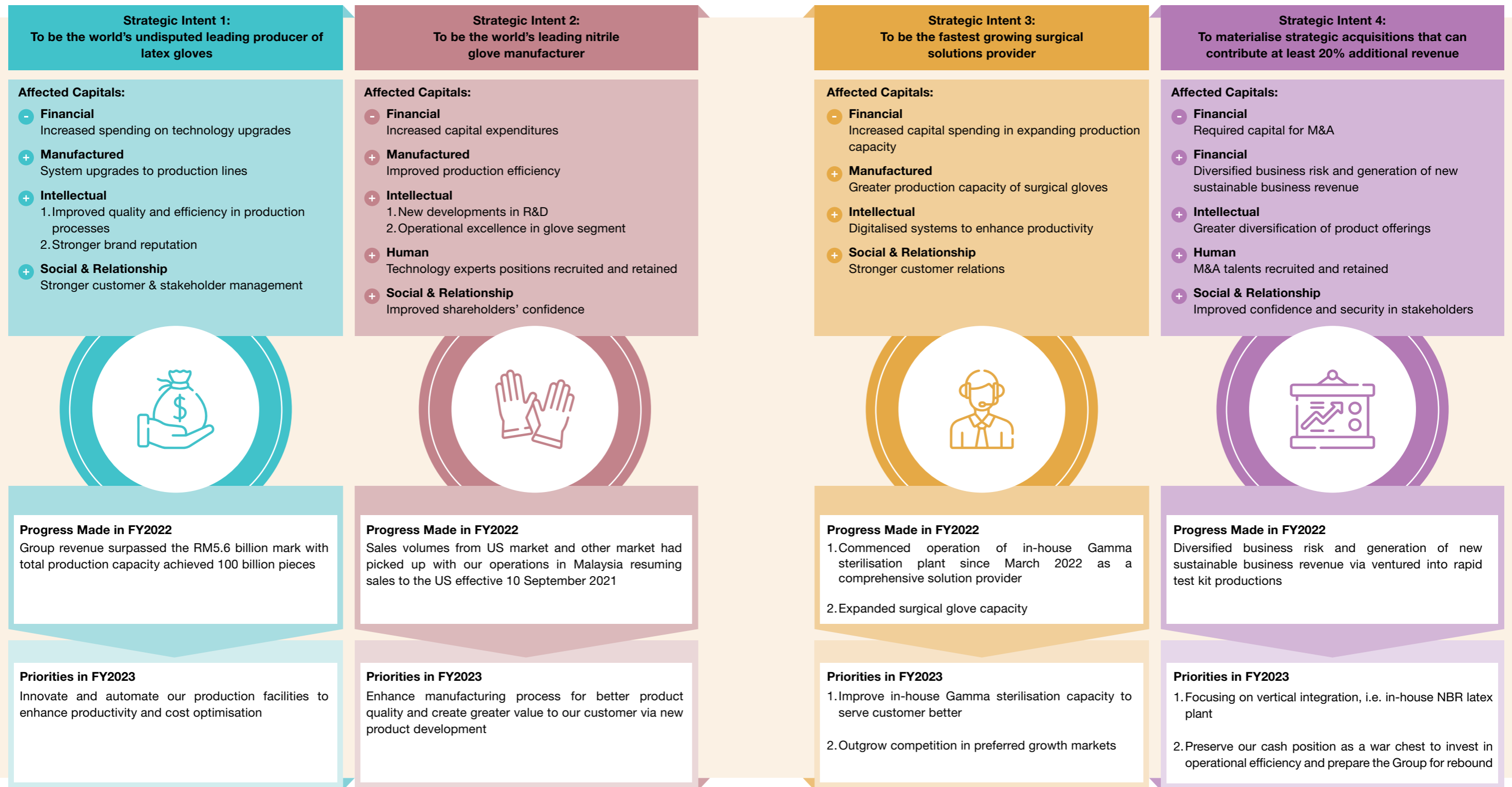
Product Quality



Customer Service



Strategic acquisitions



Sustainability Strategy

Sustainability Strategy

TOP GLOVE FY2025 SUSTAINABILITY BLUEPRINT STRUCTURE

Top Glove strives to advance into a sustainable business at heart. We revamped our sustainability strategy to better deliver on our commitment towards sustainable development. The Top Glove FY2025 Sustainability Blueprint Structure is driven by our Company Mission and focuses on three strategic themes namely Environmental, Social and Governance which are supported by five sustainability goals.

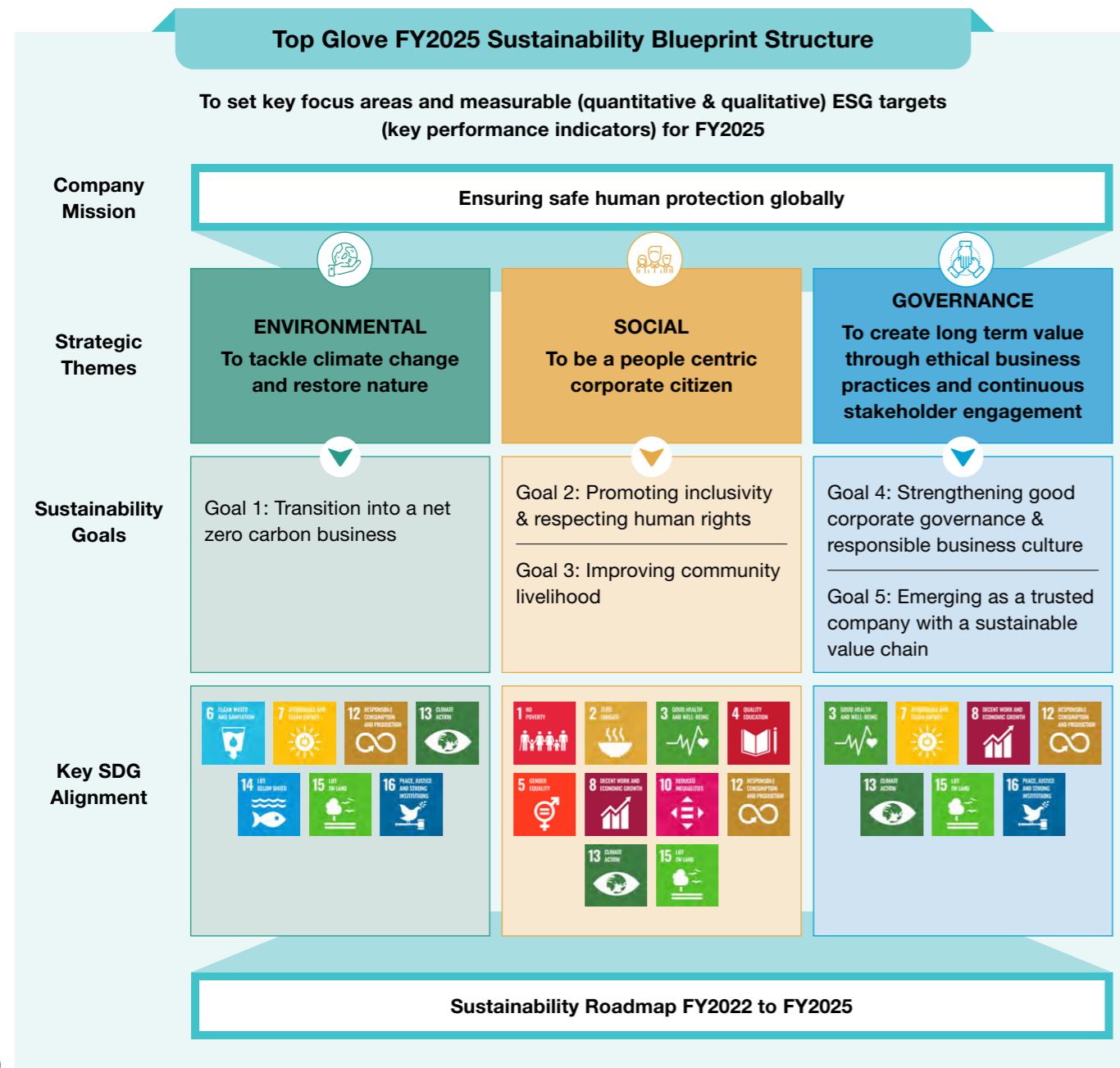
Top Glove's sustainability strategy is sculptured in parallel with the 10 principles of the United Nations Global Compact (UNGC) and we expanded our key United Nations Sustainable Development Goals (SDGs) alignment to 14 out of the 17 goals. Accordingly, the birth of our Sustainability Roadmap FY2022 to FY2025 mapped out measurable medium term ESG targets and set a commitment for the Group to incorporate these important aspects not only in its daily operations but also in its decision making processes.



Sustainability Report 2022

Scan the QR code to view Sustainability Report 2022

https://tgapp.topglove.com/IAR2022/Sustainability_Report/2022/SUSTAINABILITY%20REPORT%202022.pdf



SUSTAINABILITY ROADMAP FY2022 TO FY2025

Established in FY2022, the Top Glove Sustainability Roadmap FY2022 to FY2025 paths our strategic sustainability goals and ambitious ESG targets to create sustainable value for stakeholders and the environment.

We are committed to making a submission to the Science Based Target initiative (SBTi) for net zero carbon and establish Top Glove's Net Zero Carbon initiative (NZTi) Roadmap in FY2024. Subsequently, we will determine the net zero carbon target year for Top Glove in FY2025.

Measuring Our Performance

We cannot improve what we cannot measure. Hence, we have established Specific, Measurable, Attainable, Relevant and Time-based (S.M.A.R.T.) targets to track the achievement level of each goal. The key FY2025 and interim annual targets are tracked quarterly and reported annually. All target years are financial year end and all reporting data is through FY2022. The targets are built with FY2021 as the baseline, unless specified.

Legend: Progress Tracking to 2025

- Progressing well and on track to achieve targets by 2025
- Progressing with slight delay, to review current approach
- Progressing but lagging, to review and revise targets (if necessary)

2025 Sustainability Goals	2025 Target	Interim 2022 Annual Target	2022 Performance
Goal 1: Transition into a net zero carbon business	1. Reduce carbon emission intensity by 10% to 0.0176 MT/1,000 pcs of gloves <i>*FY2022 as baseline</i>	Restudied the methodology and baseline changed from FY2021 to FY2022	○○●
	2. Reduce electricity consumption intensity by 10% to 7.76 kWh/1,000 pcs of gloves <i>*FY2022 as baseline</i>		
	3. Reduce natural gas consumption by 10% to 0.279 MMBtu/1,000 pcs of gloves <i>*FY2022 as baseline</i>		
	4. Reduce municipal water consumption intensity by 34% to 0.151 m ³ /1,000 pcs of gloves <i>*FY2021 as baseline</i>	Reduce 10% to 0.207 m ³ /1,000 pcs of gloves	Reduced 3.6% to 0.222 m ³ /1,000 pcs of gloves ○●○
	5. Reduce scheduled waste intensity by 13% to 0.140 kg/1,000 pcs of gloves <i>*FY2021 as baseline</i>	Reduce 5% to 0.152 kg/1,000 pcs of gloves	Reduced 5.5% to 0.151 kg/1,000 pcs of gloves ○○●
	6. Divert disposal of scheduled waste from licensed landfill by 74% <i>*FY2021 as baseline</i>	Divert 68%	Diverted 68.4% ○○●
	7. Reduce solid waste by 20% to 8,248 MT <i>*FY2021 as baseline</i>	Reduce 5% to 9,620 MT	Reduced 26.2% to 7,468 MT ○○●
	8. Increase the purchase of inner boxes made with 100% recycled material or FSC paper to 95% in terms of quantity <i>*FY2021 as baseline</i>	Increase to 80%	Achieved 82% ○○●
	9. Reduce a total of 25 types of plastic bag thickness by 0.01 mm <i>*new target</i>	Explore types of plastic bag which have the potential for reduction of thickness by 0.01 mm	Identified 95 types of plastic bags ○○●
	10. Procure bottles made with 50% recycled plastic materials <i>*FY2021 as baseline</i>	Explore plastic bottles made with 25% recycled plastic materials	Explored bottles made with 25% and 40% recycled materials ○○●

Sustainability Strategy

Sustainability Strategy

2025 Sustainability Goals	2025 Target	Interim 2022 Annual Target	2022 Performance
Goal 1: Transition into a net zero carbon business	11. Continue to procure refill packs for liquid detergent by 50% of the quantity of bottles purchased <i>*FY2021 as baseline</i>	Explore to procure refill packs	Sourced refill pack samples ○○●
	12. Reduce usage of virgin plastic resin in stretch film packing by 40% <i>*new target</i>	Explore alternate materials and method for packing	Explored different material and method of wrapping stretch film and conducted testing to prove the effectiveness ○○●
	13. Reduce paper usage by 80% to 12,600 kg <i>*FY2021 as baseline</i>	Reduce 20% to 50,400 kg	Reduced 56.9% to 27,907 kg ○○●
Goal 2: Promoting inclusivity & respecting human rights	1. Social compliance audit rating BSCI: 100% factories audited achieve 'A' rating SMETA: 100% factories audited achieve not more than 5 NCs/factory <i>*FY2021 as baseline</i>	BSCI: 100% factories audited achieve 'A' rating SMETA: 90% factories audited achieve not more than 10 NCs/factory	BSCI: 75% factories audited achieved 'A' rating ○○● SMETA: 96% factories audited achieved not more than 10 NCs/factory ○○●
	2. Create 30,000 job opportunities <i>*FY2021 as baseline</i>	Create 7,300 job opportunities	Created 6,378 job opportunities ○○●
	3. Achieve 50% female leadership in managerial positions (manager and above) <i>*FY2021 as baseline</i>	Achieve 44%	Achieved 50% ○○●
	4. Reduce occupational accident rate to 2.77 per 1,000 workers <i>*FY2021 as baseline</i>	Reduce to 3.12 per 1,000 workers	Reduced to 2.99 per 1,000 workers ○○●
	5. 95% of contractors to pass safety evaluation <i>*FY2021 as baseline</i>	Achieve 65%	Achieved 80.2% ○○●
Goal 3: Improving community livelihood	Projects championed by Top Glove Foundation:		
Education Pillar			
<ul style="list-style-type: none"> TG Scholarship Award: Provide scholarships to degree students EduShare Programme: Provide reconditioned laptops to underprivileged students 			
Environment Pillar			
<ul style="list-style-type: none"> Mangrove Nursery & Planting Project: Build mangrove nursery and plant mangrove propagules Grow Green Project: Propagate potted plants to create a greener work environment 			
Community Pillar:			
<ul style="list-style-type: none"> Lend A Hand (LAH) Project: Support underserved families in cash/kind 			

2025 Sustainability Goals	2025 Target	Interim 2022 Annual Target	2022 Performance
Goal 4: Strengthening good corporate governance & responsible business culture	1. Achieve ISO 45001 Occupational Health & Safety Management System certification for 100% of our factories (43 out of 43 factories) <i>*FY2021 as baseline</i>	Certify 3 factories or achieve 14% (6 out of 43 factories)	Certified 3 factories or achieved 14% (6 out of 43 factories) ○○●
	2. Maintain ISO 9001 Quality Management System certification for 100% of our factories (43 out of 43 factories) <i>*FY2021 as baseline</i>	Certify 6 factories or achieve 100% (43 out of 43 factories)	Certified 6 factories or achieved 100% (43 out of 43 factories) ○○●
	3. Achieve ISO 14001 Environmental Management System certification for 100% of our factories (43 out of 43 factories) <i>*FY2021 as baseline</i>	Certify 7 factories or achieve 42% (18 out of 43 factories)	Certified 6 factories or achieved 40% (17 out of 43 factories) ○●○
	4. Achieve ISO 50001 Energy Management System certification for 100% of the selected factories (12 out of 12 factories) <i>*12 factories are selected based on factories energy performance and system readiness</i> <i>*FY2021 as baseline</i>	Certify 3 factories or achieve 25% (3 out of 12 factories)	Certified 3 factories or achieved 25% (3 out of 12 factories) ○○●
	5. Achieve ISO 37001 Anti-Bribery Management System certification for 100% entities (15 out of 15 entities) <i>*FY2021 as baseline</i>	Certify 3 entities or achieve 53% (8 out of 15 entities)	Certified 3 entities or achieved 53% (8 out of 15 entities) ○○●
	6. Certify related factories with FSC certification within 6 months of customer request <i>*new target</i>	Certify 1 factory under packaging manufacturer and additional 1 glove factory	Certified 1 factory under packaging manufacturer and additional 1 glove factory ○○●
Goal 5: Emerging as a trusted company with a sustainable value chain	1. Conduct supplier audit to 100% active critical suppliers (new & existing) on ESG metrics <i>*FY2021 as baseline</i>	Conduct to 70%	Conducted to 93% ○○●
	2. Achieve 70% traceability to plantations of natural rubber sourcing <i>*new target</i>	Map 1 st tier suppliers for our latex concentration plants	Mapped 1 st tier suppliers for our latex concentration plants and developed traceability template for data collation ○○●

Managing Our Risks and Opportunities

Managing Our Risks and Opportunities

For financial year ended 31 August 2022, the significant risks to the Group are as follows:

BUSINESS

Risk

With the aims to cementing its position as the world's leading and largest glove manufacturer, the Group has earlier pursued in ramping up its glove production capacity to meet with global demand. Given with the challenging operating environment where the effect of normalisation in demand and price correction take place, its utilization rate of the production capacity will be mainly subjected to the effect of endemic and imbalance oversupply situation.

Mitigation

- In consideration of the oversupply situation due to additional aggressive expansion from existing and new players during the pandemic period, the Group has taken several measures to mitigate the impact which include a deferment in its expansion plans to reduce capacity expansion, which most of the players are doing the same as well.
- A profound strategy for production facilities 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 players 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

The Group's exposure to operation risk arises primarily from the potential equipment breakdown, insufficient raw materials, fire outbreak, electricity interruption, water shortage or gas curtailment which could cause unplanned downtime at the factory production lines.

Mitigation

The Group addresses these risks by maintaining sound risk management policies and a high standard and cost-efficient preventive maintenance regime coupled with technical and operating efficiency of its assets.

Opportunities

The Group would be able to scale in its core operations, provide a stable and cost-effective platform that enhance its operational capabilities and efficiency.

INFORMATION TECHNOLOGY, DIGITALISATION AND CYBER

Risk

With the Group's initiatives to increase automation and digitalisation, it also increases the complexity on integrating the production at factories with the information management system. The Group's business may be vulnerable to security breaches to key systems, assets and facilities resulting from cyber-attacks or sabotage. Potential disruptions to operational systems or destruction of facilities from such security breaches can adversely affect the Group's reputation, business and financial results.

Mitigation

- To mitigate the risk, the Group's IT Department stays vigilant in identifying and addressing any potential cyber threats.
- In addition, IT Department continuously upgrades and enhances its security system.

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 products with lower operation cost.

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

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

Opportunities

Regular monitoring of changes in regulatory requirements to ensure adherence to the local and international laws provide reasonable assurance that the Group's operations and activities are conducted in line with key regulatory requirements in all of its operating countries. This will also ensure the Group's reputation is protected from any adverse impact.

Managing Our Risks and Opportunities

PEOPLE

Risk

The Group exports to 195 countries and produces different type of gloves catering for different customer's needs of different markets. Taking into consideration of the complexity in term of order and requirement, the Group requires workers to assist in its production lines. Any changes or developments in the source countries' labour-sending policies, public attitudes towards migration and the interaction with Malaysian Government's policies would have an effect on the labour supply, this will impact the Group's production operation.

Mitigation

1. The Group's in-house Legal Department and Human Resource 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 practice and committed to comply with the United Nations Guiding Principles on Business and Human Rights and Internal Labour Organisation's best labour practices to promote the resilience of glove industry.
3. A dedicated manpower utilization plan is established and reviewed on a regular basis to ensure sufficient labour supply in catering the Group's operational needs.
4. The Group has continually move towards the adoption of technology and automation to minimize 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 practise 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 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.

MARKET

Risk

As 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, 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 minimizing the impact on its financial performance caused by 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 maximizing its market value while minimizing the cost of capital.

SUSTAINABILITY

Risk

While many countries have reopened up their boarder and gradually removed the travel restrictions, emerging of a new COVID variant could expose the Group to risk of supply chain disruption arising from global shipment congestion and global manufacturing and production crisis. Risk of receiving below average quality goods and lack of upstream material heightened due to the Group's dependency on a few sources of supplier and/or on other countries to fulfilling some components of the raw materials which faced shortages from the local suppliers. Apart from the traditional key considerations to be scrutinized 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. 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 for 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 Groups' sustainability efforts and steers ESG strategies into a competitive advantage to generate long term value for stakeholders.

Opportunities

The Group's ongoing efforts to localise supply chains and placing priorities to the 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 requirements to ensure adherence and to provide reasonable assurance that the Group operates in line with environmental and social requirements in all operating countries.

2022 Sustainability Highlights

All content and data in this Creating Sustainable Value section has been verified & assured by external assessor, SIRIM QAS International Sdn Bhd.

2022 SUSTAINABILITY HIGHLIGHTS

Resumed exporting and selling gloves to U.S.A.

following modification of finding by U.S. Customs and Border Protection (CBP) on 10 September 2021



U.S. Customs and Border Protection

Maintained inclusion on Dow Jones Sustainability Indices (DJSI) for four consecutive years, **ranked top 3%** (as at 21 October 2022) in the **Healthcare Equipment & Supplies** industry with a score of 67 out of 100

The **first Malaysian glovemaker to be included in 2022 Bloomberg Gender Equality Index** with an above industry average score



Notched another first with inclusion in the **S&P Global Sustainability Yearbook 2022** with an Industry Mover distinction

Sustainability Award Industry Mover 2022

S&P Global

Ranked **Top 16%** amongst the **Healthcare Sector on the FTSE Russell ESG Ratings, scored 3.7 out of 5.0**, reflecting an increase of about **20%**



Became a **member of the United Nations Global Compact Network in March 2022** to accelerate the Group's corporate sustainability agenda



Launched ESG World platform

on its website for easy public access to Top Glove's comprehensive sustainability information



Established Traceability Committee as part of the effort to **achieve 70% traceability to natural rubber plantations**



Entered into a **20-year Power Purchase Agreement** on Earth Day 2022

Launched **Top Glove Sustainability Policy** and revised the **Business Partners' Code of Conduct**

Committed to submit to the **Science Based Target initiative (SBTi)** for Net Zero Carbon in FY2024 and set Net Zero Carbon target year in FY2025



DRIVING AMBITIOUS CORPORATE CLIMATE ACTION



Sustainability Report 2022

Pages 66 to 77 are a summary of Top Glove's Sustainability Highlights for FY2022. For more details on Top Glove's sustainability related performance, scan the QR code to view our Sustainability Report 2022.

https://tgapp.topglove.com/IAR2022/Sustainability_Report/2022/index.php



Environmental: Tackling Climate Change and Restoring Nature

Environmental

2022 ENVIRONMENTAL HIGHLIGHTS

Refined carbon emissions calculation to align with GHG Protocol

Solar power system implementation at **8 factories** with capacity of **5.34 MWp** as at FY2022

17 factories certified with Environmental Management System ISO 14001 as at FY2022

3 factories certified with ISO 50001 Energy Management System as at FY2022

Approximately **98%** of packaging materials (in terms of quantity) made of recycled or recyclable material

Approximately **1,500 eco bricks** made as at FY2022 under Eco Brick Programme towards reducing plastic waste

Built the first **2 nurseries** and harvested a total of **1,300 mangrove propagules**

86,262 trees planted at a 30,773 hectare plantation land in Indonesia as at FY2022 and able to absorb approximately 1,811 MT of CO₂

Nearly **0.4 million** formers reglazed and reused, resulting in cost savings of **RM1.8 million** for reglazing and conversion as well as waste disposal management

Rubber Reclaimed Project estimated to avoid **80 MT of CO₂eq emissions** by preventing **27,163 kg of nitrile waste** being incinerated

Our Sustainability Roadmap has become our comprehensive strategy for sustainability. It sets forth ambitious targets that we intend to achieve by 2025.

It sets out 5 key goals relevant to our stakeholders across our business and wider supply chain: transitioning to a net zero business, Promoting inclusivity and respecting human rights, Improving community livelihood, Strengthening good corporate governance and responsible business culture and Emerging as a trusted company with a sustainable value chain.

We developed our strategy in consultation with our stakeholders, drawing upon global standards and frameworks to determine a series of commitments under each impact area. Furthermore, it sets out our approach to continue supporting the UN's Sustainable Development Goals (SDGs).

GOAL 1: TRANSITION INTO A NET ZERO CARBON BUSINESS



Top Glove is cognisant that our business and operational activities can potentially impact the environment. We are committed to adapt and mitigate climate change by continuously refining our manufacturing processes and practices as we uphold environmental stewardship in our practice. The Group aspires to achieve net zero carbon emissions through leveraging on innovation and technology.

Capital	Material Issues	Initiatives	Value Created
<ul style="list-style-type: none"> Manufactured Intellectual Natural 	<ul style="list-style-type: none"> Physical Impacts on Climate Change Energy Consumption Environmental Compliance Waste & Effluent Water Management 	<ul style="list-style-type: none"> Renewable energy and energy saving projects Innovative product development Waste reduction and recovery practices Water conservation facilities 	<ul style="list-style-type: none"> Optimised resources consumption Impactful landfill mitigation Environmental pollution prevention

Task Force on Climate-related Financial Disclosure (TCFD)

In line with our support of the TCFD, Top Glove aims to better articulate climate related risks that have a financial impact on our business in accordance with the four (4) core elements of recommended climate related financial disclosure as detailed below.

Sustainability Governance

With regard to sustainability governance, the Board is supported by the Board Sustainability Committee (BSC) which was established in March 2019 towards strategically integrate sustainability across key aspects of Top Glove's business. The BSC comprises four independent directors and is chaired by a Senior Independent Director. The BSC provides oversight to Top Glove's sustainability strategy including climate-related risks, opportunities and initiatives that drive climate change mitigation and adaptation strategies, as well as key Environmental, Social and Governance target setting and performance tracking. This Committee is supported by the Sustainability Steering Group (SSG) is chaired by our Managing Director and its members consist of all Heads of Departments across the company. During monthly meetings, the SSG members brainstorm and plan for the execution of climate-related strategies; monitor the ESG performance of our operations against Top Glove's sustainability goals and targets; and track and submit their report to the Sustainability Department quarterly. For more details on the sustainability governance structure, please refer to page 71 in Sustainability Report 2022.

Environmental

Environmental


Strategy

Climate Change Scenario Analysis

Climate change presents a range of risks and opportunities that could impact and benefit Top Glove. These can be categorised into transition risks (which incorporates policy and legal, technology, market and reputation risk) and physical risks. Aligned with the recommendations of TCFD, Intergovernmental Panel on Climate Change (IPCC), and best practices, Top Glove conducted its first climate change scenario analysis in FY2022 across our value chain. Central to the TCFD recommendations in assessing risks and opportunities across future time horizons and climate scenarios, Top Glove's analysis focused on two scenarios. These scenarios are based on the Representative Concentration Pathways (RCPs) set out by the IPCC. These scenarios are also aligned with the IPCC's RCP2.6 and RCP8.5 pathway with the intention to present sharp contrast.

The table below outlines potential significant climate-related risks and opportunities identified through our qualitative assessment. Our analysis of materiality will be refined over time to be aligned with the mechanisms used to quantify risks and opportunities.

Climate Change Scenario	Type	Climate Related Risks	Potential Financial Impacts	Strategies
RCP8.5 Limited climate action leading to global warming of 4 degrees Celsius above preindustrial levels by 2100	Physical Risks [acute and chronic risk]	a. Rising mean temperatures which lead to increased frequency of drought	a. Reduced revenue from decreased production capacity (e.g. transport difficulties, supply chain interruptions) b. Reduced revenue and higher costs from negative impacts on workforce (e.g. health, safety, absenteeism) c. Increased operating costs (e.g. inadequate water supply for hydroelectric plants or to cool nuclear and fossil fuel plants) d. Increased capital costs (e.g. damage to facilities)	a. Installed recycled water at Reverse Osmosis (RO) plant system 30 m ³ /hour. b. Increased water storage tank capacity and rainwater harvesting. c. Service replacement new RO membrane stage 1 and 2 to increase RO capacity. d. Installed new Ultrafiltration (UF) tank 20 m ³ to increase RO system capacity from 280 m ³ per day to 500 m ³ per day. e. Collaborated with Air Selangor in Skim Perpaipan Air Selangor (IWSS) to have new piping system from Lam Bee reservoir for selected factories in Klang to mitigate water stress issue
		b. Increased severity of extreme weather events such as floods	e. Reduced revenues from lower sales/output f. Increased insurance premiums and potential for reduced availability of insurance on assets in 'high-risk' locations	a. Implementation and installation of Watergate System, Stick gate, Super Pump, Flood retention ponds to prevent flood. b. On-Site Detention Ponds are in place at new factories. c. Regular maintenance [every 3 months] to clear drains and rivers by relevant authorities and companies. d. Desilting work at ponds, upgrading to higher pond bundwalls and installation of Gabion Weir at its outlet to slow down downstream water flow rates.

Climate Change Scenario	Type	Climate Related Risks	Potential Financial Impacts	Strategies
RCP8.5 Limited climate action leading to global warming of 4 degrees Celsius above preindustrial levels by 2100		In FY2022, we further invested RM690,448 in flood mitigation initiatives. <div style="border: 1px solid black; padding: 5px; width: fit-content;">  <p>Flood control & water flow initiatives Scan the QR code to view our flood control & water flow initiatives (under Facilities Investment & Improvement section)</p> <p>https://www.topglove.com/environment</p> </div>		e. Conduct survey to obtain data for the hydraulic modelling simulation to identify bottleneck areas. f. To raise up the lid culvert and install new extension at U-drain to improve water flow. g. Daily, weekly and monthly check and monitoring is scheduled to ensure all prevention systems are in good condition. h. Upgrade old small pipe culvert into bigger dimension where needed for better water flow. i. Constructed drain diversion along Jalan Setia Murni, Shah Alam, Malaysia with controlled floodgates to reduce water load towards the main monsoon drain. j. Assisted nearby local residential area with installation of electrical submersible pump and flood gate.
	Opportunity [Products]	a. Increased demand for PPE due to the extreme weather and possible outbreak of disease	a. Increased revenue through high demand for PPE	Top Glove is equipped with 812 production lines and a production capacity of 100 billion pieces of gloves per annum.
RCP2.6 Aligns with the goals of the Paris Agreement and requires steep global annual emissions reductions, sustained for decades, to stay within a 1.5 degrees Celsius carbon budget	Transition Risk [Policy and Legal]	a. Increased carbon pricing and carbon tax b. Enhanced emissions reporting obligations c. Mandates on and regulation of existing products and services d. Exposure to litigation	a. Increased operating costs (e.g. higher compliance costs, increased insurance premiums) b. Write-offs, asset impairment, and early retirement of existing assets due to policy changes c. Increased costs and/or reduced demand for products and services resulting from fines and court judgements	a. Involved in discussions with peers and organisations such as UN Global Compact Network Malaysia & Brunei (UNGCMYB) and CEO Action Network (CAN) on the carbon pricing and carbon tax b. Installed solar power in 2020 and renewed the solar power PPA to increase total solar capacity from 5.34 MWp to 15.47 MWp c. As at FY2022, 17 factories certified with ISO 14001 with a target to achieve 100% certification by FY2025 to ensure compliance with the Environmental Management System

Environmental

Environmental

Climate Change Scenario	Type	Climate Related Risks	Potential Financial Impacts	Strategies
RCP2.6 Aligns with the goals of the Paris Agreement and requires steep global annual emissions reductions, sustained for decades, to stay within a 1.5 degrees Celsius carbon budget	Transition Risk [Technology]	<ul style="list-style-type: none"> a. Substitution of existing products with lower emissions options b. Unsuccessful investment in new technologies c. Costs to transition to lower emissions technology 	<ul style="list-style-type: none"> a. Write-offs and early retirement of existing assets b. Reduced demand for products and services c. Research and development (R&D) expenditures in new and alternative technologies d. Capital investments in technology development e. Costs to adopt/deploy new practices and processes 	<ul style="list-style-type: none"> a. Established a Digitalisation & Automation Department in 2019 to focus on data digitalisation for near real time monitoring b. Automation projects at operations to increase efficiency and reduce energy consumption c. Our Engineering Department performs continuous studies on projects which could reduce the carbon emission such as combined heat and power (CHP) system
	Transition Risk [Market]	<ul style="list-style-type: none"> a. Changing customer behavior b. Uncertainty in market signals c. Increased cost of raw materials d. Increased demand for low carbon products to reduce emissions resulting in loss of competitive advantage if Top Glove fails to act 	<ul style="list-style-type: none"> a. Reduced demand for products due to shift in consumer preferences b. Increased production costs due to changing input prices (e.g. energy, water) and output requirements (e.g. waste treatment) c. Abrupt and unexpected shifts in energy costs d. Change in revenue mix and sources, resulting in decreased revenues e. Re-pricing of assets (e.g. fossil fuel reserves, land valuations, securities valuations) 	<ul style="list-style-type: none"> a. Production of biodegradable gloves since 2019 b. Innovate more green products and adopt circular economy to recover nitrile waste into new product such as rubber gasket, rubber sealant etc. c. Top Glove targets to commission our own nitrile plant by 2023 which is one of the important raw materials d. Top Glove has our own printing company, Eastern Press which is FSC certified for printing of inners and cartons
	Transition Risk [Reputation]	Increased stakeholder concern or negative stakeholder feedback	<ul style="list-style-type: none"> a. Reduced revenue from decreased demand for products b. Reduced revenue from decreased production capacity (e.g. delayed planning approvals, supply chain interruptions) c. Reduced revenue from negative impacts on workforce management and planning (e.g. employee attraction and retention) 	<ul style="list-style-type: none"> a. Regular updates with stakeholders on any initiative implemented by Top Glove b. Sustainability Steering Group chaired by the Managing Director and consists of all Heads of Departments meets monthly to ensure ESG targets are on track c. Assurance audit by a third party for the Sustainability Report to ensure the data credibility
	Opportunity [Resource Efficiency]	<ul style="list-style-type: none"> a. Use of more efficient modes of transport b. Use of more efficient production and distribution processes c. Use of recycling 	<ul style="list-style-type: none"> a. Reduced operating costs (e.g. through efficiency gains and cost reductions) b. Increased production capacity, resulting in increased revenues 	<ul style="list-style-type: none"> a. Take business travel into account to ensure the efficient modes of transport are used b. Organise recycling programme such as Fabric Recycling Project where donated fabrics will be upcycled and recycled to produce cleaning cloths and bags. This is aligned with the Circular Economy concept as well.

Climate Change Scenario	Type	Climate Related Risks	Potential Financial Impacts	Strategies
RCP2.6 Aligns with the goals of the Paris Agreement and requires steep global annual emissions reductions, sustained for decades, to stay within a 1.5 degrees Celsius carbon budget	Opportunity [Resource Efficiency]	<ul style="list-style-type: none"> d. Move to more efficient buildings e. Reduced water usage and consumption 	<ul style="list-style-type: none"> c. Increased value of fixed assets (e.g. highly rated energy-efficient buildings) d. Benefits to workforce management and planning (e.g. improved health and safety, employee satisfaction) resulting in lower costs 	<ul style="list-style-type: none"> c. Engage with contractors to divert scheduled waste disposal from landfill d. Obtained Green Building Index certification for Top Glove Headquarters in Malaysia e. Conduct yearly awareness training and international events sharing with employees on importance of sustainability including climate change and water saving.
	Opportunity [Products]	<ul style="list-style-type: none"> a. Increase demand for low carbon and environmentally-friendly products b. Ability to diversify business activities c. Shift in consumer preferences d. Development of new products or services through R&D and innovation 	<ul style="list-style-type: none"> a. Increased revenue through demand for lower emission products and services b. Better competitive position in line with shifting consumer preferences, resulting in increased revenues 	<ul style="list-style-type: none"> a. Production of biodegradable glove products since 2019 b. R&D Department consists of approximately 1,000 members to innovate and develop low carbon products
	Opportunity [Markets]	<ul style="list-style-type: none"> a. Access to new markets 	<ul style="list-style-type: none"> a. Increased revenues through access to new and emerging markets (e.g. partnerships with governments, development banks) 	

Risk Management

The Group emphasises climate change and environmental stewardship, and climate-related risk factors have been incorporated in the Group's Enterprise Risk Management (ERM) Framework under Section 7: Sustainability & ESG Risk. The Risk Management Department implemented contextualisation process and conducted successive rounds of discussion on a regular basis with risk owners from the business units which covers all its operating countries to identify, assess and mitigate climate-related risk as per the methodology set in the ERM Framework. The process entails a continuous cycle from the establishment of scope, context and criteria for both Transition Climate Risk and Physical Climate Risk to ensure proper alignment with the Group's interconnected objectives and towards mitigating the impact of climate change on its business operations in a global context.

Metrics and Targets

In FY2022, Top Glove has developed the Sustainability Blueprint and targets until FY2025. One of the strategic themes outlined in the Blueprint is tackling climate change and restoring nature with the goal of transitioning into a net zero carbon business. Interim annual targets have been in place to monitor our progress including environmental compliance and operational performance metrics, specifically in the areas of water management, energy efficiency and waste management. Monitoring and reporting these metrics help us identify areas with highest climate-related risks for more targeted approaches. To track the progress towards our over-arching goals set under the Sustainability Blueprint, metrics and their corresponding performance are provided for the last three years.

Kindly refer to pages 59 to 61 in this report for an overview on our Sustainability Roadmap Target FY2022 to FY2025.



Social: To Be a People Centric Corporate Citizen

Social

2022 SOCIAL HIGHLIGHTS

Estimate to invest
RM232 million
to improve accommodation for approximately
11,404 employees

Revamped existing performance management system to inculcate a performance driven culture

Contributed
RM56.5 million
in income tax towards nation building and
to promote sustainable economic growth

99.9%
of our global workforce were
fully vaccinated against COVID
as at 31 August 2022

Country by country breakdown:

- Malaysia: RM43.3 million
- Thailand: RM13.7 million
- U.S.A.: RM5.3 million
- Singapore: RM2,033
- China: (RM1.7 million)
- Brazil: (RM2.0 million)
- Germany: (RM2.1 million)

Awarded
14 scholarships
worth a total of over
RM500,000 in FY2022

Strong representation of women in our workforce:

36% at board level
50% at managerial level
(manager and above)

Provided **6,378**
job opportunities globally,
where **93%** of the employees hired in
Malaysia are locals

Invested
RM845,000
in employee training,
achieving a total of **698,918**
training hours

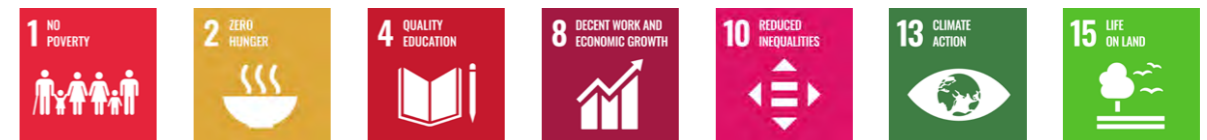
GOAL 2: PROMOTING INCLUSIVITY & RESPECTING HUMAN RIGHTS



Top Glove acknowledges that employees are their most valuable asset. We respect and protect human rights, while promoting diversity and inclusivity in our workforce to nurture a healthy working environment conducive to optimal growth. We believe that the greatest innovation comes from a group of passionate employees from heterogenous cultural background.

Capital	Material Issues	Initiatives	Value Created
<ul style="list-style-type: none"> Human Social & Relationship 	<ul style="list-style-type: none"> Human Rights Labor Management Relations Occupational Health & Safety Diversity & Inclusion 	<ul style="list-style-type: none"> Compliance with local laws & regulations and international labour standard Work-life integration policies Safety and wellness programmes Employee learning and development programmes Women empowerment 	<ul style="list-style-type: none"> Productive and innovative workforce Diverse workforce Safe and healthy working environment

GOAL 3: IMPROVING COMMUNITY LIVELIHOOD



Top Glove is a firm advocator of corporate social responsibility and we understand that people and community are the essence of our society. We ensure safe human protection globally not only through our products, but also through various educational, environmental and community projects. We are committed to uplift underprivileged communities through Top Glove's philanthropic arm, Top Glove Foundation.

Capital	Material Issues	Initiatives	Value Created
<ul style="list-style-type: none"> Financial Social & Relationship 	<ul style="list-style-type: none"> Security Management Infectious Diseases Local Communities 	<ul style="list-style-type: none"> Auxiliary police team COVID preventive measures Post pandemic business strategies Employee volunteerism Community projects 	<ul style="list-style-type: none"> Uplifted communities National economic growth Kindness mindset



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

Governance

2022 GOVERNANCE HIGHLIGHTS

Adoption of **Directors Fit and Proper Policy and Shareholders Communication Policy and Procedure**

Engagements between Independent Directors and Executive Management as well as Independent Directors and worker representatives

Annual Board effectiveness evaluation conducted internally, facilitated by the Company Secretary via online questionnaires

Diverse gender and skills across Board of Directors, with
36% of female directors

Consistent measure,
40% of KPI
linked to **ESG metrics**

Implementation of Balanced Scorecard to align KPIs with business strategy at all levels

Mapped 1st tier suppliers for our latex concentration plants and developed traceability template for data collation



▲ Top Glove's Directors, senior management and corporate consultant at the Company's Board Away Day held in May 2022.

GOAL 4: STRENGTHENING GOOD CORPORATE & RESPONSIBLE BUSINESS CULTURE



Top Glove's unwavering reputation is grounded in its Business Ethics: Honesty, Integrity & Transparency. We promote our core values to all employees from their first day at work as earning the trust of stakeholders is of utmost importance for the future of our business. We are committed to upholding good ethics and compliance to ensure good corporate governance within the Group.

Capital	Material Issues	Initiatives	Value Created
<ul style="list-style-type: none"> Intellectual Social & Relationship 	<ul style="list-style-type: none"> Ethics, Integrity & Governance 	<ul style="list-style-type: none"> Assimilation of business culture 	<ul style="list-style-type: none"> Peace and justice working culture

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



Top Glove's position as the world's largest manufacturer of gloves has the potential to impact the supply chain. We aim to be the role model of our suppliers and business partners for them to embrace sustainability. We are committed to create a sustainable value chain by continually engaging our business partners to support sustainability practices and providing customer experience that exceeds expectations.

Capital	Material Issues	Initiatives	Value Created
<ul style="list-style-type: none"> Natural Human Social & Relationship Manufactured 	<ul style="list-style-type: none"> Product Quality & Safety Supply Chain Management Customer Experience 	<ul style="list-style-type: none"> Conformance to international standards Traceability Customer centric culture 	<ul style="list-style-type: none"> Sustainable value chain Customer satisfaction

Corporate Governance Overview Statement

Corporate Governance Overview Statement

OUR COMMITMENT TOWARDS GOOD GOVERNANCE

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

The Board continues to play a vital role in ensuring the stability of the business during this challenging time by delivering effective leadership which supports the delivery of strong and sustainable financial and operational performance for the Group and long term value for our stakeholders.

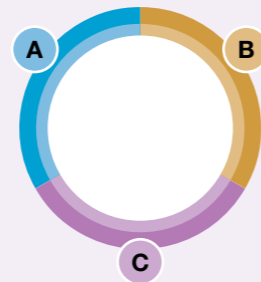
At Top Glove, our people is our greatest asset. They are key to our continued success and to the delivery of our established, consistent, proven and successful strategy. The resilient and commitment of our people and their unwavering dedication to keeping our operations running safely and to providing the highest quality of service to our customers, despite the challenges faced are testament to the quality of our people.

The importance of good governance is never greater that in times of macroeconomic uncertainty. The Group's success depends on our continual commitment to high corporate governance standards, as well as a healthy and responsible culture, both in the boardroom and across the Group. We do not view corporate governance as an exercise in compliance but as an evolving and core discipline which generates value for our stakeholders and underpins our success.

In the current challenging economic environment, effective oversight of strategy and risk is particularly important to promote the long term of the Group. In performing this role, the Board seeks to be responsive to both the evolving regulatory environment and changing expectations about the role of business in society. In particular, the Board seeks to ensure that the Group's culture is aligned with its purpose and values and that the Company has the necessary financial and human resources to deliver its strategy successfully.

As a Board, we are committed to ensuring that the Company's purpose, values and high standards are set from the Chairman and all Non-Executive Directors with the support of the Executive Directors and the executive management team, embedded throughout the Group. We are dedicated to leading by example to demonstrate Top Glove's strong corporate values and culture which promote the long term sustainable success of the Company for the benefit of all of 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/>

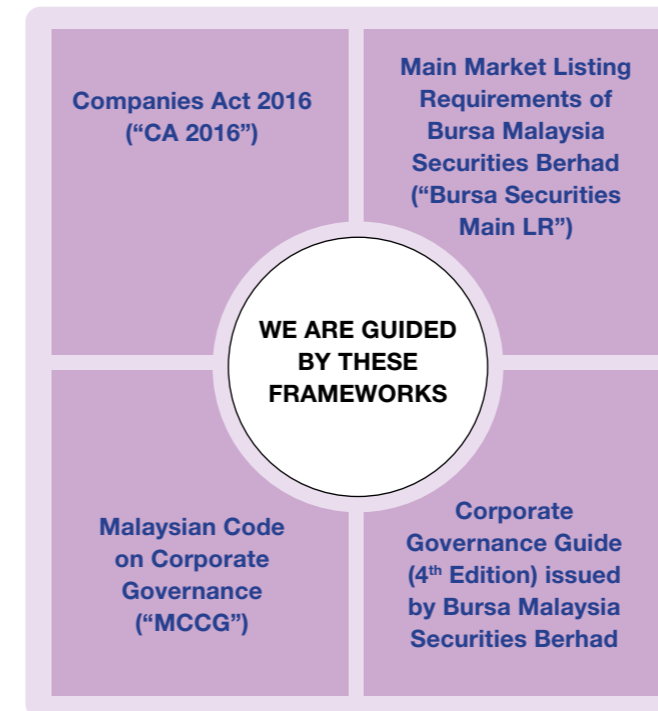
Scan the QR code for more information about Our Corporate Governance Report

https://tgapp.topglove.com/IAR2022/CG_Report/2022/index.php

SUMMARY OF CORPORATE GOVERNANCE PRACTICES

For the financial year ended 31 August 2022 ("FY2022"), Top Glove Corporation Bhd ("Top Glove" or "the Company") has applied all the Practices and adopted all the steps-up 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 details of how the Company has applied, complied with and adopted the MCCG Principles and Practices are outlined in our Corporate Governance Report 2022, which is available on our website at <https://www.topglove.com/governance-manual/>



OUR GOVERNANCE PRACTICES EXCEED WHAT IS GENERALLY REQUIRED

Malaysia-ASEAN Corporate Governance Report 2020

Ranked **No. 29** in the list of top 100 companies for Corporate Governance Disclosure 2020



Corporate Governance Overview Statement

PRINCIPLE A : BOARD LEADERSHIP AND EFFECTIVENESS

OUR BALANCED AND EXPERIENCED BOARD DELIVERS AND DRIVES OUR STRATEGY

Board of Directors

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

Key responsibilities of the Board are as follows :

Setting the **Vision, Mission and Strategic direction** for the Company and monitor delivery of strategy by the Executive Directors

Shaping the culture and values of the organisation in ensuring that the Company adheres to high standard of ethics

Formalise governance model and ensure appropriate policies and procedures are in place

Maintain effective communication with the Stakeholders

Deliberate on formal schedule of matters specifically reserved for Board decision

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 members and Management insight into the functions of the Board.

[The Board Charter is accessible through the Company’s website : https://www.topglove.com/governance-manual/](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”).

Each Board Committee will review, report and make recommendations to the Board during the Board meeting on matters relevant to their roles and responsibilities. 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 decision and deliberation 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 Board in ensuring that the Board’s decision, strategies set, business plans, budgets, policies, procedures, daily business and operational issues approved by the Board are implemented and/or monitored efficiently and effectively by the Group’s 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.

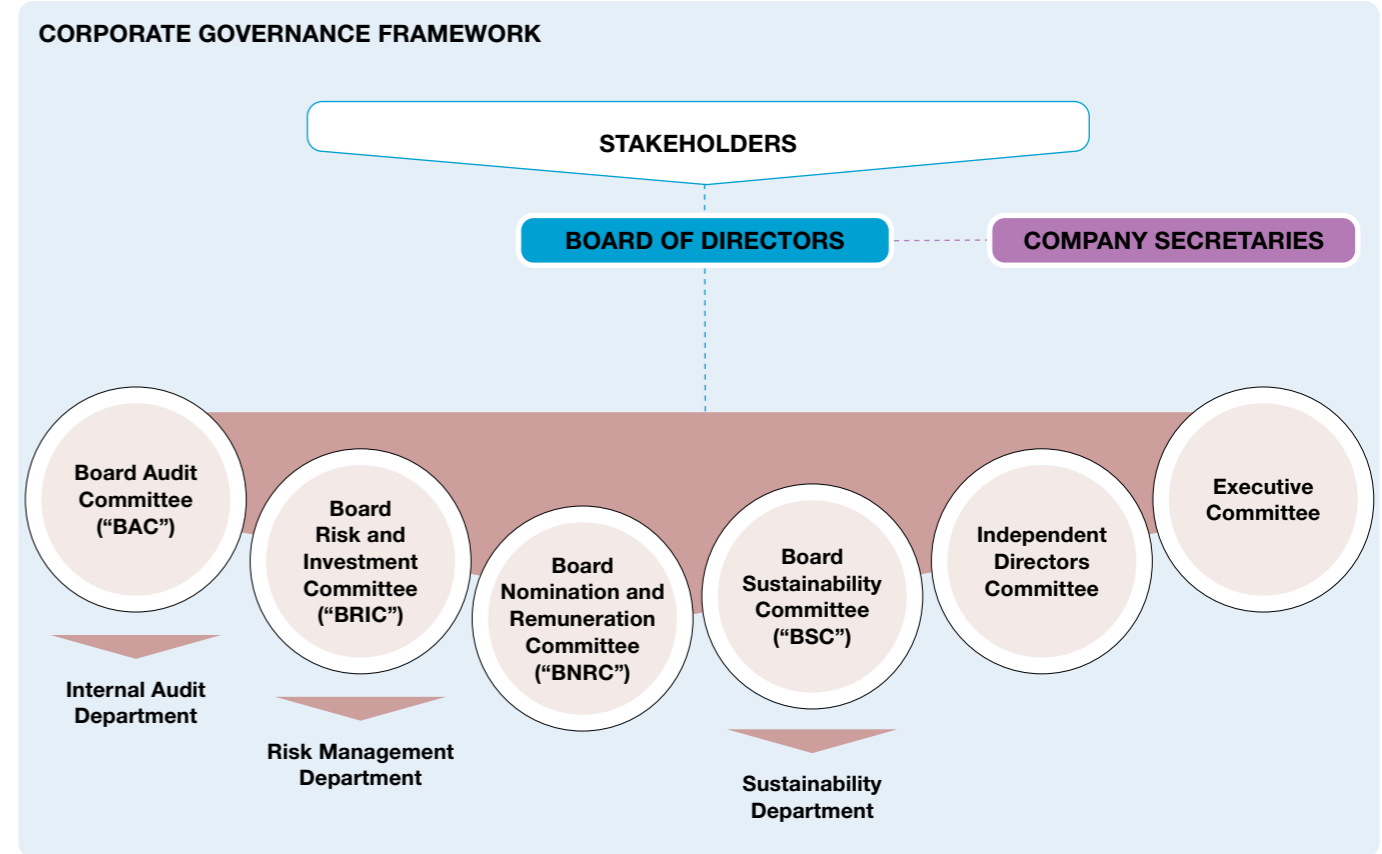
Company Secretaries

Company Secretaries play an advisory role to the Board and support the Board in ensuring that all governance matters and Board procedures are followed and that 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 and 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 Directors induction programmes and assisting with professional developments.

Corporate Governance Overview Statement



Roles

<p>Executive Chairman (“EC”)</p> <p>The EC leads the Board and manage the interface between the Board and Management. Responsible for the orderly conduct and effective function of the Board.</p>	<p>Managing Director (“MD”)</p> <p>The MD spearheads and is responsible for the overall Group of businesses and day-to-day management of the Company in accordance with the strategic plans and within the budgets approved by the Board.</p>	<p>Executive Directors (“ED”)</p> <p>The EDs are responsible for the day-to-day operations of the Group whereby operational issues and problems are discussed, major transactions and matters relating to the Group are reviewed and operational strategies are formulated.</p>
<p>Senior Independent Non-Executive Director (“SINED”)</p> <p>The SINED serves as an intermediary to other Directors when necessary and available to all stakeholders if they have any concerns which require resolution.</p>	<p>Independent Non-Executive Directors (“INED”)</p> <p>The INEDs are to deliberate and discuss policies and strategies formulated and proposed by 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.</p>	<p>Non-Independent Non-Executive Director (“NINED”)</p> <p>The NINED functions to provide in-depth knowledge and insight from the Group’s perspective.</p> <p>The NINED is to ensure 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.</p>

Corporate Governance Overview Statement

Corporate Governance Overview Statement

BOARD MEETINGS

The Board meets at least seven (7) 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 urgent Board's decisions or approvals will be sought via circular resolutions which are supported with all the relevant information and explanations required for an informed decision to be made and the same applies to the Board Committees.

The dates of the meetings of the Board, Board Committees and AGM for each financial year were fixed in advance for the whole year to ensure all Directors and Board Committees members' dates are booked and also to facilitate Management's planning for the whole financial year. The Board decisions made at the Board meetings shall be by a majority vote as prescribed by the Constitution of the Company.

In FY2022, the Board met eight (8) times. The Senior Management, Internal and External Auditors, Corporate Consultants and the Company Secretary will attend the Board meetings upon invitation, as and when necessary.

The Board has adopted 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 FY2022, all Directors complied with the 75% Board meeting attendance requirement.

Directors' attendance at Board, Board Committees and General Meetings held during the FY2022

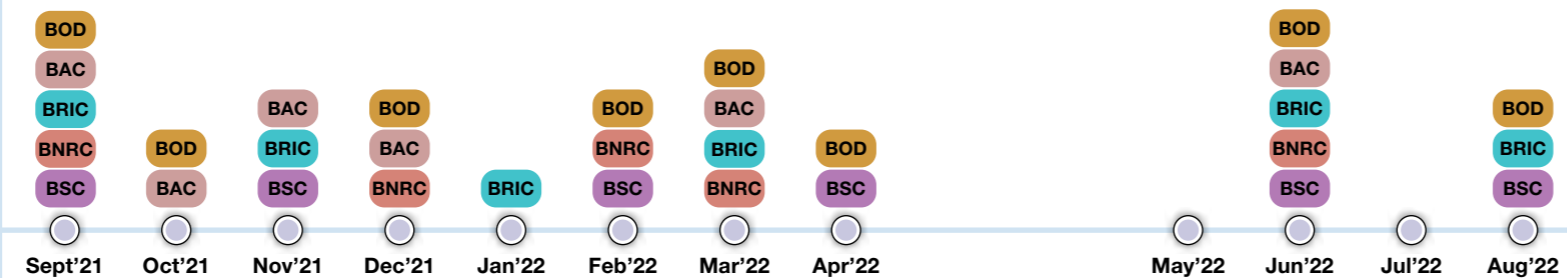
	Name of Directors	Designation	Board Meeting ("BOD")	General Meeting ("GM")	Board Committees			
					BAC	BRIC	BNRC	BSC
1.	Tan Sri Dr Lim Wee Chai	EC	8/8	2/2	-	-	-	-
2.	Lim Cheong Guan ^a	MD	8/8	2/2	-	-	-	-
3.	Lim Hooi Sin	ED	8/8	2/2	-	-	-	-
4.	Ng Yong Lin ^b	ED	1/1	-	-	-	-	-
5.	Dato' Lee Kim Meow ^c	NINED	8/8	2/2	-	-	-	-
6.	Sharmila Sekarajasekaran ^d	SINED	8/8	2/2	10/10	-	7/7	6/6
7.	Datuk Noripah Kamso ^e	INED	8/8	2/2	10/10	7/7	-	4/4
8.	Datuk Dr. Norma Mansor	INED	8/8	2/2	-	7/7	7/7	-
9.	Azrina Arshad ^f	INED	8/8	2/2	6/6	-	7/7	6/6
10.	Lo Kai Yiu, Anthony ^g	INED	5/5	-	-	-	-	2/2
11.	Martin Giles Manen ^h	INED	5/5	-	4/4	5/5	-	4/4
12.	Dato' Kong Sooi Lin ⁱ	INED	2/3	-	-	-	-	-
13.	Dr Ngo Get Ping ^j	INED	2/3	-	-	-	1/1	-
14.	Lester Garson Huang ^k	INED	5/5	-	-	-	-	2/2
15.	Dato' Lim Han Boon ^l	SINED	3/3	2/2	6/6	2/2	4/4	-
16.	Puan Sri Tong Siew Bee ^m	NINED	1/3	2/2	-	-	-	1/2
17.	Tan Sri Rainer Althoff ⁿ	INED	2/3	2/2	-	3/3	-	-
18.	Lim Andy ^o	INED	3/3	2/2	-	-	-	-
Total number of Meetings :			8	2	10	7	7	6

^a Lim Cheong Guan was redesignated from ED to MD effective 1 August 2022.
^b Ng Yong Lin was appointed as ED effective 1 August 2022.
^c Dato' Lee Kim Meow was redesignated from MD to NINED effective 1 August 2022 and appointed as member of BRIC on 20 September 2022 and BNRC on 3 October 2022.
^d Sharmila Sekarajasekaran was redesignated as SINED effective 6 January 2022.
^e Datuk Noripah Kamso stepped down as member of BSC effective 27 April 2022.
^f Azrina Arshad stepped down as member of BAC effective 25 January 2022.
^g Lo Kai Yiu, Anthony was appointed as INED effective 7 January 2022 and member of BSC on 27 April 2022. He resigned as INED effective 3 October 2022.
^h Martin Giles Manen was appointed as INED, Chairman of BAC, member of both BRIC and BSC effective 25 January 2022.
ⁱ Dato' Kong Sooi Lin was appointed as INED effective 9 March 2022.
^j Dr Ngo Get Ping was appointed as INED effective 9 March 2022 and member of BNRC on 27 April 2022.
^k Lester Garson Huang was appointed as INED effective 7 January 2022 and member of BSC on 27 April 2022. He resigned as INED effective 13 September 2022.
^l Dato' Lim Han Boon retired as INED on 6 January 2022.
^m Puan Sri Tong Siew Bee retired as NINED on 6 January 2022.
ⁿ Tan Sri Rainer Althoff retired as INED on 18 February 2022.
^o Lim Andy resigned as INED on 18 February 2022.

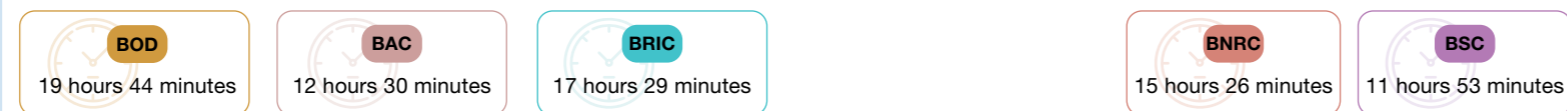
Board's Key Areas of Focus during FY2022 :

Strategy	1. Business strategy brainstorming and strategic plans progress updates	
	2. Annual budget setting and review	
	3. Business expansion plans and developments	
	4. Setting Balanced Scorecard for the Group	
Financial Performance	5. Quarterly, half-yearly and yearly financial performance reports	
	6. Share performances on Bursa Securities and Singapore Exchange	
	7. Capital structure review and balance sheet management	
	8. Dividend policy and proposal	
Risk and Internal Controls	9. Audit Findings	
	10. Enterprise Risk Management Framework and report	
	11. Material risks and mitigation plans	
	12. Business Continuity Management Policy and Framework	
	13. Jurisdictional Regulatory Framework	
Corporate Governance and Compliance	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 package 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	
	24. Integrated Annual Report and Shareholders Circular	
	25. Global regulatory compliance	
	26. Employees' satisfaction survey	
Sustainability	27. Rolled out the Group Sustainability Policy	
	28. Sustainability Initiatives progress update	
	29. Labour practices management and social compliance	
	30. Materiality Assessment for Sustainability Matrix	
	31. Sustainability Roadmap and Strategies Framework	
	32. Integration of Sustainability into Business Strategy	
	33. Remuneration payment linked to ESG metrics	
	34. Introduction of sustainability key performance indicators for Senior Management	
	Corporate Proposal	35. Proposed dual primary listing in the Stock Exchange of Hong Kong Limited

FY2022 Board and Board Committees' Meeting Calendar



Total hours for Board and Board Committees' Meetings FY2022



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BOARD AWAY DAY

As an annual event, the Board had during its Board Away Day held in May 2022 reinforced Top Glove's Purpose "Be Relevant and Sustainable in Gloves and Healthcare Business" facilitated by the Corporate Consultant.

The Board together with the Senior Management were divided into groups during the Board Away Day to brainstorm the desired outcomes by having a reality check and focus on the action plans to overcome all these challenges.

The action plan concluded will be reviewed during the Executive Committee ("EXCO") meeting held bimonthly and its implementation is monitored by Corporate Strategy team. Strategies implementation progress will also be updated to the Board during the quarterly Board meeting. The Board brings objectivity by scrutinise the Management's implementation in ensuring the goals and targets set for Management are met and in line with the Company's long term objectives.

INDEPENDENCE

The Board recognizes 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 FY2022, 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 put in place and updated the Independent Director Tenure Policy which set 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 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 were tabled in Board meeting for Directors' attention and notation.

All Directors are provided with the Board meeting agenda and Board papers which contain among others, the Company's financial performance, business outlook and respective Board Committees' Reports prior to the Board meeting. The Board papers are issued in advance and in a timely manner to facilitate informed decision-making process. The Managing Director and Executive Directors 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.

Any proposals and recommendations by 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 an approval from the Board. 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.

Notices 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.

BOARD GOVERNANCE : DEMONSTRATING CARE AND CONCERN TO WORKERS

Our people are our greatest asset. In adhering to their fiduciary duties, the Board Committees, including INEDs are actively engaging with the Management on all sustainability matters which include workers related issues. The Board had set aside their busy schedule to join our workers' town hall sessions. Our Board had also met with the Management to provide guidance on the strategies, measures and recommendations as well as obtain the relevant updates and action plan from the Management as to fulfil their oversight responsibilities.

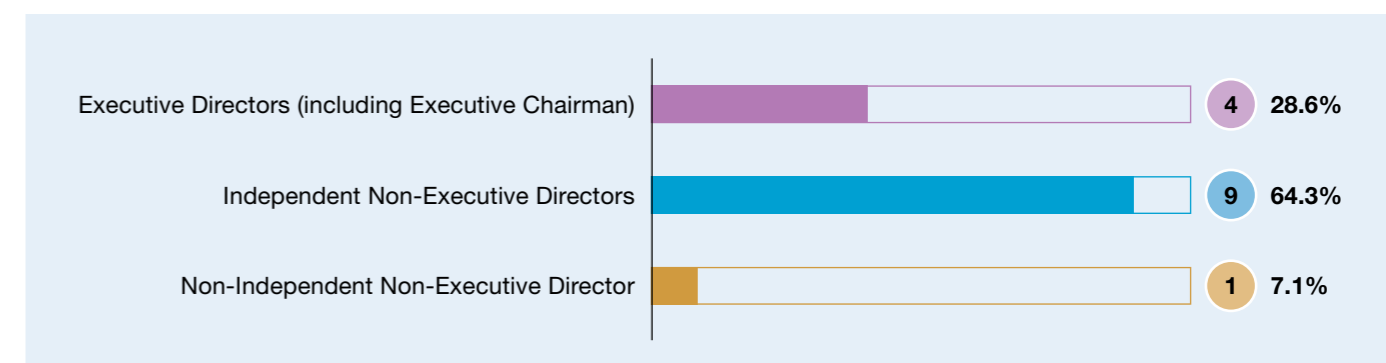
The synergised engagement between the Board and Management as well as workers is becoming more frequent and profoundly important with the Board demonstrating their genuine interest on what is happening on the ground as to ensure the governance of the Company as a whole is in good health.

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 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 Institute of Corporate Directors Malaysia ("ICDM") and independent human resource advisors. BNRC has made reference to the Board skill matrix analysis and Board Effectiveness Evaluation exercise conducted for FY2022 to guide the selection of potential Board candidates. The BNRC also shared the Board skill matrix to the external sources in order to get the desired candidate who met the Board's needs.

As at 31 August 2022, the Board comprise fourteen (14) 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 a number of 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 36% 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 2022.

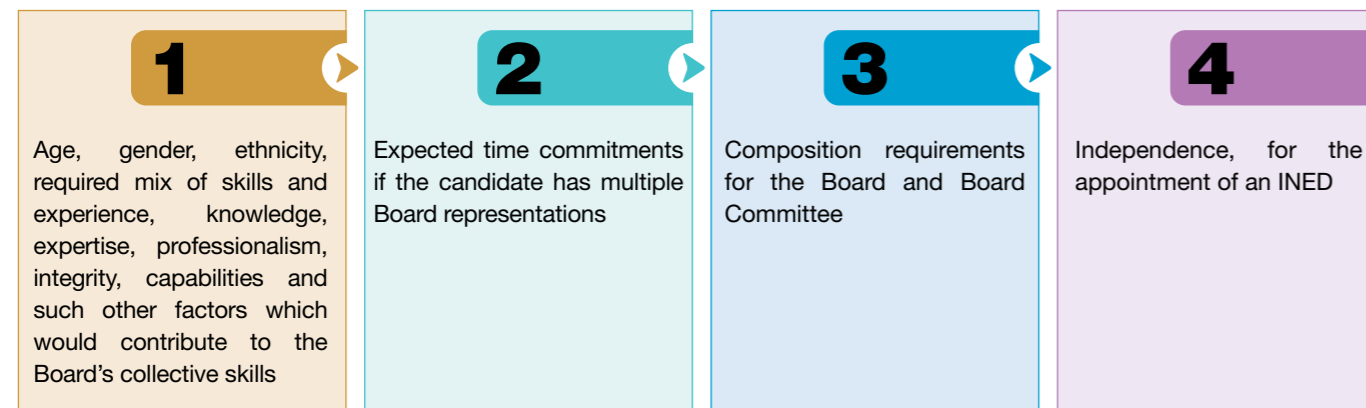
In tandem with the Company's intention to be listed on the Hong Kong Stock Exchange ("HKSE"), the Company had appointed two (2) additional INEDs, Mr Lester Garson Huang and Mr Anthony Lo Kai Yiu in January 2022. Given their solid background and vast experience as independent non-executive Directors of companies listed on the HKSE, the Board believed both Mr Lo and Mr Huang would be able to bring unique perspectives and valuable expertise to further enhance diversity of the Board.

Corporate Governance Overview Statement

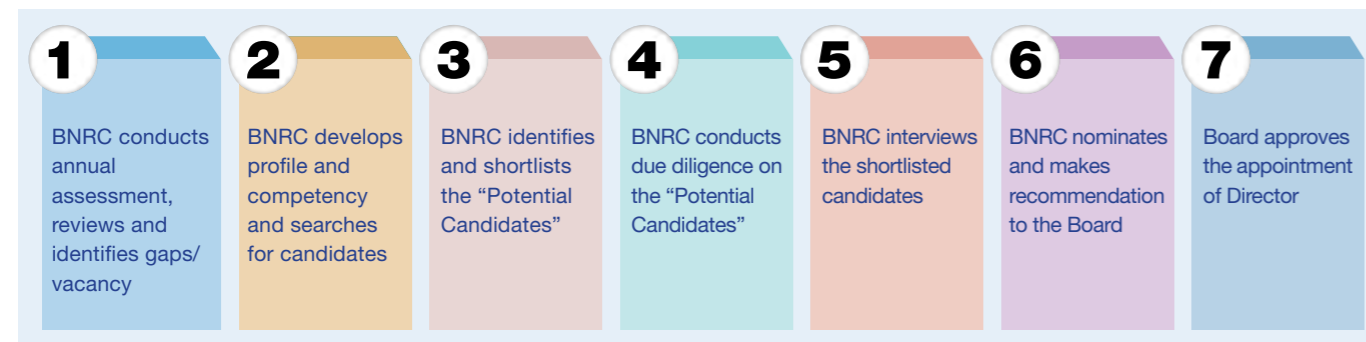
BOARD APPOINTMENT AND SUCCESSION PLANNING

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 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, so as to ensure continuous support in operation and service when the above Key Business Leaders leave their positions.

Succession Planning and the review of Board Composition saw five (5) new Independent Non-Executive Directors joined the Board in FY2022. Following the retirement of Dato' Lee Kim Meow from his full-time employment with the Company, Mr Lim Cheong Guan assumed the position of Managing Director on 1 August 2022.

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 250 to 251 of the Notice of AGM.

Corporate Governance Overview Statement

DIRECTORS' PROFESSIONAL DEVELOPMENT

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

The Board's Induction or Orientation is a programme co-ordinated by the Company Secretary together with the Executive Director and head of business units with the objectives of providing the newly appointed Directors the necessary information and overview to assist them in understanding the operations, corporate strategies, current issues and challenges, structure and the management of the Company, as well as on-site briefings or site visits for better understanding of the operations aspect of the Company.

The Board through the BNRC has determined the training needs of the Directors based on outcome derived from the annual Board performance and effectiveness evaluation. The Company Secretary constantly sourced for suitable development programme for the respective Directors in accordance to the training need analysis. The Directors may raise any training needs with the Chairman who helps to ensure that the training programme 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 area of expertise, such as remuneration or audit.

Ongoing training in business and industry related as well as regulatory updates are provided to the Board. This helps to ensure the Board keeps up to date with the latest trend in the industry and business world as well as latest development in the regulatory and legal matter. From time to time, meetings with subject experts in the business are arranged for Directors who may wish to gain a deeper insight into a particular topic.

Summary of Training attended by all Board members in FY2022

Training Categories	Number of Trainings Attended
A. Corporate Governance, Risk Management and Internal Controls	12
B. Leadership	10
C. Sustainability	8
D. Human Capital or Talent Management	5
E. Accounting and Financial	1
F. IT or Digital Strategy	2
G. Operations & Quality Management	1
H. Healthcare	2
Total	41

During FY2022, all the Board members attended various training programmes; the list of training attended by each Director can be found on pages 15 to 18 of the Corporate Governance Report.

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 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. In FY2022, in tandem with the Group's commitment to address climate change issue, carbon emission reduction had been incorporated as a Group KPI and will also be associated the Executives compensation.

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 performances 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/>

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 114 to 115 of this Integrated Annual Report under the Directors' Report of the Audited Financial Statements for FY2022.

Corporate Governance Overview Statement

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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 Lim Wee Chai (Chairman)
- 2) Lim Cheong Guan
- 3) Lim Jin Feng
- 4) Datuk Noripah Kamso
- 5) Datuk Dr. Norma Mansor
- 6) Sharmila Sekarajasekaran
- 7) Martin Giles Manen

During FY2022, 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 FY2022 can be found in our Corporate Governance Report 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 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

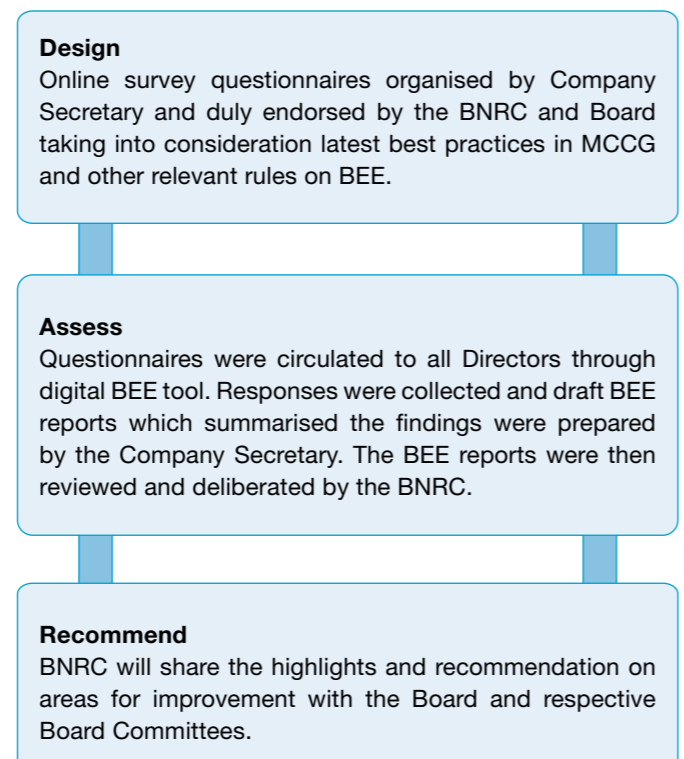
The Board recognised that a structured and regular evaluation of Board is an important pillar of good corporate governance. The Board conducts a rigorous Board Effectiveness Evaluation ("BEE") process each year to review and evaluate the effectiveness of the Board as a whole, the contribution of each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

BEE PROCESS

For FY2022, 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 with an open and transparent culture which allows constructive challenge on key issues.

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.

BEE Process FY2022



ASSESSMENT CRITERIA

The BEE assessment criteria covered the following key areas :

Scope of Assessment	Assessment Criteria
Questionnaire assessment	
1. Board Performance Assessment	1. Board Mix & Composition 2. Quality of Information and Decision-Making 3. Boardroom Activities 4. Board Chairman's Role
2. Board Skills Matrix	1. Envisaged Board Skills Matrix 2. Current Board Skills Matrix
3. Board Self and Peer Performance 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. Time and commitment
5. Directors' Independency Assessment	1. Director's 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. Committees' oversight duties and responsibilities 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 Assessment from Board Committees on Head of Support Function

The annual evaluation process in FY2022 confirmed the continued effective operations of the Board and Board Committees. Board is satisfied with the overall performance of individual Directors, effectiveness of the Board and Board Committees and independency 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 as well as recommended areas for improvement arising from the BEE for FY2022 had been tabled to the BNRC for consideration and subsequently highlighted to the Board for notation.

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

Corporate Governance Overview Statement

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LOOKING AHEAD

Global market condition is expected to remain challenging in the coming year, we will continue to enhance our business sustainability practices, maintain robust governance framework and embrace ethical corporate culture in sustaining our growth in the face of business uncertainty.

Some of the priorities for FY2023 in addition to its regular activities are as follows :

- 1 Reframing corporate strategies and repositioning the business to help pursue long term and sustainable growth**
- 2 Internalising the ESG principles in the business operations across the Group**
- 3 Maintaining a high performing Board through regular review and improvement on Board practices and processes in meeting ongoing and emerging challenges**
- 4 Strengthening the oversight capabilities in risk, compliance and sustainability of the Board and Management**
- 5 Enhancing the human capital management, being the key driver of organisation's long term value**
- 6 Prioritising innovative and digital transformative actions and ensure approaches and execution impact the success of its transformation journey to drive value of the Group**
- 7 Addressing the changing stakeholders' expectations in navigating ongoing global crisis**

BOARD NOMINATION AND REMUNERATION COMMITTEE REPORT

The Board Nomination and Remuneration Committee ("BNRC") of Top Glove is pleased to present the BNRC Report for FY2022.

Composition

The BNRC comprises four (4) members as follows, all of whom are Independent Non-Executive Directors :

Members	Date of Appointment as BNRC Member	Tenure on the BNRC as at 31 August 2022
1. Datuk Dr. Norma Mansor (Chairman)	12 May 2017	5 Years 3 Months
2. Sharmila Sekarajasekaran	18 March 2015	7 Years 5 Months
3. Azrina Arshad	1 December 2020	1 Year 8 Months
4. Dr Ngo Get Ping	27 April 2022	4 Months

Note: Dato' Lim Han Boon had stepped down as a BNRC member upon his retirement from the Board during the Company's 23rd AGM held on 6 January 2022. Dato' Lee Kim Meow was appointed as member of BNRC on 3 October 2022.

Meetings and Attendance

In FY2022, the BNRC had met seven (7) times. The Company Secretary was in attendance at every meeting while the Managing Director, Senior Management and other Board members will attend the BNRC meetings upon invitation, as and when required.

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

Please refer to pages 82 to 83 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 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 Senior Management 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

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

Corporate Governance Overview Statement

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Key Areas of Focus during FY2022 :

Board and Board Committees' Composition and Succession Planning	<ol style="list-style-type: none"> 1. Reviewed the size and composition of the Board and Board Committees. 2. Reviewed the selection criteria for the potential Board candidates. 3. Reviewed the succession plan for the Board, Board Committees, Executive Chairman and Managing Director. 4. Conducted the engagement session to assess and review the suitability of the potential Board candidates from various sources.
Appointment/ Re-Appointment of the Board and Senior Management	<ol style="list-style-type: none"> 1. Reviewed the background, skills and experience of potential candidates to be appointed as the Independent Non-Executive Directors of the Company. 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. 3. Reviewed the Directors' service tenure. 4. Reviewed the suitability of the potential candidates for Senior Management position. 5. Reviewed job descriptions of the Country Heads of overseas subsidiaries of the Group.
Board and Senior Management Remuneration	<ol style="list-style-type: none"> 1. Reviewed fees and benefits payable to Directors, benchmarked against industry practices. 2. Reviewed remuneration package of Executive Directors, Non-Executive Directors, Key Senior Management and related employees. 3. Reviewed the Organisation Chart and conducted gap analysis to identify the development needs of the Senior Management. 4. Received the updates on the Employee Share Option Scheme and Employee Share Grant Plan allocations FY2022.
Framework, Policy & Guidelines	<ol style="list-style-type: none"> 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. 2. Reviewed and recommended further amendments made in Independent Director Tenure Policy to limit the INEDs' tenure to nine (9) years without further extension and to vacate the Board seat, in line with the Step Up practice of the Malaysian Code on Corporate Governance.
Board Effectiveness Evaluation	<ol style="list-style-type: none"> 1. Reviewed the questionnaires for the Board Effectiveness Evaluation ("BEE"). 2. Reviewed outcome of the annual Board and Board Committees' performance assessments, independency of INEDs, contribution and performance of each individual director. 3. Reviewed the results of the BEE exercise for FY2022 and recommended the proposed actionable improvement plan to the Board. 4. Received updates for the actionable improvement plan for BEE FY2021. 5. Reviewed Board skills matrix and level of competency to meet the current and future needs of the organisation. 6. Reviewed the training needs of the Directors.
Governance	<ol style="list-style-type: none"> 1. Reviewed and recommended the relevant amendments made in the Board Policies & Procedures, Group Human Resources Policies and Procedures and Terms of Reference of the Board Committees adopted by the Board to comply with the prevailing rules and regulations. 2. Recommended the Directors Fit and Proper Policy to ensure a formal, rigorous and transparent process for the appointment and re-election of Directors and Senior Management. 3. Reviewed Balanced Scorecard for Executive Chairman and Managing Director. 4. Reviewed outcome of annual Employee's Engagement and Job Satisfaction Survey. 5. Reviewed the proposal to address the regrettable loss on employee's turnover. 6. Reviewed the Group's organisation chart.

Looking Ahead

Some of the priorities for FY2023 in addition to its regular activities are as follows :

- Continue to reveal gaps in Board composition and the solutions to fill the gaps**
- Continue to develop appropriate training solutions for Directors to ensure they have the competencies to carry out their duties**
- Formulate talent pool of Directors by building a database of potential candidates collated from various independent sources**
- Review the compensation package of Directors and Senior Management aligned with prevalent market practices to ensure that it remains competitive to attract and retain talents**
- Remain focused on succession planning of the Directors and Key Senior Management**
- Monitor the follow up actions subsequent to the BEE findings**

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.

BOARD SUSTAINABILITY COMMITTEE REPORT

The Board Sustainability Committee ("BSC") of Top Glove is pleased to present the BSC Report for FY2022.

The Board recognised the importance of adopting a sound and sustainable business model which incorporate environmental, social and governance ("ESG") criteria. The BSC has been formed since March 2019 to advice and assist the Board in integrating long term and strategic approach into day-to-day business decisions and to steer ESG strategy and initiatives into a competitive advantage for the business to generate long term value for our stakeholders. The Board is committed to addresses the United Nations Sustainable Development Goals (UN SDGs) through aligning the implementation of ESG strategies and initiatives with these global goals.

Sustainability is a shared value throughout the Group and encompasses how Top Glove manage its businesses and manufacturing operations, now and in the future, including the pursuit of ensuring employees' workplace health and safety, respecting human rights, a 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).

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 Independent Non-Executive Directors :

Members	Date of Appointment as BSC Member	Tenure on the BSC as at 31 August 2022
1. Sharmila Sekarajasekaran (Chairman)	22 March 2019	3 Years 5 Months
2. Azrina Arshad	22 March 2019	3 Years 5 Months
3. Martin Giles Manen	25 January 2022	7 Months
4. Lester Garson Huang	27 April 2022	4 Months
5. Lo Kai Yiu, Anthony	27 April 2022	4 Months

Note: Puan Sri Tong Siew Bee had stepped down as a BSC member upon her retirement from the Board during the Company's 23rd AGM held on 6 January 2022. Datuk Noripah Kamso had stepped down as BSC member effective 27 April 2022 subsequent to the Board Committee composition restructuring exercise. Mr Lester Garson Huang had stepped down as a BSC member upon his resignation from the Board on 13 September 2022. On 3 October 2022, Mr Lo Kai Yiu, Anthony had also stepped down from the BSC subsequent to his resignation from the Board.

Meetings and Attendance

In FY2022, the BSC had met six (6) times. The Company Secretary was in attendance at every meeting while the Managing Director, Senior Management, Head of Sustainability Department and other Board members will attend the BSC meetings upon invitation, as and when required.

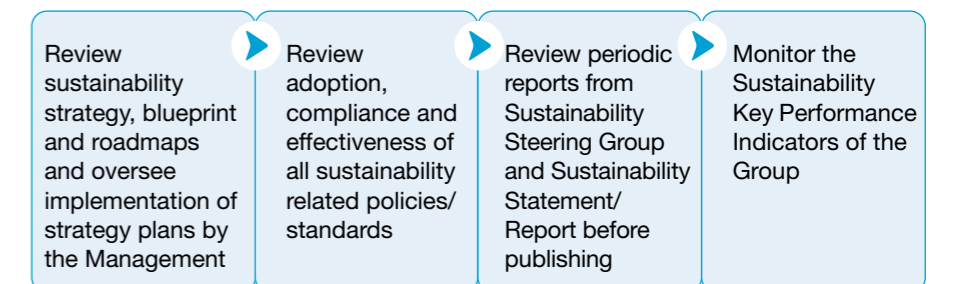
The Company Secretary will circulate the minutes of BSC meeting at the Board Meeting for notation. The BSC Chair will also brief the Board on the highlights and key issues deliberated during the BSC meeting.

Please refer to pages 82 to 83 of this Integrated Annual Report for the attendance record of BSC members.

Roles and Responsibilities

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 adopted by the Board, guided by the TOR of BSC.

Key responsibilities of 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/>

Corporate Governance Overview Statement

Corporate Governance Overview Statement

Key Areas of Focus during FY2022 :

Framework, Policy & Guidelines	<ol style="list-style-type: none"> 1. Rolled out Sustainability Policy. 2. Reviewed Sustainability Department's key deliverables. 3. Reviewed Business and Human Rights Framework ("BHR") and Board's role in BHR. 4. Reviewed and deliberated on Bursa Malaysia Sustainability Disclosure Review 2021. 5. Reviewed the adoption of Task Force on Climate-Related Financial Disclosure Framework.
Sustainability Plan	<ol style="list-style-type: none"> 1. Reviewed and deliberated on the Group's sustainability initiatives which include Environmental, Social and Governance ("ESG") indices rating updates. 2. Reviewed and deliberated the Group's sustainability blueprint and ESG targets. 3. Reviewed and deliberated the United Nations Guiding Principles on Business and Human Rights compliance pathway. 4. Reviewed the potential partnership arrangement with UNESCO in ICT4D survey. 5. Reviewed labour practices and social compliance.
Sustainability Governance	<ol style="list-style-type: none"> 1. Reviewed ESG Targets from FY2022 to FY2025. 2. Reviewed materiality assessment for sustainability matrix. 3. Reviewed the Sustainability Statement/Report for inclusion in the Integrated Annual Report. 4. Reviewed the job scopes from various agencies on net zero goal setting. 5. Assessed the KPIs linked to ESG metrics. 6. Appointment of Chief Sustainability Officer of the Company. 7. Reviewed ESG Reporting Guide under Hong Kong listing rules. 8. Reviewed ESG gap analysis between the Company's sustainability practices and international ESG best practices with the aim to improve the Company's ESG ranking. 9. Reviewed the industrial rating of the Group's sustainability performance and discussed the areas for improvement. 10. Deliberated on the ESG campaign to educate and raise awareness amongst the stakeholders. 11. Reviewed collaboration opportunity with third party in enhancing the Group's sustainability practices.

Some of the priorities for FY2023 in addition to its regular activities 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.

Looking Ahead

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 a 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.

INDEPENDENT DIRECTOR COMMITTEE REPORT

The Independent Director Committee ("IDC") of Top Glove is pleased to present the IDC Report for FY2022.

IDC was established to provide an avenue for all Independent Directors to have a session amongst themselves to deliberate matters in relation to the Company's business strategy and operations without the presence of Executive Directors with the objective to enhance shareholders' value by providing independent view and recommendation to the Board and Management.

Composition

The IDC members comprises all nine (9) Independent Directors of the Company as follows, led by the Senior Independent Non-Executive Director :

Members	Meeting attendance
1. Sharmila Sekarajasekaran (Chairperson)	2/2 (100%)
2. Datuk Noripah Kamsu	2/2 (100%)
3. Datuk Dr. Norma Mansor	2/2 (100%)
4. Azrina Arshad	2/2 (100%)
5. Martin Giles Manen	1/1 (100%)
6. Lester Garson Huang	1/1 (100%)
7. Lo Kai Yiu, Anthony	1/1 (100%)
8. Dato' Kong Sooi Lin	1/1 (100%)
9. Dr Ngo Get Ping	1/1 (100%)

Note : Dato' Lim Han Boon had stepped down as an IDC member upon his retirement from the Board during the Company's 23rd AGM held on 6 January 2022. On 18 February 2022, both Tan Sri Rainer Althoff and Mr Andy Lim had also stepped down from the IDC subsequent to their retirement and resignation from the Board. Mr Lester Garson Huang had stepped down as an IDC member upon his resignation from the Board on 13 September 2022. On 3 October 2022, Mr Lo Kai Yiu, Anthony had also stepped down as an IDC member subsequent to his resignation from the Board.

Meetings and Attendance

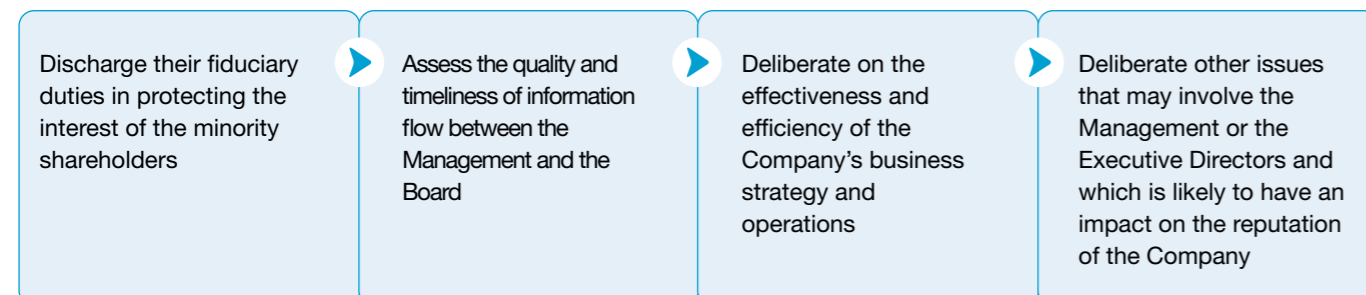
In FY2022, the IDC met two (2) times without the presence of the Executive Directors and/or the Management except when Executive Directors and/or the Management's presence is required to respond to questions from the IDC. The Company Secretary was in attendance at every IDC meeting.

Total hours for IDC meeting FY2022 : 4 hours

Corporate Governance Overview Statement

Roles and Responsibilities

Key responsibilities of IDC are as follows :



Key Areas of Focus during FY2022 :

The IDC had met twice with/without the presence of the Executive Directors and/or the Management during FY2022. Concerns raised at the IDC meeting and recommendations of the IDC were put forth to the Board for deliberation and endorsement.

In FY2022, the IDC met two (2) times to deliberate among others, the following matters :

- | | |
|--|---|
| 1 Sustainability strategic intents statement | 6 Current business challenges |
| 2 Conflict of interest policy | 7 Proposed listing in the Hong Kong Stock Exchange |
| 3 Company's data management | 8 Succession planning for Board and Key Management Personnel |
| 4 Outcome of BEE FY2022 and proposed areas for improvement | 9 Establishment of Project Management Office as better communication platform |
| 5 Managing Director and C-Suites Executives Appointment | |

As part of Directors' fiduciary duty during this challenging period, the IDC has committed their time to meet regularly to provide guidance and recommendation to the Management on certain material issues which within their expertise to overcome whatsoever challenges encountered. The IDC had also participated in various engagement sessions such as townhall with the workers from the factories.

Corporate Governance Overview Statement

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 FY2022.

Composition

The BAC comprises three (3) 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 2022
1. Martin Giles Manen (Chairman)	25 January 2022	7 Months
2. Datuk Noripah Kamsu	18 March 2015	7 Years 5 Months
3. Sharmila Sekarajasekaran	15 October 2015	6 Years 10 Months

Note : Dato' Lim Han Boon had stepped down as a BAC Chairman upon his retirement from the Board during the Company's 23rd AGM held on 6 January 2022. Azrina Arshad had stepped down as BAC member effective 25 January 2022 subsequent to the Board Committee composition restructuring exercise.

Meetings and Attendance

In FY2022, the BAC had met ten (10) 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 was in attendance at every meeting while the Managing Director, Head of Internal Audit, Senior Management, External Auditors and other Board members will attend the BAC meetings upon invitation, as and when required. During FY2022, 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 BAC meeting at the Board Meeting for notation. The BAC Chair will also brief the Board on the highlights and key issues deliberated during the BAC meeting.

Please refer to pages 82 to 83 of this Integrated Annual Report for the attendance record of BAC members.

Roles and Responsibilities

BAC had 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 in the effective discharge of their responsibilities in establishing cost-effective controls, adhering to the Internal Audit Charter adopted by the BAC.

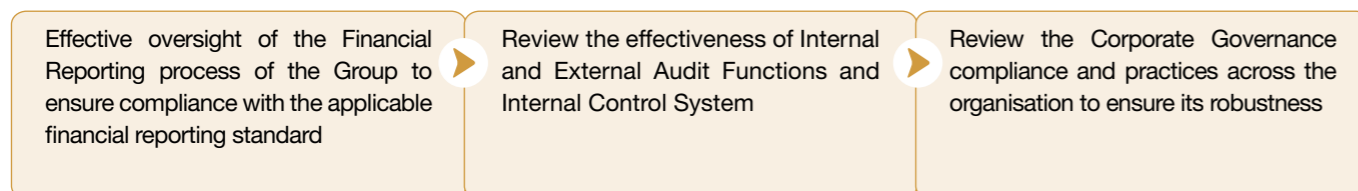
BAC deliberates the Summary of Internal Audit Reports and the External Auditors' Reports relating to financial, operational, compliance, information technology controls, governance, risk management and control matters every quarter during BAC meeting. The findings and status of preventive and corrective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

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

Key responsibilities of 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 FY2022 :

Financial Reporting	<ol style="list-style-type: none"> 1. Reviewed all the 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 the audit; 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. 2. Reported its findings on the financial and Management's performance and other material matters to the Board. 3. Deliberated the emerging financial reporting issues pursuant to the introduction of new accounting standards and additional statutory/regulatory disclosure requirements.
Internal Audit	<ol style="list-style-type: none"> 1. 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. 2. Reviewed salient audit issues together with recommendations from the Internal Audit. BAC considered the highlighted issues, taking into account Management's responses, upon which approved the internal auditors' proposal for rectification and implementation of the agreed remedial actions for improvement. 3. Reviewed the adequacy and competency of the Internal Audit resources required to carry out Internal Audit engagement works. 4. 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"). 5. 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.
External Audit	<ol style="list-style-type: none"> 1. 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. 2. 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. 3. Held two (2) private meetings with the External Auditors without the presence of the Executive Directors and Management to discuss the areas of audit concern. 4. 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. 5. Reviewed the performance of the External Auditors and recommended its re-appointment and remuneration to the Board. 6. Reviewed and approved the provision of non-audit services rendered by the External Auditors.
Governance	<ol style="list-style-type: none"> 1. 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. 2. Reviewed and adopted the Shareholders Communication Policy and Procedure. 3. Reviewed the Whistleblowing and Anti-Corruption Policies and Procedures and incidents/cases of the Group. 4. Reviewed the External Auditors Assessment Policy. 5. 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. 6. Reviewed the Group's cash flow budget, Business Units Performance and capital expenditures. 7. Verified and ensure 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. 8. Reviewed and deliberated the corporate governance compliance of the Company and areas for improvement. 9. Reviewed Social Audit Compliance of the Group and the implementation of mitigation plans. 10. Reviewed the guidelines on Conduct of Directors of Listed Corporations and its Subsidiaries issued by Securities Commission Malaysia and its implication to the Group. 11. Reviewed the updated Malaysian Code on Corporate Governance 2021 issued by Securities Commission Malaysia and the gap analysis. 12. Reviewed the Tax Corporate Governance Framework initiative launched by Inland Revenue Board Malaysia.

Corporate Governance Overview Statement

Professional Development programmes

During FY2022, 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 on pages 15 to 18 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") comprises eleven (11) members, led by Mr Lim Lung Fui @ Jack, a member of the Malaysian Institute of Accountants who has over twenty (20) years of experience in operational and financial audit. IAD reports directly to the BAC and is guided by its Internal Audit Charter and Terms of Reference.

The principal objective of the IAD is to undertake regular review of the systems of controls, procedures and operations to provide reasonable assurance that the internal control system is sound, adequate and satisfactory. The function of the IAD is to provide 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 FY2022, the areas audited included audits of the various departments covering factories and subsidiaries within the Group. Summary of Internal Audit reports were issued to the BAC quarterly and tabled in the BAC meetings. The reports were also issued to the respective operations management, incorporating audit recommendations and Management's responses with regards to any audit findings on the weaknesses in the systems and controls of the operations after completion of audit. The IAD conducts follow-up audits to ensure the agreed audit recommendations were implemented appropriately.

All members of the IAD continue to develop their competencies by attending training programmes conducted by professional certification bodies or in-house, sharing of knowledge via transfer of learning (TOL) to keep abreast with the latest development 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 FY2022.

The total cost incurred for the in-house Internal Audit function for FY2022 was RM1,018,593 (FY2021: RM1,823,469).

Looking Ahead

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 FY2023 in addition to its regular activities are as follows :

1. **Monitor related party transactions to ensure its full compliance with the relevant rules and regulations**
2. **Monitor the corporate governance compliance and practices to align with MCCG 2021 and policies and procedures adopted by the Board**
3. **Review adequacy and competencies of audit resources coupled with deploying technology in audit process in ensuring effectiveness of Internal Audit function**
4. **Review initiatives by the Group's IT department on cybersecurity and IT systems to strengthen control process**
5. **Monitor the compliance of Section 17A of Malaysian Anti-Corruption Commission Amendment Act 2018 and Adequate Procedures implementation**
6. **Address short term and long term liquidity and funding risks**

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 AND INVESTMENT COMMITTEE REPORT

The Board Risk and Investment Committee (“BRIC”) of Top Glove is pleased to present the BRIC Report for FY2022.

With the evolving global economy and rapid changing business environment, the Board took cognizance of the importance in anticipating, adapting and evolving for business sustainability, particularly in risk management. The Board delegates the risk oversight responsibility to the BRIC and through the BRIC, the Board monitors and regularly review 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 BRIC comprises three (3) members as follows, all of whom are Independent Non-Executive Directors, which met the best practices under the Malaysian Code on Corporate Governance (“MCCG”) :

Members	Date of Appointment as BRIC Member	Tenure on the BRIC as at 31 August 2022
1. Datuk Noripah Kamso (Chairman)	8 January 2019	3 Years 7 Months
2. Datuk Dr. Norma Mansor	12 May 2017	5 Years 3 Months
3. Martin Giles Manen	25 January 2022	7 Months

Note : Dato’ Lim Han Boon had stepped down as a BRIC member upon his retirement from the Board during the Company’s 23rd AGM held on 6 January 2022. On 18 February 2022, Tan Sri Rainer Althoff had also stepped down from the BRIC subsequent to his early retirement from the Board. Dato’ Lee Kim Meow was appointed as member of BRIC on 20 September 2022.

Meetings and Attendance

In FY2022, the BRIC had met seven (7) times. The Company Secretary was in attendance at every meeting while the Executive Director, Managing Director, Head of Internal Audit, Head of Risk Management, Senior Management and other Board members will attend the BRIC meetings upon invitation, as and when required.

The Company Secretary will circulate the minutes of BRIC meeting at the Board Meeting for notation. The BRIC Chair will also brief the Board on the highlights and key issues deliberated during the BRIC meeting.

Please refer to pages 82 to 83 of this Integrated Annual Report for the attendance record of BRIC members.

Roles and Responsibilities

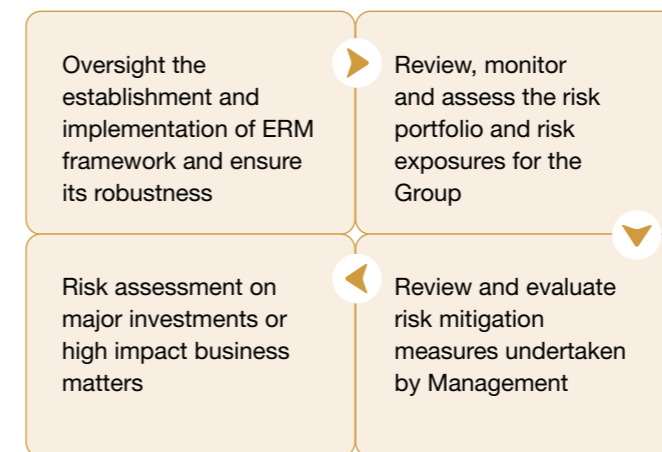
The Risk Management Department develops the Group’s Enterprise Risk Management (“ERM”) Framework for all business processes which will be reviewed by the BRIC and approved by the Board. The ERM Framework ensures that a structured risk management process which incorporates key process relating to the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

BRIC is assisted by an in-house Risk Management Department and 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 Global Risk Management Updates and Report to BRIC for an overview of the Group’s significant risks and action plans to mitigate the risks at BRIC meeting held quarterly. The BRIC 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 BRIC.

Corporate Governance Overview Statement

Key responsibilities of BRIC are as follows :



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

Key Areas of Focus during FY2022 :

Framework, Policy & Guidelines	<ol style="list-style-type: none"> 1. Revisited the ERM Framework and BRIC Terms of Reference to strengthen ERM processes. 2. Reviewed the Business Continuity Management policy and framework to further enhance the Group’s resilience and governance level. 3. Reviewed the Charter of Risk Management department. 4. Reviewed the Global Regulatory Risk framework. 5. Reviewed the Group Compliance Framework to elevate the Group’s compliance culture. 6. Reviewed the Roadmap on Data Management and Knowledge Management System. 7. Review the Corporate Health Policy.
Risk Monitoring	<ol style="list-style-type: none"> 1. Ongoing Global Risk Management updates and report. 2. Ongoing Compliance updates and report. 3. Assessed the adequacy of Business Continuity Management. 4. Assessed the Bow Tie Methodology for Business and Human Rights risk. 5. Assessed the workshop on regulatory of different countries jurisdiction. 6. Assessed emerging risk and mitigation plans for ESG risk and reputational risk. 7. Assessed risks associated with the Group’s overseas operations.
Appraise New Business Ventures & Corporate Proposal	<ol style="list-style-type: none"> 1. Risk assessment of new business ventures and major projects undertaken. 2. Risk assessment on Proposed dual primary listing in the Stock Exchange of Hong Kong Limited.

Looking Ahead

BRIC 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 FY2023 in addition to its regular activities are as follows :

1. To conduct systematic periodic review of the risk mapping of potential issues
2. To review the risk management embedded into the daily decision making process across all business operations units
3. To link risk management to performance and reward through Key Performance Indicators setting to reflect stronger compliance accountability for all staff
4. To instil risk awareness across the Group through education programmes such as technical risk assessment workshops to enhance the skills and capabilities of the BRIC members
5. To continue reviewing the Risk Management Blueprint
6. To conduct review to further strengthen the Business Continuity Plan

BRIC Effectiveness Review and Performance

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

Corporate Governance Overview Statement

Corporate Governance Overview Statement

PRINCIPLE C : INTEGRITY IN CORPORATE REPORTING AND MEANINGFUL RELATIONSHIP WITH STAKEHOLDERS

The Group believes that stakeholder engagement is crucial and that effective communication and proactive engagement with stakeholders is important in establishing a mutual understanding of both the objectives of the Group and stakeholders. We understand the value of long-term thinking and believe that effective stakeholder engagement is critical to fostering mutually beneficial relationships and securing our long-term success.

While the majority of engagement with stakeholders is undertaken by our experienced and dedicated Management teams, the Board is kept continually apprised of stakeholder matters. The Directors are also ready whenever required to engage directly with stakeholders, as demonstrated by the Directors' participation in employee forums. The Board receives regular updates from the Executive Directors and Senior Management on insights and feedback from stakeholders which allows the Directors to understand and consider the perspectives of key stakeholders in 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 challenge, where appropriate, the work being done by Management and any associated decisions. The Board is cognizant of the fact that the relevance of each stakeholder group may change depending on the matters being considered and 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 to 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 development 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 LR through media releases. The Board is mindful of the legal and regulations governing the release of material and sensitive information so as not to mislead 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 the investors, shareholders, medias 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 :

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

The details of how the Company has been engaging with its stakeholders can be found on pages 80 to 83 of the Corporate Governance Report 2022, which is available on our website at <https://www.topglove.com/governance-manual/>

Financial Calendar

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

Date	Event
10 December 2021	Unaudited consolidated results for the first quarter ended 30 November 2021
9 March 2022	Unaudited consolidated results for the second quarter and half year ended 28 February 2022
9 June 2022	Unaudited consolidated results for the third quarter ended 31 May 2022
20 September 2022	Unaudited consolidated results for the fourth quarter and financial year ended 31 August 2022
11 November 2022 : AGM Notice date	Issuance of Integrated Annual Report 2022

Note: All the Quarterly Results Briefing FY2022 were held virtually on the same date as the financial result release date.

Dividend Calendar

Dividend of 1.2 sen per share

Entitlement date :
27 December 2021

Payment date :
10 January 2022



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



Corporate Matters

Corporate Announcement 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



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

Other Compliance Information :

1. Utilisation of Proceeds

There were no funds raised by the Company through any corporate proposal during FY2022.

2. Audit & Non-Audit Fees

Details of statutory audit, audit-related and non-audit fees paid/payable in the FY2022 to Ernst & Young PLT and its affiliates are as follows :

Type of Fees	Top Glove (RM)	Top Glove Group (RM)
a) Audit fees		
• Messrs. Ernst & Young PLT, Malaysia	88,000	811,477
b) Non-Audit fees		
• Messrs. Ernst & Young PLT, Malaysia	499,300	559,300
• Member firm of Ernst & Young Global Limited	172,202	172,202
Total :	759,502	1,542,979

Note:

* The significant portion of the Non-Audit fees was pursuant to the appointment of Messrs. Ernst & Young PLT as the reporting accountants to report on the financial information of Top Glove Group in connection with the Company's proposed listing on the Main Board of the Stock Exchange of Hong Kong Limited.

Corporate Governance Overview Statement

3. Recurrent Related Party Transactions

During FY2022, 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 FY2022, 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 FY2022, 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 FY2022, there was no insider trading reported.

7. Employees Share Option Scheme ("ESOS")

The details of the ESOS for FY2022 are as follows :

Total number of ESOS options granted	99,445,500
Percentage of ESOS option granted to the Directors and Senior Management	11.89% of the total ESOS option granted.
Total number of ESOS options exercised	241,200
Total ESOS options outstanding as at 31 August 2022	177,273,700

Other than the above, there were no issuance of convertible securities during FY2022. The number of ESOS option granted and exercised by the Directors as well as their ESOS options outstanding are disclosed on page 114 of this Integrated Annual Report.

The details of the issued and paid-up share capital of the Company as at 31 August 2022 are as follows :

	No. of Shares	RM
As at 1 September 2021	8,206,864,034	1,841,653,566.23
Ordinary shares issued pursuant to the ESOS	241,200	497,876.00
ESOS Compensation reserve	-	39,283.00
ESOS Cost	-	(1,560.00)
As at 31 August 2022	8,207,105,234	1,842,189,165.23

8. Employees Share Grant Plan ("ESGP")

The Company had established the ESGP of up to ten per centum (10%) of the issued and paid-up share capital of the Company (excluding treasury shares) for the eligible employees and Executive Directors of the Company and its subsidiaries for a duration of ten (10) years from 12 January 2016 to 11 January 2026.

The details of the ESGP for FY2022 are as follows :

Total number of shares awarded under ESGP	149,500
Percentage of shares awarded to Directors under ESGP	87.02%
Percentage of shares awarded to the Directors and Senior Management under ESGP	87.02% of the total shares awarded.

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 and Investment Committee ("BRIC"), 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, BRIC is also assigned with the oversight role to review key risks, funding options and 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.

The BRIC members consist of the following Independent Non-Executive Directors :

1. Datuk Noripah Kamsu (Chairman)
2. Datuk Dr. Norma Mansor
3. Martin Giles Manen (Appointed on 25 January 2022)
4. Tan Sri Rainer Althoff (Cessation of Services on 18 February 2022)
5. Dato' Lim Han Boon (Cessation of Services on 6 January 2022)

Note : Dato' Lee Kim Meow was appointed as BRIC member on 20 September 2022.

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 a 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 RMC 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

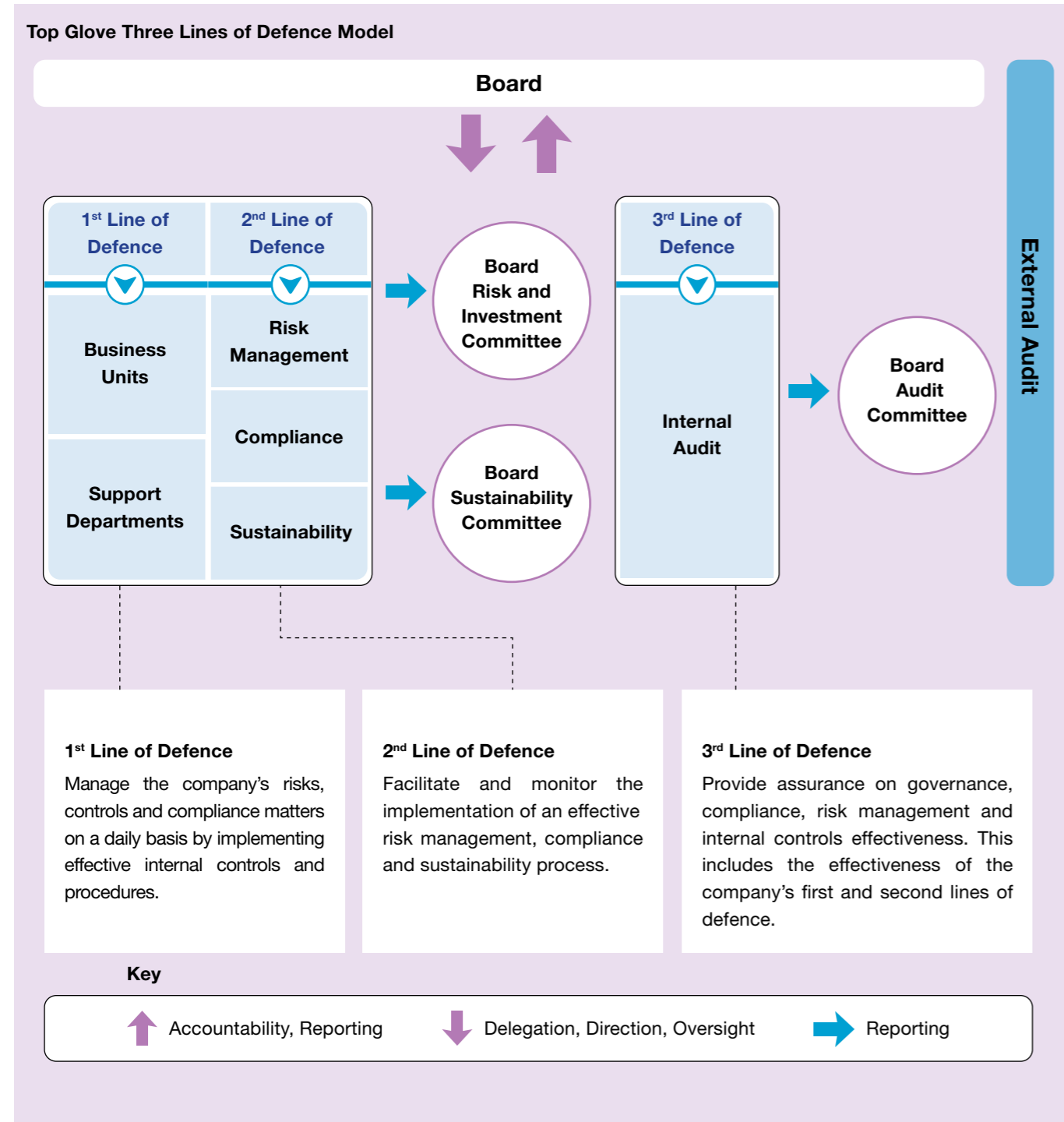
The Group's Enterprise Risk Management Framework is set up in accordance with ISO 31000:2018 Risk Management Guideline where risks arising from the business and manufacturing operations are continuously identified. These identified risks are incorporated into the risk register and are assessed to determine 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 BRIC for further deliberation.

Statement On Risk Management And Internal Control

The BRIC 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 specialized 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.

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 :

- 1 **Reviewing the reliability and integrity of financial and operating information and the means used to identify, measure, classify and report such information**
- 2 **Evaluating the system established to ensure compliance with policies, plans, procedures, laws, and regulations which could have significant impact on operations**

- 3 **Examining the means of safeguarding assets and, as appropriate, verifying the existence of such assets**
- 4 **Assessing the economy and efficiency with which resources are employed**
- 5 **Appraising operations to ascertain whether results are consistent with established objectives and goals and whether the operations are being carried out as planned**
- 6 **Reporting significant issues related to the business and operational processes for controlling the activities of the Group together with recommendations for improvements by issuing periodic audit reports summarizing results of audit activities and follow-up reports on a timely basis to BAC and management**
- 7 **Assisting in the investigation of significant suspected fraudulent activities and notify the BAC and top Management of the results**

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.



Statement On Risk Management And Internal Control

REVIEW OF EFFECTIVENESS

The Board is dedicated to operating a sound system of risk management and internal controls, and recognizes 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 2022, 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.

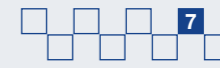
The Board, with the assurance received from the Managing Director and its Executive Director, concludes that the Group's risk management and internal control system are operating adequately and effectively, in all material aspects.

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 made in accordance with a resolution of the Board of Directors dated 26 October 2022.

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 FY2022, 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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OUR PERFORMANCE

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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 (Cont'd)

DIRECTORS' REPORT

The directors have pleasure in presenting their report together with the audited financial statements of the Group and of the Company for the financial year ended 31 August 2022.

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 19 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
Profit net of tax	281,590	151,481
Profit attributable to:		
Owners of the parent	225,564	151,481
Holders of Perpetual Sukuk	50,164	-
Non-controlling interests	5,862	-
	281,590	151,481

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.

DIVIDENDS

The amounts of dividends paid by the Company since 31 August 2021 were as follows:

	RM'000
In respect of the financial year ended 31 August 2022:	
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
In respect of the financial year ended 31 August 2021:	
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

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

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*
 Dato' Lee Kim Meow*
 Lim Hooi Sin*
 Lim Cheong Guan*
 Datuk Noripah Binti Kamso
 Sharmila Sekarajasekaran
 Datuk Dr. Norma Binti Mansor
 Azrina Binti Arshad
 Martin Giles Manen (Appointed on 25/01/2022)
 Dato' Kong Sooi Lin (Appointed on 09/03/2022)
 Dr. Ngo Get Ping (Appointed on 09/03/2022)
 Ng Yong Lin (Appointed on 01/08/2022)*
 Lim Andy (Resigned on 18/02/2022)
 Dato' Lim Han Boon (Retired on 06/01/2022)
 Puan Sri Tong Siew Bee (Retired on 06/01/2022)*
 Tan Sri Rainer Althoff (Retired on 18/02/2022)
 Lester Garson Huang (Appointed on 07/01/2022, resigned on 13/09/2022)
 Lo Kai Yiu, Anthony (Appointed on 07/01/2022, resigned on 03/10/2022)

* 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:

Dato' Dr. Sharifah Fauziah Alhabshi
 Dato' IR Haji Ahmad Bin Hassan
 Dato' Julie Wong Seng Choo
 Dr. Navindra A/L Nageswaran
 Dr. Pongsak Kerdvonbundit
 Dr. Tang Siew Fun
 Bong Khoon Sheng
 Chan Siao Yun
 Cheoh Hooi Gaik
 Chia Hock Yi
 Choh Ai Ying
 Chong Fei Meng
 Chong Fook Siong
 Chookiad Usaha
 Galuh Faradisa
 Ho Chee Meng Edmund
 Ho Kim Nam
 Hue Kon Fah
 Koek I Long
 Lam Yat Hing
 Law Eng Lim
 Lee Sow Theng
 Leong Chew Mun
 Lew Sin Chiang
 Liew Say Keong

Directors' Report (Cont'd)

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):

Lim Hwa Chuan
Lim Jew Kiat
Lim Jin Feng
Lim Keuw Wei
Ling Siew Szen
Masato Katayama
Ng Seow Wei
Norhazlin Binti Hamzah
Oh Teik Chye
Ong Ah Chye
Phattaraporn Fueangthong
Puah Kean Seng
Puon Tuck Seng
Ravi A/L Supramaniam
Saw Eng Kooi
See So Kim Huat
Siow Chun Min
Stephanie Thong Pei Ling
Svami Utama Batang Taris
Tan Chee Hoong
Tee Sui Ling
Thomas Petermoeller
Wilawan Sakulsongboonsiri
Wu Kin Yeap
Yap Rueh Yinn
Low Lee Lee (Appointed on 17/05/2022)
Wee Hiong Ching (Resigned on 11/02/2022)
Wong Chong Ban (Resigned on 28/02/2022)
Tan Puay Choo (Resigned on 02/04/2022)
Dato' Abdul Rahim Bin Abdullah (Resigned on 01/06/2022)
Lee Shin Hwai (Resigned on 30/08/2022)
Loke Kean Mun (Resigned on 30/08/2022)
Noraziah Binti Mahmud (Resigned on 23/09/2022)

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 disclosed in Note 12 to the financial statements) 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 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 31.8.2022
	At 1.9.2021	Acquired	Sold	
Tan Sri Dr <u>Lim</u> Wee Chai				
- direct	2,156,032,356	57,310,900	-	2,213,343,256
- indirect	680,191,448	-	-	680,191,448
Dato' Lee Kim Meow				
- direct	1,782,000	1,130,100	-	2,912,100
- indirect	120,000	-	-	120,000
Lim Hooi Sin				
- direct	100,061,244	-	-	100,061,244
- indirect	2,735,962,560	57,310,900	-	2,793,273,460
Lim Cheong Guan				
- direct	418,000	-	-	418,000
Sharmila Sekarajasekaran				
- direct	30,037,500	-	10,000,000	20,037,500
- indirect	1,200,000	536,000	-	1,736,000
Datuk Dr. Norma Binti Mansor				
- indirect	32,900	10,000	-	42,900
Datuk Noripah Binti Kamso				
- direct	185,000	20,000	-	205,000
Azrina Binti Arshad				
- direct	10,000	-	-	10,000
Dato' Kong Sooi Lin				
- direct	5,000	-	-	5,000
Dr. Ngo Get Ping				
- direct	-	310,000	-	310,000
Ng Yong Lin				
- direct	11,400	-	11,400	-

Directors' Report (Cont'd)

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 31.8.2022
	At 1.9.2021	Granted	Exercised	
Tan Sri Dr <u>Lim</u> Wee Chai	3,131,700	2,565,400	-	5,697,100
Lim Hooi Sin	600,500	440,900	-	1,041,400
Lim Cheong Guan	577,500	346,000	-	923,500
Ng Yong Lin	366,300	591,400	-	957,700

During the financial year, 130,100 of ordinary shares were granted through ESGP to Dato' Lee Kim Meow.

Tan Sri Dr Lim Wee Chai and Lim Hooi Sin by virtue of their interest in shares of the Company are also deemed interested in shares of all the subsidiaries to the extent the Company has an interest.

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 RM1,841,654,000 to RM1,842,189,000 by way of issuance of 241,200 (2021: 28,968,800) ordinary shares pursuant to the Company's ESOS at an exercise price between RM1.54 to RM3.86 (2021: between RM1.54 to RM6.55) 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, Datuk Noripah Binti Kamso, 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 99,445,500 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.

EMPLOYEE SHARE OPTIONS SCHEME ("ESOS") (CONT'D)

Details of the options exercised to subscribe for ordinary shares of the Company pursuant to the ESOS as at 31 August 2022 are as follows:

Expiry date	Exercise price RM	Number of options '000
31 May 2028	1.69	29.7
31 May 2028	1.63	12.0
31 May 2028	1.54	55.7
31 May 2028	1.57	90.3
31 May 2028	3.30	10.6
31 May 2028	3.86	42.9
		241.2

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

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, Datuk Noripah Binti Kamso, 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, the Company granted 149,500 share grants under the ESGP amounting to RM148,000 to eligible employees and an executive director.

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

TREASURY SHARES

During the 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.

As at 31 August 2022, the Company held as treasury shares a total of 199,764,300 of its 8,207,105,000 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 statements.

Directors' Report (Cont'd)

Directors' Report (Cont'd)

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 there were no known bad debts 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) it necessary to write off any bad debts or the amount of the expected credit loss 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.
- (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	811	88
Other auditors	501	-
	1,312	88

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 2022.

Signed on behalf of the Board in accordance with a resolution of the directors dated 26 October 2022.

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 124 to 226 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 2022 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 26 October 2022.

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 124 to 226 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 abovenamed, Lim Cheong Guan at Shah Alam on 26 October 2022.

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 2022 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 124 to 226.

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 2022, 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.

Review of costing of finished goods inventories

(Refer to Note 4.16, Note 7.2(a) and Note 24 to the financial statements)

As at 31 August 2022, the Group held RM371 million of finished goods inventories. This represented 5% 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 2022 amounted to RM4.6 billion, accounting for 87% of total expenditure (comprises of cost of sales, distribution and selling costs and administrative and general expenses) of the Group.

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 (cont'd)

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:

- a) Obtained an understanding of the Group's current inventories valuation policy, production processes and the types of costs included in the valuation of finished goods inventories.
- b) Evaluated the general and logical access controls surrounding the IT system by involving our IT audit professionals.
- c) 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.
- d) 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.

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 23 to the financial statements)

As at 31 August 2022, the Group recorded a goodwill of RM934 million arising from the past acquisition of Aspion, which represented 12% 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 right-of-use assets ("RoU") (Refer to Note 4.13, Note 7.2(c) and Note 16 to the financial statements)

As at 31 August 2022, the carrying amounts of the PPE and RoU of the Group are RM4,522 million and RM224 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 VIU.

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 rate.

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 (cont'd)

Our audit procedures include, amongst others, the following:

- a) 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.
- b) 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.
- c) 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.
- d) 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.

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.

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.

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

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 19 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

Ong Chee Wai
No. 02857/07/2024J
Chartered Accountant

Kuala Lumpur, Malaysia
26 October 2022

Statements Of Profit Or Loss

For the financial year ended 31 August 2022

	Note	Group		Company	
		2022 RM'000	2021 RM'000	2022 RM'000	2021 RM'000
Revenue	8	5,572,349	16,361,443	202,359	6,493,369
Cost of sales		(4,618,972)	(5,259,336)	-	-
Gross profit		953,377	11,102,107	202,359	6,493,369
Other items of income					
Interest income	9	24,313	61,575	14,351	24,818
Other income	10	88,504	83,311	17,207	4,475
Other items of expense					
Distribution and selling costs		(171,689)	(253,652)	-	-
Administrative and general expenses		(527,950)	(957,985)	(81,072)	(57,264)
Finance costs		(4,421)	(4,187)	(13)	(16)
Share of results of an associate		(3,710)	2,644	-	-
Profit before tax	11	358,424	10,033,813	152,832	6,465,382
Income tax expense	14	(76,834)	(2,209,821)	(1,351)	(4,032)
Profit net of tax		281,590	7,823,992	151,481	6,461,350
Profit attributable to:					
Owners of the parent		225,564	7,710,327	151,481	6,461,350
Holders of Perpetual Sukuk		50,164	51,350	-	-
Non-controlling interests		5,862	62,315	-	-
		281,590	7,823,992	151,481	6,461,350
Earnings per share attributable to owners of the parent (sen):					
- Basic	15	2.82	95.91		
- Diluted	15	2.82	95.83		

Statements Of Comprehensive Income

For the financial year ended 31 August 2022

	Group		Company	
	2022 RM'000	2021 RM'000	2022 RM'000	2021 RM'000
Profit net of tax	281,590	7,823,992	151,481	6,461,350
Other comprehensive (loss)/income:				
<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)	(12,901)	1,844	(11,201)	144
Cash flow hedge (Note 35)	-	2,690	-	-
Foreign currency translation differences of foreign operations	(15,408)	(21,075)	-	-
Other comprehensive (loss)/income for the year, net of tax	(28,309)	(16,541)	(11,201)	144
Total comprehensive income for the year	253,281	7,807,451	140,280	6,461,494
Total comprehensive income attributable to:				
Owners of the parent	198,565	7,695,240	140,280	6,461,494
Holders of Perpetual Sukuk	50,164	51,350	-	-
Non-controlling interests	4,552	60,861	-	-
	253,281	7,807,451	140,280	6,461,494

Statements Of Financial Position (Group)

As at 31 August 2022

	Note	2022 RM'000	2021 RM'000
Assets			
Non-current assets			
Property, plant and equipment	16	4,522,203	3,958,715
Right-of-use assets	17	223,833	210,649
Investment properties	18	227,400	227,400
Investment in an associate	20	9,359	13,069
Deferred tax assets	21	15,911	17,073
Biological assets		1,170	574
Investment securities: Unquoted investments	22	392	392
Intangible assets	23	1,005,325	1,008,795
		6,005,593	5,436,667
Current assets			
Inventories	24	575,262	1,144,705
Trade and other receivables	25	258,791	566,299
Other current assets	26	96,061	118,174
Tax recoverable		230,087	5,803
Investment securities: Money market funds	22	277,093	1,323,297
Investment securities: Debt securities	22	236,223	306,622
Derivative financial instruments	27	3	2,411
Cash and bank balances	28	437,597	878,446
		2,111,117	4,345,757
Total assets		8,116,710	9,782,424
Equity and liabilities			
Current liabilities			
Loans and borrowings	29	306,122	312,704
Trade and other payables	30	459,357	692,361
Contract liabilities	31	216,565	737,627
Lease liabilities	32	2,610	5,542
Income tax payable		11,765	450,023
Derivative financial instruments	27	69	230
		996,488	2,198,487
Net current assets		1,114,629	2,147,270

Statements Of Financial Position (Group)

As at 31 August 2022 (cont'd)

	Note	2022 RM'000	2021 RM'000
Non-current liabilities			
Loans and borrowings	29	92,964	146,002
Lease liabilities	32	15,372	18,127
Deferred tax liabilities	21	209,280	191,200
Provisions		9,371	8,448
		326,987	363,777
Total liabilities		1,323,475	2,562,264
Net assets		6,793,235	7,220,160
Equity attributable to owners of the parent			
Share capital	33	1,842,189	1,841,654
Treasury shares	34	(1,412,270)	(1,413,274)
Other reserves	35	107,633	101,663
Retained earnings	37	5,041,670	5,342,360
		5,579,222	5,872,403
Perpetual Sukuk	36	1,175,694	1,295,262
Non-controlling interests		38,319	52,495
Total equity		6,793,235	7,220,160
Total equity and liabilities		8,116,710	9,782,424

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

Statements Of Financial Position (Company)

As at 31 August 2022

	Note	2022 RM'000	2021 RM'000
Assets			
Non-current assets			
Investment in subsidiaries	19	2,311,752	2,033,410
Right-of-use assets	17	280	357
		2,312,032	2,033,767
Current assets			
Trade and other receivables	25	33,922	261,685
Other current assets	26	-	3,432
Investment securities: Money market funds	22	24,778	578,568
Investment securities: Debt securities	22	236,223	97,307
Cash and bank balances	28	3,513	5,555
		298,436	946,547
Total assets		2,610,468	2,980,314
Equity and liabilities			
Current liabilities			
Trade and other payables	30	6,096	23,060
Lease liabilities	32	77	74
Income tax payable		338	1,713
		6,511	24,847
Net current assets		291,925	921,700
Non-current liability			
Lease liabilities	32	214	292
Total liabilities		6,725	25,139
Net assets		2,603,743	2,955,175
Equity attributable to owners of the Company			
Share capital	33	1,842,189	1,841,654
Treasury shares	34	(1,412,270)	(1,413,274)
Other reserves	35	54,950	34,740
Retained earnings	37	2,118,874	2,492,055
Total equity		2,603,743	2,955,175
Total equity and liabilities		2,610,468	2,980,314

Statements Of Changes In Equity

For the financial year ended 31 August 2022

2022 Group	Attributable to owners of the parent		Share capital RM'000	Treasury shares RM'000	Other reserves RM'000	Distributable		Non-controlling interests ("NCI") RM'000
	Total equity attributable to owners of the parent RM'000	Non-distributable				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)
Total comprehensive income/(loss)	253,281	198,565	-	-	(26,999)	225,564	50,164	4,552
Transactions with owners								
Issuance of ordinary shares pursuant to Employee Share Options Scheme ("ESOS") (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)	-	-
Total transactions with owners	(680,206)	(491,746)	535	1,004	32,969	(526,254)	(169,732)	(18,728)
Closing balance at 31 August 2022	6,793,235	5,579,222	1,842,189	(1,412,270)	107,633	5,041,670	1,175,694	38,319

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 2022 (cont'd)

2021 Group	Total equity RM'000	Attributable to owners of the parent		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 2020	6,190,883	4,870,755	1,675,704	(1,519)	65,040	3,131,530	1,295,262	24,866
Profit net of tax	7,823,992	7,710,327	-	-	-	7,710,327	51,350	62,315
Other comprehensive loss	(16,541)	(15,087)	-	-	(15,087)	-	-	(1,454)
Total comprehensive income/(loss)	7,807,451	7,695,240	-	-	(15,087)	7,710,327	51,350	60,861
Transactions with owners								
Issuance of ordinary shares pursuant to Employee Share Options Scheme ("ESOS") (Note 38)	58,061	58,061	58,061	-	-	-	-	-
Issuance of ordinary shares pursuant to conversion of exchangeable bonds (Note 33)	104,387	104,387	104,387	-	-	-	-	-
Share options granted under ESOS (Note 35)	33,983	33,983	-	33,983	-	-	-	-
Issuance of shares to NCI	300	-	-	-	-	-	-	300
Transfer from share option reserve (Note 33 and Note 35)	-	-	4,002	(4,706)	704	-	-	-
Transfer from retained earnings (Note 35)	-	-	-	4,952	(4,952)	-	-	-
Transfer to legal reserve (Note 35)	-	-	-	17,481	(17,481)	-	-	-
Transfer to Employee Share Grant Plan ("ESGP") (Note 34)	8,641	8,641	-	12,340	(3,699)	-	-	-
Transaction cost	(2,010)	(2,010)	(500)	(1,510)	-	-	-	-
Purchase of treasury shares (Note 34)	(1,422,585)	(1,422,585)	-	(1,422,585)	-	-	-	-
Distribution to holders of Perpetual Sukuk	(51,350)	-	-	-	-	-	(51,350)	-
Dividends on NCI	(33,532)	-	-	-	-	-	-	(33,532)
Dividends on ordinary shares (Note 47)	(5,474,069)	(5,474,069)	-	-	(5,474,069)	-	-	-
Total transactions with owners	(6,778,174)	(6,693,592)	165,950	(1,411,755)	51,710	(5,499,497)	(51,350)	(33,232)
Closing balance at 31 August 2021	7,220,160	5,872,403	1,841,654	(1,413,274)	101,663	5,342,360	1,295,262	52,495

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 2022 (cont'd)

2022 Company	Total equity RM'000	Non-distributable			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)	-
Total comprehensive income/(loss)	140,280	-	-	(11,201)	151,481
Transactions with owners					
Issuance of ordinary shares pursuant to ESOS (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	(2)	(2)	-	-	-
Transfer to ESGP (Note 34)	148	-	1,004	-	(856)
Dividends on ordinary shares (Note 47)	(528,556)	-	-	-	(528,556)
Total transactions with owners	(491,712)	535	1,004	31,411	(524,662)
Closing balance at 31 August 2022	2,603,743	1,842,189	(1,412,270)	54,950	2,118,874

2021 Company	Total equity RM'000	Non-distributable			Distributable Retained earnings RM'000
		Share capital RM'000	Treasury shares RM'000	Other reserves RM'000	
Opening balance at 1 September 2020	3,187,273	1,675,704	(1,519)	5,319	1,507,769
Profit net of tax	6,461,350	-	-	-	6,461,350
Other comprehensive income	144	-	-	144	-
Total comprehensive income	6,461,494	-	-	144	6,461,350
Transactions with owners					
Issuance of ordinary shares pursuant to ESOS (Note 38)	58,061	58,061	-	-	-
Issuance of ordinary shares pursuant to conversion of exchangeable bonds (Note 33)	104,387	104,387	-	-	-
Share options granted under ESOS (Note 35)	33,983	-	-	33,983	-
Transfer from share option reserve (Note 33 and Note 35)	-	4,002	-	(4,706)	704
Purchase of treasury shares (Note 34)	(1,422,585)	-	(1,422,585)	-	-
Transaction cost	(2,010)	(500)	(1,510)	-	-
Transfer to ESGP (Note 34)	8,641	-	12,340	-	(3,699)
Dividends on ordinary shares (Note 47)	(5,474,069)	-	-	-	(5,474,069)
Total transactions with owners	(6,693,592)	165,950	(1,411,755)	29,277	(5,477,064)
Closing balance at 31 August 2021	2,955,175	1,841,654	(1,413,274)	34,740	2,492,055

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

Statements Of Cash Flows

For the financial year ended 31 August 2022

	Group		Company	
	2022 RM'000	2021 RM'000	2022 RM'000	2021 RM'000
Operating activities				
Profit before tax	358,424	10,033,813	152,832	6,465,382
Adjustments for:				
Gross dividends	-	-	(191,153)	(6,483,958)
Depreciation of property, plant and equipment (Note 16)	335,086	296,718	-	-
Depreciation of right-of-use assets (Note 17)	9,330	8,215	77	77
Amortisation of intangible assets (Note 23)	3,738	3,731	-	-
(Gain)/loss on disposal of property, plant and equipment	(402)	2	-	-
Net loss/(gain) from fair value remeasurement of investment properties (Note 18)	754	(1,846)	-	-
Gain on disposal of right-of-use assets	(111)	-	-	-
Gain on lease modifications	(54)	-	-	-
Bad debts written off	-	124	-	-
Gain on disposal of debt securities	(1,370)	(3,828)	(69)	-
Net addition/(reversal) of allowance for expected credit loss (Note 25)	456	(13)	-	-
Inventories written down on goods sold	182,661	-	-	-
Inventories written off	2,039	32,709	-	-
Allowance for inventories written down on unsold goods	44,869	80,558	-	-
Property, plant and equipment written off	28,031	44,243	-	-
Shares granted under ESGP	148	8,641	-	142
Share options granted under ESOS	36,200	33,983	4,669	2,072
Unrealised foreign exchange gain	(48,103)	(9,174)	(11,183)	(3,546)
Share of results of an associate	3,710	(2,644)	-	-
Net fair value loss/(gain) on derivative financial instruments	2,247	(2,143)	-	-
Net fair value loss/(gain) on investment in debt securities at fair value through profit or loss	56,626	(2,591)	54,868	(929)
Finance costs	4,421	4,187	13	16
Interest income	(24,313)	(61,575)	(14,351)	(24,818)
Impairment loss on investment in subsidiaries (Note 19)	-	-	4,186	8,723
(Reversal)/addition of impairment loss on other receivables	-	-	(3,176)	3,249
Total adjustments	635,963	429,297	(156,119)	(6,498,972)

Statements Of Cash Flows

For the financial year ended 31 August 2022 (cont'd)

	Group		Company	
	2022 RM'000	2021 RM'000	2022 RM'000	2021 RM'000
Operating cash flows before changes in working capital	994,387	10,463,110	(3,287)	(33,590)
<u>Changes in working capital</u>				
Inventories	340,120	(727,243)	-	-
Receivables	306,238	233,172	30,238	146,662
Other current assets	22,113	(43,290)	3,432	(3,421)
Payables	(239,531)	(112,788)	(16,964)	20,489
Contract liabilities	(521,062)	(141,759)	-	-
Total changes in working capital	(92,122)	(791,908)	16,706	163,730
Cash flows generated from operations	902,265	9,671,202	13,419	130,140
Interest paid	(4,421)	(4,187)	(13)	(16)
Income taxes paid	(719,034)	(1,840,082)	(2,726)	(2,538)
Net cash flows generated from operating activities	178,810	7,826,933	10,680	127,586
Investing activities				
Purchase of property, plant and equipment	(949,384)	(1,334,018)	-	-
Additions to investment properties	(754)	(26,902)	-	-
Purchase of right-of-use assets	(3,286)	(554)	-	-
Purchase of intangible assets	(268)	(207)	-	-
Purchase of biological assets	(596)	(546)	-	-
Placement of money market funds	(380,539)	(2,763,264)	(178,959)	(2,730,882)
Withdrawal of money market funds	1,426,743	3,114,598	732,749	2,861,389
Purchase of debt securities	(193,263)	(322,604)	(220,560)	(97,307)
Proceeds from disposal of debt securities	208,406	22,400	30,104	-
Proceeds from disposal of right-of-use assets	111	-	-	-
Net increase in bank balances pledged with banks	(912)	(365)	-	-
Decrease in monies held in debt service reserve account	-	729	-	-
Interest received	24,313	61,575	14,351	24,818
Dividends from subsidiaries	-	-	191,153	6,483,958
Proceeds from disposal of property, plant and equipment	2,939	1,258	-	-
Additions to investment in subsidiaries	-	-	(282,528)	(424,477)
Net cash outflow on acquisition of subsidiaries	(1,090)	-	-	-
Repayment from subsidiaries	-	-	228,735	342,690
Net cash flows generated from/(used in) investing activities	132,420	(1,247,900)	515,045	6,460,189

Statements Of Cash Flows

For the financial year ended 31 August 2022 (cont'd)

	Group		Company	
	2022 RM'000	2021 RM'000	2022 RM'000	2021 RM'000
Financing activities				
Proceeds from issuance of ordinary shares pursuant to ESOS	498	58,061	498	58,061
Transaction cost	(2)	(2,010)	(2)	(2,010)
Dividends paid on ordinary shares (Note 47)	(528,556)	(5,474,069)	(528,556)	(5,474,069)
Dividends paid on NCI	(18,728)	(33,532)	-	-
Issuance of shares to NCI	-	300	-	-
Repayment of loans and borrowings	(64,096)	(356,670)	-	-
Drawdown of loans and borrowings	45,209	383,809	-	-
Redemption of Perpetual Sukuk	(119,602)	-	-	-
Distribution paid to holders of Perpetual Sukuk	(50,164)	(51,350)	-	-
Payment of principal portion of lease liabilities	(4,904)	(4,264)	(75)	(72)
Purchase of treasury shares	-	(1,422,585)	-	(1,422,585)
Net cash flows used in financing activities	(740,345)	(6,902,310)	(528,135)	(6,840,675)
Net decrease in cash and cash equivalents	(429,115)	(323,277)	(2,410)	(252,900)
Effect of changes in foreign exchange rate	(12,646)	(6,472)	368	974
Cash and cash equivalents at 1 September 2021/2020	875,198	1,204,947	5,555	257,481
Cash and cash equivalents at 31 August (Note 28)	433,437	875,198	3,513	5,555

(a) Reconciliation of liabilities arising from financing activities

	Movements		Non-cash changes		Equity component of exchangeable bonds		Foreign exchange movement	
	1 September 2021 RM'000	31 August 2022 RM'000	1 September 2021 RM'000	31 August 2022 RM'000	1 September 2021 RM'000	31 August 2022 RM'000	1 September 2021 RM'000	31 August 2022 RM'000
2022								
Group								
Loans and borrowings (Note 29)	458,706	(18,887)	(3,585)	3,585	-	-	(40,733)	399,086
Lease liabilities (Note 32)	23,669	(4,904)	(836)	836	(1,572)	1,339	(550)	17,982
Company								
Lease liabilities (Note 32)	366	(75)	(13)	13	-	-	-	291

	Movements		Non-cash changes		Equity component of exchangeable bonds		Foreign exchange movement	
	1 September 2020 RM'000	31 August 2021 RM'000	1 September 2020 RM'000	31 August 2021 RM'000	1 September 2020 RM'000	31 August 2021 RM'000	1 September 2020 RM'000	31 August 2021 RM'000
2021								
Group								
Loans and borrowings (Note 29)	540,539	27,139	(3,504)	3,504	-	-	(4,585)	458,706
Lease liabilities (Note 32)	11,114	(4,264)	(683)	683	8,328	8,754	(263)	23,669
Company								
Lease liabilities (Note 32)	438	(72)	(16)	16	-	-	-	366

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

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

Notes To The Financial Statements

For the financial year ended 31 August 2022

Notes To The Financial Statements

For the financial year ended 31 August 2022 (cont'd)

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 19. 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 2022. 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.

Notes To The Financial Statements

For the financial year ended 31 August 2022 (cont'd)

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

4.1 Business combinations and goodwill (cont'd)

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.

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.

Notes To The Financial Statements

For the financial year ended 31 August 2022 (cont'd)

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

4.4 Investment in an associate (cont'd)

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.

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.

Notes To The Financial Statements

For the financial year ended 31 August 2022 (cont'd)

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

4.5 Intangible assets (cont'd)

(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.

(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.

Notes To The Financial Statements

For the financial year ended 31 August 2022 (cont'd)

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

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.

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 2022 (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.

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.

Notes To The Financial Statements

For the financial year ended 31 August 2022 (cont'd)

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**4.9 Revenue and other income recognition (cont'd)****(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 2022 (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.

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 2022 (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 2022 (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 2022 (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 2022 (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.

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.

Notes To The Financial Statements

For the financial year ended 31 August 2022 (cont'd)

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

4.18 Financial instruments (cont'd)

(a) Financial assets (cont'd)

Initial recognition and measurement (cont'd)

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 2022 (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.

Notes To The Financial Statements

For the financial year ended 31 August 2022 (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)****(iii) Financial assets at fair value through profit or loss (cont'd)**

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.

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.

Notes To The Financial Statements

For the financial year ended 31 August 2022 (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)**

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.

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) Trade and other payables

These are subsequently measured at amortised cost using the EIR method.

Notes To The Financial Statements

For the financial year ended 31 August 2022 (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)

The measurement of financial liabilities depends on their classification, as described below (cont'd):

(ii) 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.

(iii) Financial liabilities at amortised cost

This is the category most relevant to the Group and the Company. After initial recognition, interest-bearing loans and borrowings 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 interest-bearing loans and borrowings and lease liabilities. For more information, refer to Note 29 and Note 32.

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.

Notes To The Financial Statements

For the financial year ended 31 August 2022 (cont'd)

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

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 that 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.

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.

Cash flow hedge

The effective portion of the gain or loss on the hedging instrument is recognised in OCI in the cash flow hedge reserve, while any ineffective portion is recognised immediately in the statement of profit or loss. The cash flow hedge reserve is adjusted to the lower of the cumulative gain or loss on the hedging instrument and the cumulative change in fair value of the hedged item.

The amounts accumulated in OCI are accounted for, depending on the nature of the underlying hedged transaction. If the hedged transaction subsequently results in the recognition of a non-financial item, the amount accumulated in equity is removed from the separate component of equity and included in the initial cost or other carrying amount of the hedged asset or liability. This is not a reclassification adjustment and will not be recognised in OCI for the period. This also applies where the hedged forecast transaction of a non-financial asset or non-financial liability subsequently becomes a firm commitment for which fair value hedge accounting is applied.

For any other cash flow hedges, the amount accumulated in OCI is reclassified to profit or loss as a reclassification adjustment in the same period or periods during which the hedged cash flows affect profit or loss.

If cash flow hedge accounting is discontinued, the amount that has been accumulated in OCI must remain in accumulated OCI if the hedged future cash flows are still expected to occur. Otherwise, the amount will be immediately reclassified to profit or loss as a reclassification adjustment. After discontinuation, once the hedged cash flow occurs, any amount remaining in accumulated OCI must be accounted for depending on the nature of the underlying transaction as described above.

Notes To The Financial Statements

For the financial year ended 31 August 2022 (cont'd)

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

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.

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.

Notes To The Financial Statements

For the financial year ended 31 August 2022 (cont'd)

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

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.

Notes To The Financial Statements

For the financial year ended 31 August 2022 (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
Amendments to MFRS 9, MFRS 139, MFRS 7, MFRS 4 and MFRS 16: Interest Rate Benchmark Reform - Phase 2	1 January 2021
Amendment to MFRS 16: Covid-19-Related Rent Concessions beyond 30 June 2021	1 April 2021

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
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
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 Classification of Liabilities as Current or Non Current	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 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.

Notes To The Financial Statements

For the financial year ended 31 August 2022 (cont'd)

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 23.

Notes To The Financial Statements

For the financial year ended 31 August 2022 (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

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.

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 16.

8. REVENUE

(a) Disaggregated revenue information

	Group		Company	
	2022 RM'000	2021 RM'000	2022 RM'000	2021 RM'000
Revenue from contracts with customers				
Business units by geographical area				
Malaysia	4,813,330	13,907,278	-	-
Thailand	446,449	1,199,387	-	-
The People's Republic of China	30,653	429,918	-	-
Others	281,917	824,860	-	-
	5,572,349	16,361,443	-	-
Revenue from other sources				
Management fees from subsidiaries	-	-	11,206	9,411
Dividend income from subsidiaries	-	-	191,153	6,483,958
	-	-	202,359	6,493,369
Total revenue	5,572,349	16,361,443	202,359	6,493,369
Timing of revenue recognition				
Goods transferred at a point in time	5,572,349	16,361,443	-	-

(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 (2021: 30 to 90) days.

The transaction price allocated to the remaining performance obligations (unsatisfied) as at 31 August 2022 and 2021 are as follows:

	Group		Company	
	2022 RM'000	2021 RM'000	2022 RM'000	2021 RM'000
Within one year	216,565	737,627	-	-

All remaining performance obligations are expected to be recognised within one year.

9. INTEREST INCOME

	Group		Company	
	2022 RM'000	2021 RM'000	2022 RM'000	2021 RM'000
Interest income from:				
Financial assets at fair value through OCI	3,820	3,638	1,030	67
Financial assets at amortised cost	5,428	7,338	2,083	10,559
Financial assets at fair value through profit or loss	15,061	50,540	11,238	14,192
Others	4	59	-	-
	24,313	61,575	14,351	24,818

10. OTHER INCOME

	Group		Company	
	2022 RM'000	2021 RM'000	2022 RM'000	2021 RM'000
Realised gain on foreign exchange	6,037	20,818	4,688	-
Unrealised gain on foreign exchange	48,103	9,174	11,183	3,546
Net fair value gain on derivative financial instruments	-	2,143	-	-
Net gain from fair value remeasurement of investment properties (Note 18)	-	1,846	-	-
Net fair value gain on investment in debt securities at fair value through profit or loss	-	2,591	-	929
Rental income	5,604	7,551	-	-
Gain on disposal of debt securities	1,370	3,828	69	-
Gain on disposal of property, plant and equipment	402	-	-	-
Gain on disposal of right-of-use assets	111	-	-	-
Gain on lease modifications	54	-	-	-
Gain on disposal of money market fund	3,604	-	1,267	-
Sales of scrap items	10,925	10,421	-	-
Insurance claims	2,436	196	-	-
Sundry income	9,858	24,743	-	-
	88,504	83,311	17,207	4,475

Notes To The Financial Statements

For the financial year ended 31 August 2022 (cont'd)

11. PROFIT BEFORE TAX

The following items have been charged/(credited) in arriving at profit before tax:

	Group		Company	
	2022 RM'000	2021 RM'000	2022 RM'000	2021 RM'000
Auditors' remuneration:				
Ernst & Young PLT				
- Statutory audit				
- Current year	811	622	88	80
- Under provision in prior year	-	5	-	-
- Other services	715	1,718	655	1,718
Member firm of Ernst & Young Global Limited				
- Other services	172	556	172	556
Other auditors				
- Statutory audit				
- Current year	501	460	-	-
- (Over)/under provision in prior year	(12)	17	-	-
- Other services	-	6	-	-
Inventories written down on goods sold	182,661	-	-	-
Inventories written off	2,039	32,709	-	-
Allowance for inventories written down on unsold goods	44,869	80,558	-	-
Bad debts written off	-	124	-	-
Depreciation of property, plant and equipment (Note 16)	335,086	296,718	-	-
Depreciation of right-of-use assets (Note 17)	9,330	8,215	77	77
Amortisation of intangible assets (Note 23)	3,738	3,731	-	-
Direct operating expenses arising from investment properties				
- Rental generating property	3,208	3,114	-	-
Impairment loss on investment in subsidiaries (Note 19)	-	-	4,186	8,723
Realised loss on foreign exchange	-	-	-	515
Net fair value loss on derivatives	2,247	-	-	-
Net fair value loss on investment in debt securities at fair value through profit or loss	56,626	-	54,868	-

Notes To The Financial Statements

For the financial year ended 31 August 2022 (cont'd)

11. PROFIT BEFORE TAX (CONT'D)

The following items have been charged/(credited) in arriving at profit before tax (cont'd):

	Group		Company	
	2022 RM'000	2021 RM'000	2022 RM'000	2021 RM'000
Net loss from fair value remeasurement on investment property (Note 18)	754	-	-	-
Loss on disposal of property, plant and equipment	-	2	-	-
Remediation costs *	-	13,924	-	-
Legal and other professional fees	19,751	43,191	8,893	27,572
Net additional/(reversal) of allowance for expected credit loss (Note 25)	456	(13)	-	-
(Reversal)/addition of impairment loss on other receivables	-	-	(3,176)	3,249
Property, plant and equipment written off	28,031	44,243	-	-

* In previous financial year, the Group made remediation payment of RM13,924,000 to its migrant workers as a result of Withhold Release Order ("WRO") placed by U.S. Customs and Border Protection ("US CBP").

12. EMPLOYEE BENEFITS EXPENSES

	Group		Company	
	2022 RM'000	2021 RM'000	2022 RM'000	2021 RM'000
Wages, salaries and bonus	655,013	876,691	3,466	5,275
Social security costs	11,712	11,595	2	2
Pension costs - defined contribution plan	55,445	45,453	556	429
Share options granted under ESOS	36,200	33,983	4,669	2,072
Shares granted under ESGP	148	8,641	-	142
Other staff related expenses	49,124	63,944	215	210
Executive directors' fees				
- Company	490	520	477	520
- Subsidiaries	86	55	-	-
	808,218	1,040,882	9,385	8,650

Included in employee benefits expenses of the Group and of the Company are executive directors' remuneration amounting to RM10,577,000 (2021: RM8,489,000) and RM7,254,000 (2021: RM6,432,000) respectively.

Notes To The Financial Statements

For the financial year ended 31 August 2022 (cont'd)

12. EMPLOYEE BENEFITS EXPENSES (CONT'D)

	Group		Company	
	2022 RM'000	2021 RM'000	2022 RM'000	2021 RM'000
<u>Directors' remuneration</u>				
Directors of the Company				
Executive:				
Salaries and other emoluments	7,304	5,380	4,701	3,661
Pension costs - defined contribution plan	758	613	544	419
Social security contributions	40	48	1	1
Share options granted under ESOS	1,746	1,757	1,452	1,757
Shares granted under ESGP	129	68	-	-
Fees	490	520	477	520
Benefits-in-kind	110	103	79	74
	10,577	8,489	7,254	6,432
Non-executive:				
Salaries and other emoluments	229	517	195	220
Fees	1,398	1,312	1,398	1,312
	1,627	1,829	1,593	1,532
Analysis excluding benefits-in-kind:				
Total executive directors' remuneration	10,467	8,386	7,175	6,358
Total non-executive directors' remuneration	1,627	1,829	1,593	1,532
Total directors' remuneration (excluding benefits-in-kind)	12,094	10,215	8,768	7,890
Benefits-in-kind	110	103	79	74
Total directors' remuneration (including benefits-in-kind)	12,204	10,318	8,847	7,964

Notes To The Financial Statements

For the financial year ended 31 August 2022 (cont'd)

12. EMPLOYEE BENEFITS EXPENSES (CONT'D)

The remuneration of the directors of the subsidiaries during the financial years ended 31 August 2022 and 2021 is set as below:

	Group		Company	
	2022 RM'000	2021 RM'000	2022 RM'000	2021 RM'000
Executive:				
Salaries and other emoluments	5,848	4,101	-	-
Pension costs - defined contribution plan	431	248	-	-
Social security contributions	52	42	-	-
Share options granted under ESOS	737	584	-	-
Shares granted under ESGP	-	28	-	-
Fees	86	55	-	-
Benefits-in-kind	34	75	-	-
	7,188	5,133	-	-
Non-executive:				
Fees	2	2	-	-

13. FIVE HIGHEST PAID EMPLOYEES

The five highest paid employees included 4 (2021: 4) directors of the Company, details of whose remuneration are set out in Note 12 above. Remuneration details of the remaining highest paid employee who is neither a director nor chief executive of the Company are as follows:

	2022 RM'000	2021 RM'000
Salaries, bonuses, allowances and benefits-in-kind	825	678
Equity-settled share based payment expense	223	283
Pension costs - defined contribution plan	95	78
	1,143	1,039

The remuneration of the one non-director and non executive highest paid employee fell at the following band:

	2022	2021
RM1,000,001 to RM1,500,000	1	1

Notes To The Financial Statements

For the financial year ended 31 August 2022 (cont'd)

14. INCOME TAX EXPENSE

Major components of income tax expense

The major components of income tax expense for the financial years ended 31 August 2022 and 2021 are as follows:

	Group		Company	
	2022 RM'000	2021 RM'000	2022 RM'000	2021 RM'000
Current income tax:				
- Malaysian income tax	35,164	1,937,525	1,493	3,049
- Foreign tax	32,602	202,958	-	-
- (Over)/under provision in respect of previous years	(11,274)	17,146	(142)	983
	56,492	2,157,629	1,351	4,032
Deferred income tax (Note 21):				
- Relating to origination and reversal of temporary differences	(411)	26,172	-	-
- Under provision in respect of previous years	20,753	26,020	-	-
	20,342	52,192	-	-
Income tax expense recognised in profit or loss	76,834	2,209,821	1,351	4,032

Notes To The Financial Statements

For the financial year ended 31 August 2022 (cont'd)

14. INCOME TAX EXPENSE (CONT'D)

Reconciliation between tax expense and accounting profit

The reconciliation between tax expense and the product of accounting profit multiplied by the applicable corporate tax rate for the financial years ended 31 August 2022 and 2021 are as follows:

	Group		Company	
	2022 RM'000	2021 RM'000	2022 RM'000	2021 RM'000
Profit before tax	358,424	10,033,813	152,832	6,465,382
Tax at Malaysian statutory tax rate of 24% (2021: 24%)	86,022	2,408,115	36,680	1,551,692
Adjustments:				
Withholding tax from foreign income	3,230	-	-	-
Different tax rates in other countries	(6,896)	(24,341)	-	-
Effects of tax incentives claimed by foreign subsidiaries	(7,118)	(58,790)	-	-
Income not subject to tax	(14,833)	(26,278)	(53,005)	(1,560,011)
Non-deductible expenses	22,563	30,447	17,818	11,011
Utilisation of tax incentives	(8,954)	(161,134)	-	-
Utilisation of previously unrecognised tax losses and unabsorbed capital allowance	(1,093)	(947)	-	-
Deferred tax assets not recognised in respect of current year's tax losses and unabsorbed capital allowance	11,560	464	-	357
Deferred tax assets recognised in respect of previously unrecognised tax losses and unabsorbed capital allowance	-	(131)	-	-
Deferred tax assets recognised in respect of reinvestment allowance	(18,016)	(115)	-	-
Share of results of an associate	890	(635)	-	-
Under provision of deferred tax in respect of previous years	20,753	26,020	-	-
(Over)/under provision of income tax in respect of previous years	(11,274)	17,146	(142)	983
Income tax expense recognised in profit or loss	76,834	2,209,821	1,351	4,032

Domestic income tax is calculated at the Malaysian statutory tax rate of 24% (2021: 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.

Notes To The Financial Statements

For the financial year ended 31 August 2022 (cont'd)

15. EARNINGS PER SHARE

(a) Basic

Basic earnings per share is calculated by dividing 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.

	2022	2021
Profit net of tax attributable to owners of the parent (RM'000)	225,564	7,710,327
Weighted average number of ordinary shares in issue ('000)	8,008,219	8,039,195
Basic earnings per share (sen)	2.82	95.91

(b) Diluted

Diluted earnings per share is calculated by dividing 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.

	2022	2021
Profit net of tax attributable to owners of the parent (RM'000)	225,564	7,710,327
Weighted average number of ordinary shares in issue ('000)	8,008,219	8,039,195
Effect of dilution from:		
Assumed exercise of share options ('000)	3,831	6,753
Adjusted weighted average number of ordinary shares in issue and issuable ('000)	8,012,050	8,045,948
Diluted earnings per share (sen)	2.82	95.83

Notes To The Financial Statements

For the financial year ended 31 August 2022 (cont'd)

16. 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
Group					
Cost					
At 1 September 2020	1,205,616	2,466,689	308,754	289,852	4,270,911
Additions	318,009	363,189	64,908	587,912	1,334,018
Transfer to investment properties (Note 18)	(34,752)	-	-	-	(34,752)
Transfer to right-of-use assets (Note 17)	-	-	-	(4)	(4)
Reclassification	21,378	111,705	18,651	(151,734)	-
Written off	(3,699)	(60,925)	(3,056)	(4,452)	(72,132)
Disposals	(12)	(7,661)	(1,384)	(14)	(9,071)
Exchange differences	(2,746)	(9,222)	(658)	(2,535)	(15,161)
At 31 August 2021/1 September 2021	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 (Note 19)	-	376	442	-	818
Transfer from/(to) right-of-use assets (Note 17)	-	-	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)
At 31 August 2022	1,588,416	3,086,521	425,201	1,194,699	6,294,837

Notes To The Financial Statements

For the financial year ended 31 August 2022 (cont'd)

16. 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
Group					
Accumulated depreciation					
At 1 September 2020	106,984	1,005,839	147,855	-	1,260,678
Depreciation charged for the year (Note 11)	16,237	242,977	37,504	-	296,718
Reclassification	(2,805)	(1,576)	4,381	-	-
Written off	(554)	(25,319)	(2,016)	-	(27,889)
Disposals	(3)	(6,505)	(1,303)	-	(7,811)
Exchange differences	(219)	(5,865)	(518)	-	(6,602)
At 31 August 2021/1 September 2021	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 17)	-	-	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)
At 31 August 2022	136,414	1,413,541	222,679	-	1,772,634
Net carrying amount					
At 31 August 2021	1,384,154	1,654,224	201,312	719,025	3,958,715
At 31 August 2022	1,452,002	1,672,980	202,522	1,194,699	4,522,203

* Other assets comprise motor vehicles, computer and software systems, office equipment, signages, small value assets, fire extinguishers, furniture and equipment.

Notes To The Financial Statements

For the financial year ended 31 August 2022 (cont'd)

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

	Freehold land RM'000	Buildings RM'000	Total RM'000
Land and buildings			
Group			
Cost			
At 1 September 2020	486,265	719,351	1,205,616
Additions	281,949	36,060	318,009
Transfer to investment properties (Note 18)	(34,752)	-	(34,752)
Reclassification	(347)	21,725	21,378
Written off	-	(3,699)	(3,699)
Disposals	-	(12)	(12)
Exchange differences	(1,053)	(1,693)	(2,746)
At 31 August 2021/1 September 2021	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
At 31 August 2022	746,595	841,821	1,588,416
Accumulated depreciation			
At 1 September 2020	-	106,984	106,984
Depreciation charged for the year	-	16,237	16,237
Reclassification	-	(2,805)	(2,805)
Written off	-	(554)	(554)
Disposals	-	(3)	(3)
Exchange differences	-	(219)	(219)
At 31 August 2021/1 September 2021	-	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)
At 31 August 2022	-	136,414	136,414
Net carrying amount			
At 31 August 2021	732,062	652,092	1,384,154
At 31 August 2022	746,595	705,407	1,452,002

Notes To The Financial Statements

For the financial year ended 31 August 2022 (cont'd)

16. 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:

	2022 RM'000	2021 RM'000
Buildings	381	397
Plant and equipment	445,359	417,904
Other assets	102,938	91,931
	548,678	510,232

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 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 assets. Recoverable amount is defined as the higher of value-in-use and fair value less costs of disposal.

The following describes each key assumption on which management has based its cash flows projection to undertake impairment testing of property, plant and equipment:

- 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%.
- An average pre-tax discount rate of 15.70% 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.
- 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 property, plant and equipment and right-of-use assets.

Sensitivity to changes in key assumptions

The sensitivity test indicated that changes in the discount rate used in the value-in-use calculation will result in the recoverable amount to equal to the corresponding carrying amounts of the property, plant and equipment and right-of-use assets, assuming no change in other variables, is as follows:

Increase in discount rate	4.94%
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Notes To The Financial Statements

For the financial year ended 31 August 2022 (cont'd)

17. RIGHT-OF-USE ASSETS

	Land RM'000	Buildings RM'000	Plant and equipment RM'000	* Other assets RM'000	Total RM'000
Group					
At 1 September 2020	188,818	11,292	436	879	201,425
Additions	388	8,843	77	-	9,308
Transfer from property, plant and equipment (Note 16)	4	-	-	-	4
Depreciation charged for the year (Note 11)	(3,778)	(4,112)	(87)	(238)	(8,215)
Adjustment due to lease modification	10,055	(1,727)	-	-	8,328
Exchange differences	(126)	(75)	-	-	(201)
At 31 August 2021/1 September 2021	195,361	14,221	426	641	210,649
Additions	2,773	1,116	396	-	4,285
Transfer from property, plant and equipment (Note 16)	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
At 31 August 2022	200,403	22,294	728	408	223,833
Company					
At 1 September 2020	-	434	-	-	434
Depreciation charged for the year (Note 11)	-	(77)	-	-	(77)
At 31 August 2021/1 September 2021	-	357	-	-	357
Depreciation charged for the year (Note 11)	-	(77)	-	-	(77)
At 31 August 2022	-	280	-	-	280

* 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 2022 (cont'd)

18. INVESTMENT PROPERTIES

	2022 RM'000	2021 RM'000
Group		
Fair value of investment properties:		
At 1 September 2021/2020	227,400	163,900
Additions	754	26,902
Transfer from property, plant and equipment (Note 16)	-	34,752
Net (loss)/gain from fair value remeasurement (Note 10 and Note 11)	(754)	1,846
At 31 August	227,400	227,400

Rental income arising from investment properties is RM3,843,000 (2021: RM3,789,000). Direct operating expenses arising from investment properties are disclosed in Note 11.

Reconciliation of fair value:

	Building RM'000	Freehold land RM'000	Total RM'000
Group			
At 1 September 2020	136,300	27,600	163,900
Additions	-	26,902	26,902
Transfer from property, plant and equipment (Note 16)	-	34,752	34,752
Net gain from fair value remeasurement (Note 10)	-	1,846	1,846
At 31 August 2021/1 September 2021	136,300	91,100	227,400
Additions	704	50	754
Net loss from fair value remeasurement (Note 11)	(704)	(50)	(754)
At 31 August 2022	136,300	91,100	227,400

Fair value hierarchy disclosures for investment properties are in Note 42(ii). 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.

18. INVESTMENT PROPERTIES (CONT'D)

The fair value of investment properties were determined based on valuations performed by registered independent valuers using the following methods (cont'd):

(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	
			2022	2021
Freehold land and building	Investment method (Discounted cash flows method)	Estimated rental value per square foot per month	RM4.50 to RM5.20	RM4.50 to RM5.20
		Term yield rate	6.5%	6.5%
		Occupancy rate	88.0%	88.0%
		Long term vacancy rate	12.0%	12.0%
		Reversionary yield rate	7.0%	7.0%

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 2022 (cont'd)

19. INVESTMENT IN SUBSIDIARIES

	Company	
	2022 RM'000	2021 RM'000
Unquoted shares, at cost:	2,329,506	2,046,978
Less: Accumulated impairment losses	(17,754)	(13,568)
	2,311,752	2,033,410

Movement in accumulated impairment losses:

	Company	
	2022 RM'000	2021 RM'000
At 1 September 2021/2020	(13,568)	(4,845)
Impairment losses (Note 11)	(4,186)	(8,723)
At 31 August	(17,754)	(13,568)

During financial year, the Company made an allowance for impairment loss on investments in Great Glove (Malaysia) Sdn. Bhd. and Top Glove Global Sdn. Bhd. of RM3,180,000 and RM1,006,000 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 Worldwide Sdn. Bhd. ("TG Worldwide")

On 1 September 2021 and 11 November 2021, TG Worldwide, a wholly-owned subsidiary of the Company had increased its share capital by RM2,999,999 and RM7,000,000 respectively.

(ii) Top Care Sdn. Bhd.

On 31 December 2021, Top Care Sdn. Bhd., a wholly-owned subsidiary of the Company had increased its share capital from RM1,101,907,000 to RM1,125,249,000.

(iii) Great Glove (Malaysia) Sdn. Bhd.

On 31 December 2021, Great Glove (Malaysia) Sdn. Bhd., a wholly-owned subsidiary of the Company had increased its share capital from RM500,000 to RM3,680,000.

(iv) Eastern Press Sdn. Bhd.

On 31 December 2021, Eastern Press Sdn. Bhd., a wholly-owned subsidiary of the Company had increased its share capital from RM46,250,000 to RM76,250,000.

(v) Top Glove Global Sdn. Bhd.

On 31 December 2021, Top Glove Global Sdn. Bhd., a wholly-owned subsidiary of the Company had increased its share capital from RM1 to RM1,006,000.

(vi) TG Medical Sdn. Bhd.

On 27 July 2022, TG Medical Sdn. Bhd., a wholly-owned subsidiary of the Company had increased its share capital from RM10,000,000 to RM225,000,000.

19. 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
		2022	2021	
Held by the Company:				
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*	Malaysia	100	100	Trading and provision of value added services

Notes To The Financial Statements

For the financial year ended 31 August 2022 (cont'd)

19. INVESTMENT IN SUBSIDIARIES (CONT'D)

Name	Country of incorporation/ principal place of business	Proportion of ownership interest (%)		Principal activities
		2022	2021	
Held through Top Glove Sdn. Bhd.:				
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
TG FMT Sdn. Bhd.*	Malaysia	70	70	Manufacturing and trading of functional fillers

Notes To The Financial Statements

For the financial year ended 31 August 2022 (cont'd)

19. INVESTMENT IN SUBSIDIARIES (CONT'D)

Name	Country of incorporation/ principal place of business	Proportion of ownership interest (%)		Principal activities
		2022	2021	
Held through Top Glove Sdn. Bhd. (cont'd):				
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	-	Manufacturing of medical devices
Held through Great Glove (Malaysia) Sdn. Bhd.:				
TG Meditech Sdn. Bhd.#	Malaysia	100	100	Manufacturing and trading of healthcare products
Held through TG Medical Sdn. Bhd.:				
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	99.2	98.9	Gamma irradiation for sterilisation of gloves and medical devices
Top Synthetic Rubber Sdn. Bhd.##	Malaysia	100	100	Manufacturing and trading of chemical products

Notes To The Financial Statements

For the financial year ended 31 August 2022 (cont'd)

19. INVESTMENT IN SUBSIDIARIES (CONT'D)

Name	Country of incorporation/ principal place of business	Proportion of ownership interest (%)		Principal activities
		2022	2021	
Held through Great Glove (Xinghua) Co. Ltd.:				
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	100	Trading of gloves and healthcare related products
Held through Top Care Sdn. Bhd.:				
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
Held through Top Feel Sdn. Bhd.:				
Duramedical Sdn. Bhd.#	Malaysia	85	85	Manufacturing of rubber dental dams and exercise bands
Held through Best Advance Resources Limited:				
PT. Topglove Indonesia#^^	Indonesia	100	100	Providing management services in plantation sector and processing of plantation produce
Held through PT. Topglove Indonesia:				
PT. Agro Pratama Sejahtera#	Indonesia	95	95	Industrial forest plantation
Held through PT. Agro Pratama Sejahtera:				
PT. Top Green Forestry#Ω	Indonesia	57	57	Forestry and industry
Held through Aspion Sdn. Bhd.:				
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

Notes To The Financial Statements

For the financial year ended 31 August 2022 (cont'd)

19. INVESTMENT IN SUBSIDIARIES (CONT'D)

Name	Country of incorporation/ principal place of business	Proportion of ownership interest (%)		Principal activities
		2022	2021	
Held through Aspion Sdn. Bhd. (cont'd):				
Sentiex 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	100	100	Distribution of medical gloves and other hospital related products
Suizze Health Ltd#	Hong Kong/ Malaysia	100	100	Investment holding
Held through GMP Medicare Sdn. Bhd.:				
TG Ecommerce Sdn. Bhd.#	Malaysia	100	100	E-commerce activities for glove trading and other healthcare products
Held through Suizze Health Ltd:				
Kevenoll Do Brasil Produtos Medicos Hospitalares LTDA#^^^	Brazil	100	100	Distribution of medical products and medical devices
Held through Top Glove Properties Sdn. Bhd.:				
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 firms other than Ernst & Young PLT for the financial year ended 31 August 2021, and audited by Ernst & Young PLT since the financial year ended 31 August 2022

@ 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:

	2022	2021
(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:

	2022	2021
(i) Best Advance Resources Limited	99.9%	99.9%
(ii) Green Resources Limited	0.1%	0.1%

Notes To The Financial Statements

For the financial year ended 31 August 2022 (cont'd)

19. INVESTMENT IN SUBSIDIARIES (CONT'D)

^^^ The total equity interests held by the Group is 97.2% and it is held by the following subsidiaries:

	2022	2021
(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:

	2022	2021
(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:

	2022	2021
PT. Agro Pratama Sejahtera	60.0%	60.0%

Changes in group structure**(a) Acquisition of Top Biotech Sdn. Bhd. ("Top Biotech")**

On 1 June 2022, Top Glove Sdn. Bhd., a wholly-owned subsidiary of the Company had acquired ordinary shares representing 100% of the equity interest in Top Biotech comprising 3,425,400 ordinary shares for a cash consideration of RM1,452,000. Accordingly, Top Biotech has become a wholly-owned subsidiary of Top Glove Sdn. Bhd..

The acquired subsidiary has contributed the following results to the Group:

	2022 RM'000
Revenue	97
Loss for the year	(195)

Notes To The Financial Statements

For the financial year ended 31 August 2022 (cont'd)

19. INVESTMENT IN SUBSIDIARIES (CONT'D)

Changes in group structure (cont'd)**(a) Acquisition of Top Biotech Sdn. Bhd. ("Top Biotech") (cont'd)**

The fair values of the identifiable assets and liabilities of Top Biotech as at the date of acquisition were:

	Fair value RM'000	Carrying amount RM'000
Property, plant and equipment	818	818
Inventories	246	246
Deferred tax assets	31	31
Trade and other receivables	108	108
Cash and bank balances	362	362
	1,565	1,565
Trade and other payables	113	113
Net identifiable assets	1,452	1,452
Group's interest in the fair value of net identifiable assets	1,452	
Total cost of acquisition	1,452	

The effect of the acquisition on cash flows is as follows:

	2022 RM'000
Consideration settled in cash	1,452
Cash and cash equivalents of subsidiary acquired	(362)
Net cash outflow on the acquisition	1,090

(b) Accretion of equity interest in TG Raytech Sdn. Bhd. ("TG Raytech")

On 21 January 2022, TG Raytech issued 10,000,000 ordinary shares, which was fully subscribed by TG Medical Sdn. Bhd. for a cash consideration of RM10,000,000, increasing TG Medical Sdn. Bhd.'s equity interest in TG Raytech from 98.9% to 99.2%. The accretion of equity interest is not expected to have material effects on the financial position of the Group.

(c) 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.

Notes To The Financial Statements

For the financial year ended 31 August 2022 (cont'd)

20. INVESTMENT IN AN ASSOCIATE

	Group	
	2022 RM'000	2021 RM'000
Unquoted shares at cost	12,204	12,204
Share of post-acquisition reserves	(2,845)	865
	9,359	13,069

Details of the associate are as follows:

Name	Country of incorporation/ principal place of business	Proportion of ownership interest (%)		Principal activities
		2022	2021	
Held through Top Glove Sdn. Bhd.:				
Value Add Sdn. Bhd.#	Malaysia	27	27	Investment holding

Audited by a firm other than Ernst & Young PLT

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 2022 and 2021.

The summarised financial information of the associate, not adjusted for the proportion of ownership interest held by the Group, is as follows:

	Group	
	2022 RM'000	2021 RM'000
Assets and liabilities		
Non-current assets	250,015	250,017
Current assets	4,780	5,258
Total assets	254,795	255,275
Current liabilities	(220,131)	(206,870)
Total liabilities	(220,131)	(206,870)
Net assets	34,664	48,405
Results		
Revenue	8,297	8,027
(Loss)/profit for the year	(13,741)	9,793

Notes To The Financial Statements

For the financial year ended 31 August 2022 (cont'd)

20. INVESTMENT IN AN ASSOCIATE (CONT'D)

Reconciliation of the summarised financial information presented above to the carrying amount of the Group's interest in an associate:

	Group	
	2022 RM'000	2021 RM'000
Net assets of the associate as at 1 September 2021/2020	48,405	38,612
(Loss)/profit for the year	(13,741)	9,793
Net assets of the associate as at 31 August	34,664	48,405
Group's share of net assets	9,359	13,069

21. DEFERRED TAX LIABILITIES/(ASSETS)

Deferred income tax as at 31 August 2022 and 2021 relates to the following:

	Deferred tax liabilities		Deferred tax assets		
	Property, plant and equipment and right-of-use assets RM'000	Others RM'000	Unabsorbed export allowance, business losses, capital and reinvestment allowance RM'000	Others RM'000	Total RM'000
Group					
At 1 September 2020	184,614	12,033	(39,034)	(35,214)	122,399
Recognised in profit or loss (Note 14)	61,988	(2,130)	20,873	(28,539)	52,192
Exchange differences	-	-	-	(464)	(464)
At 31 August 2021/1 September 2021	246,602	9,903	(18,161)	(64,217)	174,127
Recognised in profit or loss (Note 14)	56,004	(9,921)	(44,494)	18,753	20,342
Acquisition of subsidiary company (Note 19)	100	-	(131)	-	(31)
Exchange differences	18	18	-	(1,105)	(1,069)
At 31 August 2022	302,724	-	(62,786)	(46,569)	193,369

Notes To The Financial Statements

For the financial year ended 31 August 2022 (cont'd)

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

Presented after appropriate offsetting as follows:

	Group	
	2022 RM'000	2021 RM'000
Deferred tax assets	(15,911)	(17,073)
Deferred tax liabilities	209,280	191,200
	193,369	174,127

Deferred tax assets have not been recognised by the Group in respect of the following items:

	Group	
	2022 RM'000	2021 RM'000
Unutilised tax losses	38,099	392
Unabsorbed capital allowances	2,599	1,763
Other deductible temporary differences	378	4,733
	41,076	6,888

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:

	Group	
	2022 RM'000	2021 RM'000
Expiring within 5 years	8,362	-
Expiring within 6 to 10 years	537	392
Indefinite	29,200	-
	38,099	392

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 2022 (cont'd)

22. INVESTMENT SECURITIES

	Group		Company	
	2022 RM'000	2021 RM'000	2022 RM'000	2021 RM'000
Current				
<i>Money market funds (quoted in Malaysia)</i>				
- Financial assets at fair value through profit or loss	277,093	1,323,297	24,778	578,568
<i>Debt securities (quoted outside Malaysia)</i>				
- Financial assets at fair value through OCI	34,366	103,423	34,366	4,288
- Financial assets at fair value through profit or loss	201,857	203,199	201,857	93,019
	236,223	306,622	236,223	97,307
	513,316	1,629,919	261,001	675,875
Non-current				
<i>Unquoted investments: Golf club membership</i>				
- Financial assets at fair value through profit or loss	392	392	-	-
Total investment securities	513,708	1,630,311	261,001	675,875

Notes To The Financial Statements

For the financial year ended 31 August 2022 (cont'd)

23. INTANGIBLE ASSETS

	Goodwill RM'000	Customer relationship RM'000	Patent RM'000	Total RM'000
Group				
Cost				
At 1 September 2020	980,691	40,477	48	1,021,216
Additions	-	-	207	207
At 31 August 2021/1 September 2021	980,691	40,477	255	1,021,423
Additions	-	-	268	268
At 31 August 2022	980,691	40,477	523	1,021,691
Accumulated amortisation				
At 1 September 2020	-	8,893	4	8,897
Amortisation during the year (Note 11)	-	3,680	51	3,731
At 31 August 2021/1 September 2021	-	12,573	55	12,628
Amortisation during the year (Note 11)	-	3,680	58	3,738
At 31 August 2022	-	16,253	113	16,366
Net carrying amount				
At 31 August 2021	980,691	27,904	200	1,008,795
At 31 August 2022	980,691	24,224	410	1,005,325

Goodwill has been allocated to CGUs identified as follows:

	Group	
	2022 RM'000	2021 RM'000
Aspion Sdn. Bhd.	933,954	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
	980,691	980,691

23. INTANGIBLE ASSETS (CONT'D)

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:

- 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% (2021: 1%).
- An average pre-tax discount rate of 14.06% (2021: 12.78%) 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.
- 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 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

The sensitivity test indicated that changes in the discount rate used in the value-in-use calculation of Aspion Sdn. Bhd. will result in the recoverable amount to equal to the corresponding carrying amounts of the goodwill and related assets, assuming no change in other variables, is as follows:

Increase in discount rate 1.9%

Management believes that no reasonably possible change in the discount rate for the years ended 31 August 2022 and 2021 would cause the carrying amount to materially exceed its recoverable amount.

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 6 years (2021: 7 years).

Patent

The cost of patent with estimated economic definite useful life is amortised over a period ranging from 8 to 20 years (2021: 9 to 20 years), with remaining amortisation period ranging from 5 to 17 years (2021: 6 to 18 years).

Notes To The Financial Statements

For the financial year ended 31 August 2022 (cont'd)

24. INVENTORIES

	Group	
	2022 RM'000	2021 RM'000
Cost		
Raw materials	98,808	165,069
Consumables and hardware	2,944	4,236
Work-in-progress	76,069	89,876
Finished goods	208,208	734,885
	386,029	994,066
Net realisable value		
Raw materials	859	10,246
Work-in-progress	25,999	10,077
Finished goods	162,375	130,316
	189,233	150,639
	575,262	1,144,705

During the year, the amount of inventories recognised as an expense of the Group amounted to RM4,619 million (2021: RM5,259 million).

25. TRADE AND OTHER RECEIVABLES

	Group	
	2022 RM'000	2021 RM'000
Trade receivables		
Third parties	232,854	542,485
Less: Allowance for expected credit loss	(1,720)	(1,189)
Trade receivables, net	231,134	541,296
Other receivables		
Sundry receivables	20,903	18,713
Refundable deposits	6,754	6,290
	27,657	25,003
Total trade and other receivables	258,791	566,299
Total trade and other receivables	258,791	566,299
Add: Cash and bank balances (Note 28)	437,597	878,446
Financial assets at amortised cost	696,388	1,444,745

Notes To The Financial Statements

For the financial year ended 31 August 2022 (cont'd)

25. TRADE AND OTHER RECEIVABLES (CONT'D)

	Company	
	2022 RM'000	2021 RM'000
Other receivables		
Amounts due from subsidiaries	31,693	261,137
Sundry receivables	2,229	548
Total other receivables	33,922	261,685
Total other receivables	33,922	261,685
Add: Cash and bank balances (Note 28)	3,513	5,555
Financial assets at amortised cost	37,435	267,240

(a) Trade receivables

Trade receivables are non-interest bearing and are generally on 30 to 90 days (2021: 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 2022 and 2021, based on the invoice date and net of loss allowance, is as follows:

	Group	
	2022 RM'000	2021 RM'000
1 to 30 days	112,013	209,863
31 to 60 days	72,946	120,535
61 to 90 days	24,504	113,349
91 to 120 days	1,606	73,199
More than 121 days	20,065	24,350
	231,134	541,296

Notes To The Financial Statements

For the financial year ended 31 August 2022 (cont'd)

25. 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	
	2022 RM'000	2021 RM'000
Neither past due nor impaired	181,067	312,462
1 to 30 days past due not impaired	26,391	54,230
31 to 60 days past due not impaired	3,675	34,092
61 to 90 days past due not impaired	1,101	36,714
91 to 120 days past due not impaired	365	35,653
More than 121 days past due not impaired	18,535	68,145
	50,067	228,834
Impaired	1,720	1,189
	232,854	542,485

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 RM50,067,000 (2021: RM228,834,000) that are past due at the reporting date but not impaired. These receivables are unsecured in nature.

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 2022 (cont'd)

25. 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	
	2022 RM'000	2021 RM'000
Trade receivables-nominal amounts	1,720	1,189
Less: Allowance for expected credit loss	(1,720)	(1,189)
	-	-

Movements in the allowance accounts:

	Group	
	2022 RM'000	2021 RM'000
At 1 September 2021/2020	1,189	1,146
Net additional/(reversal) of allowance for expected credit loss during the year	456	(13)
Exchange differences	75	56
At 31 August	1,720	1,189

(b) Related party balances

Amounts due from subsidiaries are unsecured, non-interest bearing and are repayable on demand except for an amount of RM2,361,000 (2021: RM241,114,000) which bears interest ranging from 2.60% to 3.18% (2021: 0.54% to 2.62%) per annum.

Notes To The Financial Statements

For the financial year ended 31 August 2022 (cont'd)

26. OTHER CURRENT ASSETS

	Group		Company	
	2022 RM'000	2021 RM'000	2022 RM'000	2021 RM'000
Prepaid operating expenses	32,603	39,368	-	3,432
Goods and service tax refundable	24,230	22,414	-	-
Advances to suppliers for raw materials	4,678	7,605	-	-
Advances to suppliers for property, plant and equipment	34,550	48,787	-	-
	96,061	118,174	-	3,432

27. DERIVATIVE FINANCIAL INSTRUMENTS

	Group			
	2022		2021	
	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	175,464	2,411
- Derivative financial liabilities	4,864	(69)	53,947	(230)

As at 31 August 2022, the Group held forward currency contracts designated as hedges of expected future sales to customers for which the Group has firm commitments. Forward currency contracts used to hedge the Group's sales are denominated in United States Dollars ("USD") and Euro for which firm commitments existed at the reporting date, extending to September 2022 (2021: January 2022).

During the financial year, the Group recognised a loss of RM2,247,000 (2021: gain of RM2,143,000) 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 2022 (cont'd)

28. CASH AND BANK BALANCES

	Group		Company	
	2022 RM'000	2021 RM'000	2022 RM'000	2021 RM'000
Cash on hand and at banks	323,980	703,921	3,513	5,555
Deposits with licensed banks and other financial institutions	113,617	174,525	-	-
Cash and bank balances	437,597	878,446	3,513	5,555
Less:				
Deposits pledged with banks with maturity of more than 3 months	(4,160)	(3,248)	-	-
Cash and cash equivalents	433,437	875,198	3,513	5,555

Deposits with licensed banks and other financial institutions of the Group amounting to RM4,160,000 (2021: RM3,248,000) 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	
	2022	2021
Weighted average effective interest rates	1.83%	1.10%
Maturity days	1 to 340 days	7 to 217 days

Notes To The Financial Statements

For the financial year ended 31 August 2022 (cont'd)

29. LOANS AND BORROWINGS

	Maturity	Group	
		2022 RM'000	2021 RM'000
Current			
<i>Unsecured:</i>			
<u>Fixed Rate</u>			
RM Term loan	2023/2022	938	3,750
<u>Floating Rate</u>			
USD Revolving credit	2023/2022	8,516	10,308
EUR Revolving credit	2023/2022	163,552	179,526
JPY Revolving credit	2023/2022	75,747	88,902
VND Revolving credit	2023	4,584	-
THB Promissory notes	2022	-	3,203
EUR Term loan	2023/2022	25,188	20,067
USD Term loan	2023/2022	27,597	6,948
		305,184	308,954
Total current loans and borrowings		306,122	312,704
Non-current			
<i>Unsecured:</i>			
<u>Fixed Rate</u>			
RM Term loan	2023	-	938
<u>Floating Rate</u>			
EUR Term loan	2025	37,770	68,633
USD Term loan	2025	55,194	76,431
		92,964	145,064
Total non-current loans and borrowings		92,964	146,002
Total loans and borrowings		399,086	458,706

The range of interest rates at the reporting date for borrowings are as follows:

	2022	2021
<u>Fixed Rate</u>		
Term loan	4.4%	4.4%
<u>Floating Rate</u>		
Promissory notes	Nil	1.1%
Revolving credit	0.4% to 5.1%	0.3% to 2.0%
Term loan	0.9% to 3.4%	0.8% to 2.0%

Notes To The Financial Statements

For the financial year ended 31 August 2022 (cont'd)

30. TRADE AND OTHER PAYABLES

	Group		Company	
	2022 RM'000	2021 RM'000	2022 RM'000	2021 RM'000
Trade payables	180,142	228,255	-	-
Other payables				
Accrued operating expenses	151,847	292,364	6,096	22,935
Sundry payables	127,368	171,742	-	125
	279,215	464,106	6,096	23,060
Total trade and other payables	459,357	692,361	6,096	23,060
Total trade and other payables	459,357	692,361	6,096	23,060
Add: Loans and borrowings (Note 29)	399,086	458,706	-	-
Lease liabilities (Note 32)	17,982	23,669	291	366
Total financial liabilities carried at amortised cost	876,425	1,174,736	6,387	23,426

(a) Trade payables

These amounts are non-interest bearing. The normal trade credit term granted to the Group ranges from 30 to 90 days (2021: 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 (2021: 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	
	2022 RM'000	2021 RM'000
At 1 September 2021/2020	737,627	879,386
Revenue recognised during the year	(2,218,199)	(6,342,444)
Advance payments received during the year	1,698,107	6,199,058
Exchange differences	(970)	1,627
At 31 August	216,565	737,627

Notes To The Financial Statements

For the financial year ended 31 August 2022 (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	
	2022 RM'000	2021 RM'000	2022 RM'000	2021 RM'000
At 1 September 2021/2020	23,669	11,114	366	438
Additions	1,339	8,754	-	-
Accretion of interest	836	683	13	16
Payments	(5,740)	(4,947)	(88)	(88)
Adjustment due to lease modification	(1,572)	8,328	-	-
Exchange differences	(550)	(263)	-	-
At 31 August	17,982	23,669	291	366
Analysed into:				
Repayable within 12 months	2,610	5,542	77	74
Repayable after 12 months	15,372	18,127	214	292
	17,982	23,669	291	366

The maturity analysis of lease liabilities for the financial years ended 31 August 2022 and 2021 is disclosed in Note 43(b).

The amounts recognised in profit or loss in relation to leases are as follows:

	Group		Company	
	2022 RM'000	2021 RM'000	2022 RM'000	2021 RM'000
Depreciation of right-of-use assets (Note 11 and Note 17)	9,330	8,215	77	77
Interest expense on lease liabilities	836	683	13	16
Gain on lease modifications (Note 10)	(54)	-	-	-
Expenses related to short-term, low-value and variable leases	8,862	9,580	-	-
Total amount recognised in profit or loss	18,974	18,478	90	93

Notes To The Financial Statements

For the financial year ended 31 August 2022 (cont'd)

32. LEASE LIABILITIES (CONT'D)

The Group and the Company had total cash outflows for leases amounting to RM14,602,000 and RM88,000 respectively for the financial year ended 31 August 2022 (2021: RM14,527,000 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			
	2022		2021	
	Number of shares '000	Monetary value RM'000	Number of shares '000	Monetary value RM'000
Issued and fully paid				
At 1 September 2021/2020	8,206,864	1,841,654	2,708,825	1,675,704
Bonus issue	-	-	5,418,718	-
Exercise of ESOS (Note 38(i))	241	498	28,969	58,061
Conversion of exchangeable bonds to ordinary shares	-	-	50,352	104,387
Transfer from share option reserve	-	39	-	4,002
Transaction cost	-	(2)	-	(500)
At 31 August	8,207,105	1,842,189	8,206,864	1,841,654

During the financial year, the Company increased its issued and paid-up ordinary share capital by way of issuance of 241,200 (2021: 28,968,800) ordinary shares pursuant to the Company's ESOS at an exercise price between RM1.54 to RM3.86 (2021: between RM1.54 to RM6.55) 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.

Notes To The Financial Statements

For the financial year ended 31 August 2022 (cont'd)

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 2022, renewed their approval for the Company's plan to repurchase its own shares. The directors of the Company are committed in enhancing the value of the Company to its shareholders and believe that the Share Buy Back can be applied in the best interests of the Company and its shareholders.

During the 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.

In the previous financial year,

(i) the Company repurchased 200,167,700 ordinary shares from the open market at an average price of RM7.11 per share. The total consideration paid for the repurchase including transaction costs was RM1,424,095,000.

(ii) the Company transferred 2,238,700 treasury shares to eligible employees and executive directors under the ESGP at an average market price of RM3.86 per share. The total transferred treasury shares net of transaction costs were RM8,641,000. The difference between the transferred treasury shares and the cost of the treasury shares which amounted to RM3,699,000 was recognised in equity.

Of the total 8,207,105,200 (2021: 8,206,864,000) issued and fully paid ordinary shares as at 31 August 2022, 199,764,300 (2021: 199,913,800) are held as treasury shares by the Company. As at 31 August 2022, the number of outstanding ordinary shares in issue and fully paid is therefore 8,007,340,900 (2021: 8,006,950,200) ordinary shares.

Notes To The Financial Statements

For the financial year ended 31 August 2022 (cont'd)

35. OTHER RESERVES

	Foreign exchange reserve RM'000	Legal reserve RM'000	Share option reserve RM'000	Cash flow hedge reserve RM'000	Fair value adjustment reserve RM'000	Other reserves RM'000	Total RM'000
Group							
At 1 September 2020	44,549	10,088	5,319	(2,690)	-	7,774	65,040
Other comprehensive (loss)/ income	(19,621)	-	-	2,690	1,844	-	(15,087)
Share options granted under ESOS	-	-	33,983	-	-	-	33,983
Transfer from share option reserve	-	-	(4,706)	-	-	-	(4,706)
Transfer from retained earnings	-	-	-	-	-	4,952	4,952
Transfer to legal reserve	-	17,481	-	-	-	-	17,481
At 31 August 2021/ 1 September 2021	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
At 31 August 2022	10,830	27,569	66,007	-	(11,057)	14,284	107,633
Company							
					Share option reserve RM'000	Fair value adjustment reserve RM'000	Total RM'000
At 1 September 2020				5,319		-	5,319
Other comprehensive income				-		144	144
Share options granted under ESOS				33,983		-	33,983
Transfer from share option reserve				(4,706)		-	(4,706)
At 31 August 2021/1 September 2021				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)
At 31 August 2022				66,007		(11,057)	54,950

Notes To The Financial Statements

For the financial year ended 31 August 2022 (cont'd)

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

Fair value adjustment reserve represents the differences arising from the conversion of bond reserves to fair value through OCI.

(e) Cash flow hedge reserve

The cash flow hedge reserve represents the effective portion of the cash flow hedge relationships incurred at the reporting date.

Notes To The Financial Statements

For the financial year ended 31 August 2022 (cont'd)

36. PERPETUAL SUKUK

	Group	
	2022 RM'000	2021 RM'000
At 1 September 2021/2020	1,295,262	1,295,262
Less: Redemption of Perpetual Sukuk	(119,568)	-
At 31 August	1,175,694	1,295,262

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.

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.

Notes To The Financial Statements

For the financial year ended 31 August 2022 (cont'd)

36. PERPETUAL SUKUK (CONT'D)

The salient features of the Perpetual Sukuk are as follows (cont'd):

- (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.

During the financial year, TGE has exercised optional redemption to redeem an aggregate RM119,568,000 nominal value of Perpetual Sukuk. As at 31 August 2022, 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 2022 and 2021 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.

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 1.9.2021 '000	Granted '000	Exercised '000	Lapsed '000	As at 31.8.2022 '000
2022							
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

Grant date	Expiry date	Exercise price RM	←Number of share options over the ordinary shares→				
			As at 1.9.2020 '000	Granted '000	Exercised '000	Lapsed '000	As at 31.8.2021 '000
2021							
2 August 2018	31 May 2028	1.69	4,853.4	-	(3,673.4)	-	1,180.0
1 February 2019	31 May 2028	1.63	12,183.9	-	(10,370.5)	-	1,813.4
18 February 2019	31 May 2028	1.63	465.3	-	(83.3)	(20.0)	362.0
30 July 2019	31 May 2028	1.54	4,608.9	-	(3,040.3)	-	1,568.6
20 January 2020	31 May 2028	1.57	7,791.6	-	(6,730.8)	-	1,060.8
20 May 2020	31 May 2028	3.30	7,522.8	-	(4,115.0)	(53.3)	3,354.5
1 June 2020	31 May 2028	4.25	188.4	-	(100.7)	(10.5)	77.2
31 January 2021	31 May 2028	6.55	-	64,456.4	(838.8)	(1,667.3)	61,950.3
6 August 2021	31 May 2028	3.86	-	19,089.5	(16.0)	(49.0)	19,024.5
			37,614.3	83,545.9	(28,968.8)	(1,800.1)	90,391.3

Notes To The Financial Statements

For the financial year ended 31 August 2022 (cont'd)

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
2022				
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
2021				
September 2020 - August 2021	1.69	3.68 - 9.60	3,673.4	6,208.0
September 2020 - August 2021	1.63	3.68 - 9.60	10,370.5	16,903.9
September 2020 - August 2021	1.63	3.68 - 9.60	83.3	135.8
September 2020 - August 2021	1.54	3.68 - 9.60	3,040.3	4,682.1
September 2020 - August 2021	1.57	3.68 - 9.60	6,730.8	10,567.4
September 2020 - August 2021	3.30	3.68 - 9.60	4,115.0	13,579.5
September 2020 - August 2021	4.25	3.68 - 9.60	100.7	428.0
September 2020 - August 2021	6.55	3.68 - 9.60	838.8	5,494.1
September 2020 - August 2021	3.86	3.68 - 9.60	16.0	61.8
			28,968.8	58,060.6

Notes To The Financial Statements

For the financial year ended 31 August 2022 (cont'd)

38. SHARE BASED PAYMENTS (CONT'D)

(i) ESOS (cont'd)

Fair value of share options

The fair value of share options granted during the year 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):

31 January 2021	0.40
6 August 2021	0.43
27 January 2022	0.66
29 July 2022	0.33
Weighted average share price (RM)	0.965 - 6.56
Weighted average exercise price (RM)	0.994 - 6.55
Expected volatility (%)	30.33 - 48.60
Expected life (years)	5.84 - 7.33
Risk free interest rate (%)	2.46 - 3.80
Expected dividend yield (%)	1.00 - 17.77

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.

(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.

Notes To The Financial Statements

For the financial year ended 31 August 2022 (cont'd)

38. SHARE BASED PAYMENTS (CONT'D)

(ii) ESGP (cont'd)

- (c) 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.
- (d) 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.
- (e) 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.
- (f) 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.
- (g) 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.

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	
	2022 RM'000	2021 RM'000	2022 RM'000	2021 RM'000
Transactions with subsidiaries				
Gross dividends	-	-	191,153	6,483,958
Management fees	-	-	11,206	9,411
Interest income	-	-	2,083	10,559
Transactions with company in which Directors of the Company and members of their family have interest				
Purchase of equity interest of a company	1,452	-	-	-

Notes To The Financial Statements

For the financial year ended 31 August 2022 (cont'd)

39. RELATED PARTY TRANSACTIONS (CONT'D)

(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	
	2022 RM'000	2021 RM'000	2022 RM'000	2021 RM'000
Salaries and other emoluments	15,124	11,787	4,701	3,661
Pension costs - defined contribution plan	1,366	1,061	544	419
Social security contributions	94	93	1	1
Share options granted under ESOS	2,753	3,004	1,452	1,757
Shares granted under ESGP	129	224	-	-
Fees	576	575	477	520
Benefits-in-kind	167	198	79	74
	20,209	16,942	7,254	6,432

40. COMMITMENTS

(a) Capital commitments

	Group	
	2022 RM'000	2021 RM'000
Property, plant and equipment:		
Approved and contracted for	576,308	1,041,765
Approved but not contracted for	103,244	960,840

(b) Operating lease arrangements

Group as a lessor

The Group has entered into non-cancellable operating lease agreements on its investment properties and property, plant and equipment portfolio. These leases have remaining non-cancellable lease terms between less than 1 year to 3 years (2021: 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	
	2022 RM'000	2021 RM'000
Within one year	2,086	2,368
After one year but within two years	1,215	1,066
After two years but within five years	597	545
	3,898	3,979

Notes To The Financial Statements

For the financial year ended 31 August 2022 (cont'd)

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 RM42 million. The Group had filed for counterclaim of approximately RM50 million for overdue payments and late payment interest. The case is subject for first Oral Evidentiary Hearing on February 2023.

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	25
Cash and bank balances	28
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 was based on a valuation by an accredited independent qualified valuer as disclosed in Note 18.

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
Group				
As at 31 August 2022				
Assets/(liabilities) measured at fair value				
Current				
Financial assets at fair value through OCI (Note 22)	34,366	-	-	34,366
Financial assets at fair value through profit or loss (Note 22)	478,950	-	-	478,950
Derivative financial assets (Note 27)	-	3	-	3
Derivative financial liabilities (Note 27)	-	(69)	-	(69)
Non-current				
Financial assets at fair value through profit or loss (Note 22)	-	-	392	392
Investment properties (Note 18)	-	-	227,400	227,400
Biological assets	-	-	1,170	1,170

Notes To The Financial Statements

For the financial year ended 31 August 2022 (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
Group (cont'd)				
As at 31 August 2021				
Assets/(liabilities) measured at fair value				
Current				
Financial assets at fair value through OCI (Note 22)	103,423	-	-	103,423
Financial assets at fair value through profit or loss (Note 22)	1,526,496	-	-	1,526,496
Derivative financial assets (Note 27)	-	2,411	-	2,411
Derivative financial liabilities (Note 27)	-	(230)	-	(230)
Non-current				
Financial assets at fair value through profit or loss (Note 22)	-	-	392	392
Investment properties (Note 18)	-	-	227,400	227,400
Biological assets	-	-	574	574

Notes To The Financial Statements

For the financial year ended 31 August 2022 (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
Company				
As at 31 August 2022				
Assets measured at fair value				
Current				
Financial assets at fair value through OCI (Note 22)	34,366	-	-	34,366
Financial assets at fair value through profit or loss (Note 22)	226,635	-	-	226,635
As at 31 August 2021				
Assets measured at fair value				
Current				
Financial assets at fair value through OCI (Note 22)	4,288	-	-	4,288
Financial assets at fair value through profit or loss (Note 22)	671,587	-	-	671,587

There were no transfers between Level 1, Level 2 and Level 3 fair value measurements during the financial years ended 31 August 2022 and 2021.

Notes To The Financial Statements

For the financial year ended 31 August 2022 (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) 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 25(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.

Financial assets that are either past due or impaired

Information regarding financial assets that are either past due or impaired is disclosed in Note 25(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 25(a).

(b) 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.

Notes To The Financial Statements

For the financial year ended 31 August 2022 (cont'd)

43. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONT'D)

(b) 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.

	31 August 2022			
	On demand or within one year RM'000	One to five years RM'000	Over five years RM'000	Total RM'000
Group				
Financial liabilities				
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
Company				
Financial liabilities				
Trade and other payables	6,096	-	-	6,096
Lease liabilities	88	225	-	313
Total undiscounted financial liabilities	6,184	225	-	6,409

	31 August 2021			
	On demand or within one year RM'000	One to five years RM'000	Over five years RM'000	Total RM'000
Group				
Financial liabilities				
Trade and other payables	692,361	-	-	692,361
Derivative financial instruments	230	-	-	230
Loans and borrowings	314,663	148,242	-	462,905
Lease liabilities	6,409	6,785	27,047	40,241
Total undiscounted financial liabilities	1,013,663	155,027	27,047	1,195,737

Notes To The Financial Statements

For the financial year ended 31 August 2022 (cont'd)

43. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONT'D)

(b) 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 2021			Total RM'000
	On demand or within one year RM'000	One to five years RM'000	Over five years RM'000	
Company				
Financial liabilities				
Trade and other payables	23,060	-	-	23,060
Lease liabilities	88	313	-	401
Total undiscounted financial liabilities	23,148	313	-	23,461

(c) 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 profit before tax would have been RM398,000 (2021: RM454,000) 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.

(d) 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 22.

43. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONT'D)

(d) Market price risk (cont'd)

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 loss net of tax would have been RM10,093,000 (2021: RM10,160,000) 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 RM1,718,000 (2021 : RM5,171,000) higher/lower, arising as a result of higher/lower fair value gains on investments classified at fair value through other comprehensive income.

(e) 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.

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
Functional currency of Group entities				
At 31 August 2022				
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)
	454,327	(189,635)	(75,745)	188,947
At 31 August 2021				
Malaysian Ringgit	370,118	(170,867)	(88,894)	110,357
Thai Baht	(3,374)	-	-	(3,374)
Chinese Renminbi	(1,645)	-	-	(1,645)
Euro	9,518	-	-	9,518
United States Dollars	-	(39,338)	-	(39,338)
	374,617	(210,205)	(88,894)	75,518

Notes To The Financial Statements

For the financial year ended 31 August 2022 (cont'd)

43. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONT'D)

(e) 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.

		2022 RM'000	2021 RM'000
USD/RM	- strengthened 5% (2021: 5%)	21,862	18,506
	- weakened 5% (2021: 5%)	(21,862)	(18,506)
USD/THB	- strengthened 5% (2021: 5%)	695	(169)
	- weakened 5% (2021: 5%)	(695)	169
USD/RMB	- strengthened 5% (2021: 5%)	143	(82)
	- weakened 5% (2021: 5%)	(143)	82
USD/Euro	- strengthened 5% (2021: 5%)	16	476
	- weakened 5% (2021: 5%)	(16)	(476)
Euro/RM	- strengthened 5% (2021: 5%)	(6,335)	(8,543)
	- weakened 5% (2021: 5%)	6,335	8,543
Euro/USD	- strengthened 5% (2021: 5%)	(3,147)	(1,967)
	- weakened 5% (2021: 5%)	3,147	1,967
JPY/RM	- strengthened 5% (2021: 5%)	(3,787)	(4,445)
	- weakened 5% (2021: 5%)	3,787	4,445

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 27.

Notes To The Financial Statements

For the financial year ended 31 August 2022 (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
Group				
As at 31 August 2022				
Financial assets				
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
Total financial assets	34,366	479,345	696,388	1,210,099
Financial liabilities				
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
Total financial liabilities	-	69	876,425	876,494

Notes To The Financial Statements

For the financial year ended 31 August 2022 (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
Group				
As at 31 August 2021				
Financial assets				
Investment securities: Unquoted investments	-	392	-	392
Investment securities: Money market funds	-	1,323,297	-	1,323,297
Investment securities: Debt securities	103,423	203,199	-	306,622
Trade and other receivables	-	-	566,299	566,299
Derivative financial instruments	-	2,411	-	2,411
Cash and bank balances	-	-	878,446	878,446
Total financial assets	103,423	1,529,299	1,444,745	3,077,467
Financial liabilities				
Loans and borrowings	-	-	458,706	458,706
Lease liabilities	-	-	23,669	23,669
Trade and other payables	-	-	692,361	692,361
Derivative financial instruments	-	230	-	230
Total financial liabilities	-	230	1,174,736	1,174,966
Company				
As at 31 August 2022				
Financial assets				
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
Total financial assets	34,366	226,635	37,435	298,436
Financial liabilities				
Lease liabilities	-	-	291	291
Trade and other payables	-	-	6,096	6,096
Total financial liabilities	-	-	6,387	6,387

Notes To The Financial Statements

For the financial year ended 31 August 2022 (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
Company				
As at 31 August 2021				
Financial assets				
Investment securities: Money market funds	-	578,568	-	578,568
Investment securities: Debt securities	4,288	93,019	-	97,307
Trade and other receivables	-	-	261,685	261,685
Cash and bank balances	-	-	5,555	5,555
Total financial assets	4,288	671,587	267,240	943,115
Financial liabilities				
Lease liabilities	-	-	366	366
Trade and other payables	-	-	23,060	23,060
Total financial liabilities	-	-	23,426	23,426

Notes To The Financial Statements

For the financial year ended 31 August 2022 (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 2022 and 2021.

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 2022 and 2021.

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.

	Notes	Group		Company	
		2022 RM'000	2021 RM'000	2022 RM'000	2021 RM'000
Loans and borrowings	29	399,086	458,706	-	-
Trade and other payables	30	459,357	692,361	6,096	23,060
Contract liabilities	31	216,565	737,627	-	-
Less: Cash and cash equivalents	28	(433,437)	(875,198)	(3,513)	(5,555)
Net debt		641,571	1,013,496	2,583	17,505
Equity attributable to the owners of the parent		5,579,222	5,872,403	2,603,743	2,955,175
Less:					
- Fair value adjustment reserve	35	11,057	(1,844)	-	-
- Legal reserve	35	(27,569)	(27,569)	-	-
Total equity		5,562,710	5,842,990	2,603,743	2,955,175
Capital and net debt		6,204,281	6,856,486	2,606,326	2,972,680
Gearing ratio		10.34%	14.78%	0.10%	0.59%

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 2022 (cont'd)

46. SEGMENT INFORMATION

For management purposes, the Group is organised into business units based on their geographical areas, and has five 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 RM'000	Consolidated RM'000
31 August 2022							
Revenue							
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
Results							
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
Assets							
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
Liabilities							
Segment liabilities	822,935	73,104	6,452	199,939	221,045	E	1,323,475
Other segment information							
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 2022 (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 RM'000	Consolidated RM'000
31 August 2021							
Revenue							
External sales	13,907,278	1,199,387	429,918	824,860	-		16,361,443
Inter-segment sales	505,092	458,579	1,206	1,298	(966,175)	A	-
Total revenue	14,412,370	1,657,966	431,124	826,158	(966,175)		16,361,443
Results							
Interest income	131,894	882	3,183	6,812	(81,196)		61,575
Depreciation and amortisation	268,640	27,497	3,918	8,609	-		308,664
Segment profit/(loss)	8,815,480	826,776	222,187	170,913	(1,543)	B	10,033,813
Assets							
Additions to non- current assets*	1,127,186	163,748	13,223	66,824	-	C	1,370,981
Segment assets	6,732,031	976,966	238,692	789,995	1,044,740	D	9,782,424
Liabilities							
Segment liabilities	1,548,012	114,109	14,826	244,094	641,223	E	2,562,264
Other segment information							
Capital commitments	1,727,857	171,738	1,587	101,423	-		2,002,605

* Other than financial instruments and deferred tax assets

Notes To The Financial Statements

For the financial year ended 31 August 2022 (cont'd)

46. SEGMENT INFORMATION (CONT'D)

- A Inter-segment revenues are eliminated on consolidation.
- B The following items are (deducted from)/added to segment profit to arrive at profit before tax presented in the consolidated statement of profit or loss:

	2022 RM'000	2021 RM'000
Share of results of an associate	(3,710)	2,644
Finance costs	(4,421)	(4,187)
	(8,131)	(1,543)

- C Additions to non-current assets consist of:

	2022 RM'000	2021 RM'000
Property, plant and equipment	949,384	1,334,018
Right-of-use assets	4,285	9,308
Investment properties	754	26,902
Intangible assets	268	207
Biological assets	596	546
	955,287	1,370,981

- D The following items are added to segment assets to arrive at total assets reported in the consolidated statement of financial position:

	2022 RM'000	2021 RM'000
Deferred tax assets (Note 21)	15,911	17,073
Investment in an associate (Note 20)	9,359	13,069
Intangible assets (Note 23)	1,005,325	1,008,795
Tax recoverable	230,087	5,803
	1,260,682	1,044,740

- E The following items are added to segment liabilities to arrive at total liabilities reported in the consolidated statement of financial position:

	2022 RM'000	2021 RM'000
Tax payable	11,765	450,023
Deferred tax liabilities (Note 21)	209,280	191,200
	221,045	641,223



Notes To The Financial Statements

For the financial year ended 31 August 2022 (cont'd)

47. DIVIDENDS

	Group and Company	
	2022 RM'000	2021 RM'000
In respect of the financial year ended 31 August 2022:		
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	-
In respect of the financial year ended 31 August 2021:		
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	-
Third tax exempt interim single tier dividend of 18 sen per share on 8,004,542,000 ordinary shares, declared on 9 June 2021 and paid on 7 July 2021	-	1,440,559
Second tax exempt interim single tier dividend of 25.2 sen per share on 8,004,018,000 ordinary shares, declared on 9 March 2021 and paid on 6 April 2021	-	2,017,607
First tax exempt interim single tier dividend of 16.5 sen per share on 8,022,604,000 ordinary shares, declared on 9 December 2020 and paid on 11 January 2021	-	1,323,582
In respect of the financial year ended 31 August 2020:		
Final tax exempt single tier dividend of 8.5 sen per share on 8,143,086,000 ordinary shares, declared on 23 September 2020 and paid on 3 November 2020	-	692,321
	528,556	5,474,069

No dividend is payable for treasury shares held or cancelled.

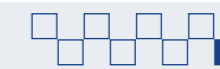
48. FINANCIAL GUARANTEES

A nominal amount of RM399 million (2021: RM459 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 2022 were authorised for issue in accordance with a resolution of the directors on 26 October 2022.



List of Properties

	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 31/08/2022, RM'000	
A) TOP GLOVE SDN. BHD.								
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)	28	Freehold	Factory/Glove manufacturing	2.51 acres/ 83,379 square feet	13,361
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)	26	Freehold	Terrace house/ Accommodation for staff	1,608 square feet/ 1,350 square feet	60
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)	25	Freehold	Terrace house/ Accommodation for worker	3 acres/ 54,140 square feet	1,714
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)	24	Freehold	Terrace house/ Accommodation for staff	1,300 square feet/ 1,100 square feet	80
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)	24	Freehold	Terrace house/ Accommodation for staff	1,300 square feet/ 1,100 square feet	85
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)	24	Freehold	Terrace house/ Accommodation for staff	1,300 square feet/ 1,100 square feet	86
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)	24	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)	22	Leasehold (Expiring on: Lot 18-30/9/2072, Lot 27-28/12/2063, Lot 38-23/12/2069, Lot 57-01/10/2064)	Factory/Glove manufacturing	311,192 square feet/ 197,675 square feet	10,781
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)	22	Freehold	Factory/Glove manufacturing	2.8 acres/ 57,250 square feet	4,815
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)	21	Freehold	Factory/ Office building	3 acres/ 41,274 square feet	7,199
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)	18	Freehold	Factory/Glove manufacturing	3 acres/ 58,240 square feet	6,944
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)	18	Freehold	Factory/Glove manufacturing	3 acres/ 67,924 square feet	5,413
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)	18	Freehold	Factory/Glove manufacturing	3 acres/ 58,240 square feet	6,429
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)	17	Freehold	Factory/Glove manufacturing	4.3 acres	3,242

List of Properties

	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 31/08/2022, RM'000	
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)	17	Freehold	Factory/Glove manufacturing	3 acres/ 58,240 square feet	9,416
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)	17	Freehold	Terrace house/ Accommodation for staff	1,300 square feet/ 1,100 square feet	104
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)	17	Freehold	Terrace house/ Accommodation for staff	1,300 square feet/ 1,100 square feet	86
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)	17	Freehold	Terrace house/ Accommodation for staff	1,300 square feet/ 1,100 square feet	98
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)	17	Freehold	Terrace house/ Accommodation for staff	1,300 square feet/ 1,100 square feet	105
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)	17	Freehold	Terrace house/ Accommodation for staff	1,300 square feet/ 1,100 square feet	105
21)	No.27, Lorong Tempinis 1, Pekan Meru, 42200 Klang, Selangor.	HS (M) 3773, PT 1286 & HS (M) 3685, PT 1285, Mukim Kapar, Daerah Klang, Selangor.	25/05/2005 (A)	17	Freehold	Terrace house/ Accommodation for staff	1,300 square feet/ 1,100 square feet	85
22)	No.57, Jalan Sesenduk 5, Taman Meru Utama, 41050 Klang, Selangor.	GM 7330, Lot 43375, Mukim Kapar, Daerah Klang, Selangor.	19/07/2005 (A)	17	Freehold	Terrace house/ Accommodation for staff	1,300 square feet/ 1,100 square feet	105
23)	No.51, Jalan Sesenduk 5, Taman Meru Utama, 41050 Klang, Selangor.	GM 7327, Lot 43372, Mukim Kapar, Daerah Klang, Selangor.	19/07/2005 (A)	17	Freehold	Terrace house/ Accommodation for staff	1,300 square feet/ 1,100 square feet	105
24)	No.67, Jalan Sesenduk 6, Taman Meru Utama, 41050 Klang, Selangor.	GM 7311, Lot 43353, Mukim Kapar, Daerah Klang, Selangor.	19/07/2005 (A)	17	Freehold	Terrace house/ Accommodation for staff	1,300 square feet/ 1,100 square feet	98
25)	No.65, Jalan Sesenduk 6, Taman Meru Utama, 41050 Klang, Selangor.	GM 7310, Lot 43352, Mukim Kapar, Daerah Klang, Selangor.	19/07/2005 (A)	17	Freehold	Terrace house/ Accommodation for staff	1,300 square feet/ 1,100 square feet	98
26)	Lot 4988, 5½ Miles, Sungai Binjai Road, 41050 Klang, Selangor.	GM 1584, Lot 4988, Mukim Kapar, Daerah Klang, Selangor.	10/10/2005 (A)	16	Freehold	Factory/Glove manufacturing	3 acres/ 12,141 square metres	15,699
27)	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)	16	Freehold	Factory/Glove manufacturing	3 acres/ 12,267 square metres	9,596
28)	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)	16	Freehold	Terrace house/ Accommodation for staff	1,098 square feet	81
29)	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)	16	Freehold	Factory/Glove manufacturing	3 acres/ 12,141 square metres	7,559

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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 31/08/2022, RM'000	
30)	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)	16	Freehold	Terrace house/ Accommodation for staff	70,995 square feet	5,123
31)	Lot 4987, 5 th Miles, Sungai Binjai Road, Mukim Kapar, 41050 Klang, Selangor.	GM 2619, Lot 4987, Mukim Kapar, Daerah Klang, Selangor.	24/05/2006 (A)	16	Freehold	Factory/Glove manufacturing	3 acres/ 12,141 square metres	10,883
32)	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)	15	Freehold	Factory/Glove manufacturing	3 acres/ 12,267 square metres	8,412
33)	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)	14	Freehold	Terrace house/ Accommodation for worker	1,400 square feet/ 1,625 square feet	1,592
34)	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	4,627
35)	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	3,135
36)	Lot 4961, Tempat Batu 5, Jalan Binjai, 41050 Klang, Selangor.	GM 525, Lot 4961, Mukim Kapar, Daerah Klang, Selangor.	17/09/2008 (A)	13	Freehold	Factory/Glove manufacturing	3 acres	9,677
37)	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	2,532
38)	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
39)	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	Vacant	3 acres	1,975
40)	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	Vacant	4 acres 2 rood 25 pole	6,715
41)	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	Vacant	4 acres 3 rood	7,679

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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 31/08/2022, RM'000	
42)	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)	12	Freehold	Terrace house/ Accommodation for staff	111 square metres	91
43)	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)	12	Freehold	Terrace house/ Accommodation for worker and staff	133 square metres & 193 square metres	261
44)	Lot 12, Medan Tasek, Kawasan Perindustrian Tasek, 31400 Ipoh, Perak.	PN 1308, Lot 56530, Mukim Hulu Kinta, Daerah Kinta, Perak.	04/02/2010 (A)	12	Leasehold (Expiring on: 05/04/2066)	Factory/ Office building	213,889 square feet/ 131,576 square feet	5,831
45)	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)	12	Freehold	Terrace house/ Accommodation for staff	190 square metres /unit	2,801
46)	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)	12	Freehold	Terrace house/ Accommodation for staff	111 square metres	120
47)	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)	12	Freehold	Terrace house/ Accommodation for staff	121 square metres	88
48)	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)	12	Freehold	Terrace house/ Accommodation for worker	127 square metres/unit	113
49)	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)	12	Freehold	Terrace house/ Accommodation for worker	261 square metres	208
50)	Lot 4985, Tempat Batu 5, Jalan Sungai Binjai, 41050 Klang, Selangor.	GM 2321, Lot 4985, Mukim Kapar, Daerah Klang, Selangor.	18/06/2010 (A)	5	Freehold	Factory/Glove manufacturing	3 acres	4,233
51)	No.25, Jalan Sesenduk 20, Taman Meru Jaya, 41050 Klang, Selangor.	GM 7799, Lot 37308, Mukim Kapar, Daerah Klang, Selangor.	31/07/2010 (A)	12	Freehold	Terrace house/ Accommodation for staff	121 square metres	122
52)	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)	12	Freehold	Terrace house/ Accommodation for worker	121 square metres	119

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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 31/08/2022, RM'000	
53)	No.47, Jalan Sesenduk 7, Taman Meru Jaya, 41050 Klang, Selangor.	GM 7295, Lot 43337, Mukim Kapar, Daerah Klang, Selangor.	13/08/2010 (A)	12	Freehold	Terrace house/ Accommodation for worker	121 square metres	127
54)	No.22, Jalan Sesenduk 19, Taman Meru Jaya, 41050 Klang, Selangor.	GM 7805, Lot 37314, Mukim Kapar, Daerah Klang, Selangor.	03/09/2010 (A)	11	Freehold	Terrace house/ Accommodation for staff	111 square metres	112
55)	Lot 5991, Tempat Batu 4½, Jalan Sungai Binjai, 41050 Klang, Selangor.	GM 5591, Lot 5991, Mukim Kapar, Daerah Klang, Selangor.	30/09/2010 (A)	3	Freehold	Warehouse F4A	2.8 acres/ 1.0787 acres	15,072
56)	No.55, Jalan Sesenduk 7, Taman Meru Utama, 41050 Klang, Selangor.	GM 7299, Lot 43341, Mukim Kapar, Daerah Klang, Selangor.	29/10/2010 (A)	11	Freehold	Terrace house/ Accommodation for staff	121 square metres	128
57)	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)	11	Freehold	Terrace house/ Accommodation for staff	109 square metres	116
58)	Lot 4956, Tempat Batu 6, Jalan Sungai Binjai, 41050 Klang, Selangor.	GM 2580, Lot 4956, Mukim Kapar, Daerah Klang, Selangor.	19/11/2010 (A)	5	Freehold	Terrace house/ Accommodation for worker	1.2141 hectares	16,478
59)	No.25, Jalan Mempari 9, Taman Bayu, 41050 Klang, Selangor.	GM 13014, Lot 307, Seksyen 1, 6th Miles, Sungai Binjai Road, Pekan Meru, Daerah Klang, Selangor.	15/12/2010 (A)	11	Freehold	Terrace house/ Accommodation for staff	109 square metres	113
60)	No.22, Jalan Sesenduk 4, Taman Meru Utama, 41050 Klang, Selangor.	GM 13456, Lot 33926, Mukim Kapar, Daerah Klang, Selangor.	30/12/2010 (A)	11	Freehold	Terrace house/ Accommodation for staff	190 square metres	113
61)	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)	11	Freehold	Terrace house/ Accommodation for staff	121 square metres	85
62)	HS (D) 129441, PT 62956, Jalan Bukit Kapar, 41050 Klang, Selangor.	HS (D) 129441, PT 62956, Mukim Kapar, Daerah Klang, Selangor.	28/02/2011 (A)	N/A	Freehold	Vacant	131,730 square metres	14,392
63)	No.30, Jalan Abadi 5, Taman Daya Maju, 41050 Klang, Selangor.	Lot 31191, Mukim Kapar, Daerah Klang, Selangor.	12/05/2011 (A)	11	Freehold	Terrace house/ Accommodation for staff	82 square metres	94
64)	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)	11	Leasehold (Expiring on: 02/05/2067)	Factory/Glove manufacturing	87,756 square feet/ 48,352 square feet	12,213
65)	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)	10	Freehold	Terrace house/ Accommodation for staff	121 square metres	97
66)	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)	10	Freehold	Terrace house/ Accommodation for staff	121 square metres	99
67)	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)	10	Freehold	Terrace house/ Accommodation for staff	121 square metres	91

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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 31/08/2022, RM'000
68)	8-2, 8-3, 8-4, 8-5, Setia Avenue, Jalan Setia Prima (S), U13/5, Setia Alam, Seksyen U13, 40170 Shah Alam, Selangor.	01/02/2012 (A)	10	Freehold	Building	920.77 square metres	2,317
69)	No.64, Jalan Sesenduk 7, Off Jalan Meru, 41050 Klang, Selangor.	25/02/2012 (A)	10	Freehold	Terrace house/ Accommodation for staff	121 square metres	136
70)	No.21, Jalan Abadi 5, Taman Saujana Meru, 41050 Klang, Selangor.	21/03/2012 (A)	10	Freehold	Terrace house/ Accommodation for staff	121 square metres	76
71)	No.25, Jalan Abadi 10D/KU8, Taman Daya Maju, 41050 Klang, Selangor.	22/06/2012 (A)	10	Freehold	Terrace house/ Accommodation for staff	145 square metres	147
72)	No.47, Jalan Abadi 1A/KU8, Taman Daya Maju, 41050 Klang, Selangor.	19/07/2012 (A)	10	Freehold	Terrace house/ Accommodation for staff	130 square metres	134
73)	No.43, Jalan Abadi 1A/KU8, Taman Daya Maju, Batu 6½, Off Jalan Meru, 41050 Klang, Selangor.	19/07/2012 (A)	10	Freehold	Terrace house/ Accommodation for staff	130 square metres	134
74)	No.45, Jalan Abadi 1A/KU8, Taman Daya Maju, 41050 Klang, Selangor.	19/07/2012 (A)	10	Freehold	Terrace house/ Accommodation for staff	130 square metres	134
75)	No.49, Jalan Abadi 1A/KU8, Taman Daya Maju, 41050 Klang, Selangor.	19/07/2012 (A)	10	Freehold	Terrace house/ Accommodation for staff	130 square metres	134
76)	No.51, Jalan Abadi 1A/KU8, Taman Daya Maju, 41050 Klang, Selangor.	19/07/2012 (A)	10	Freehold	Terrace house/ Accommodation for staff	130 square metres	134
77)	No.53, Jalan Abadi 1A/KU8, Taman Daya Maju, 41050 Klang, Selangor.	19/07/2012 (A)	10	Freehold	Terrace house/ Accommodation for staff	130 square metres	134
78)	No.55, Jalan Abadi 1A/KU8, Taman Daya Maju, 41050 Klang, Selangor.	19/07/2012 (A)	10	Freehold	Terrace house/ Accommodation for staff	130 square metres	134
79)	No.57, Jalan Abadi 1A/KU8, Taman Daya Maju, 41050 Klang, Selangor.	19/07/2012 (A)	10	Freehold	Terrace house/ Accommodation for staff	130 square metres	134
80)	No.59, Jalan Abadi 1A/KU8, Taman Daya Maju, 41050 Klang, Selangor.	19/07/2012 (A)	10	Freehold	Terrace house/ Accommodation for staff	130 square metres	134
81)	No.61, Jalan Abadi 1A/KU8, Taman Daya Maju, 41050 Klang, Selangor.	19/07/2012 (A)	10	Freehold	Terrace house/ Accommodation for staff	130 square metres	134

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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 31/08/2022, RM'000
82)	No.63, Jalan Abadi 1A/KU8, Taman Daya Maju, 41050 Klang, Selangor.	19/07/2012 (A)	10	Freehold	Terrace house/ Accommodation for staff	130 square metres	134
83)	No.65, Jalan Abadi 1A/KU8, Taman Daya Maju, 41050 Klang, Selangor.	19/07/2012 (A)	10	Freehold	Terrace house/ Accommodation for staff	130 square metres	134
84)	No.67, Jalan Abadi 1A/KU8, Taman Daya Maju, 41050 Klang, Selangor.	19/07/2012 (A)	10	Freehold	Terrace house/ Accommodation for staff	130 square metres	134
85)	No.69, Jalan Abadi 1A/KU8, Taman Daya Maju, 41050 Klang, Selangor.	19/07/2012 (A)	10	Freehold	Terrace house/ Accommodation for staff	130 square metres	134
86)	No.71, Jalan Abadi 1A/KU8, Taman Daya Maju, Batu 6½, 41050 Klang, Selangor.	19/07/2012 (A)	10	Freehold	Terrace house/ Accommodation for staff	130 square metres	134
87)	No.24, Lorong Hamzah Alang 77B, Off Jalan Kapar Batu 9½, Taman Jaya, 42200 Kapar, Selangor.	28/09/2012 (A)	9	Freehold	Terrace house/ Accommodation for staff	120.75 square metres	95
88)	No.40, Jalan Mempari 10, Taman Bayu, Batu 5½, Jalan Meru, 41050 Klang, Selangor.	12/10/2012 (A)	9	Freehold	Terrace house/ Accommodation for staff	121 square metres	102
89)	No.6, Lorong Abadi 3, Pekan Meru, Taman Saujana Meru, 41050 Klang, Selangor.	30/10/2012 (A)	9	Freehold	Terrace house/ Accommodation for staff	111.483 square metres	102
90)	Lot 4982, 5 th Miles, Jalan Sungai Binjai, 41050 Klang, Selangor.	01/01/2013 (A)	3	Freehold	Factory/Glove manufacturing	1.2141 hectares	4,757
91)	Lot 4983, 5 th Miles, Jalan Sungai Binjai, 41050 Klang, Selangor.	01/01/2013 (A)	5	Freehold	Factory/Glove manufacturing	1.2141 hectares	20,330
92)	Lot 4984, 5 th Miles, Jalan Sungai Binjai, 41050 Klang, Selangor.	01/01/2013 (A)	5	Freehold	Factory/Glove manufacturing	1.2141 hectares	31,039
93)	No.28, Jalan Mempari 12, 5 th Miles, Jalan Meru, 41050 Klang, Selangor.	04/02/2013 (A)	9	Freehold	Terrace house/ Accommodation for staff	105 square metres	86
94)	Lot 4981, 5 th Miles, Jalan Sungai Binjai, 41050 Klang, Selangor.	06/06/2013 (A)	3	Freehold	Factory/Glove manufacturing	1.2141 hectares	7,102
95)	Lot 5105, 4½ Miles, Jalan Sungai Binjai, 41050 Klang, Selangor.	19/11/2013 (A)	3	Freehold	Warehouse	3.38 acres	26,374
96)	No.29, Jalan Abadi 1, Taman Daya Meru, Batu 5½, Jalan Meru, 41050 Klang, Selangor.	05/12/2013 (A)	8	Freehold	Terrace house/ Accommodation for staff	139 square metres	118
97)	Lot 4953, 5 th Miles, Jalan Sungai Binjai, 41050 Klang, Selangor.	27/02/2014 (A)	N/A	Freehold	Vacant	1.2141 hectares	9,391

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98)	Lot 5136, 6th Miles, Jalan Sungai Binjai, Mukim Kapar, Daerah Klang, Selangor.	15/08/2014 (A)	N/A	Freehold	Vacant	1.8843 hectares	13,408
99)	Lot 5002, Batu 5½, Jalan Meru, 41050 Klang, Selangor.	29/09/2015 (A)	6	Freehold	Warehouse F1A	10,891 square metres	16,324
100)	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.	16/12/2015 (A)	6	Freehold	Strata office	45.1 square metres	245
101)	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.	05/01/2016 (A)	6	Freehold	Strata office	45.1 square metres	245
102)	Lot 5090, Batu 5½, Jalan Meru, 41050 Klang, Selangor.	01/12/2016 (A)	5	Freehold	Factory/Glove manufacturing	12,104.55 square metres	15,768
103)	Lot 5094 & 5977, Mukim Kapar, Daerah Klang, 41050 Klang, Selangor.	26/01/2018 (A)	4	Freehold	Factor/ Water Process and Supply	1.794 acres	12,180
104)	No.257,259,261,263,265, Persiaran Taman Tasek, Taman Tasek Baru, Ipoh Perak.	03/04/2018 (A)	4	Leasehold (Expiring on: 03/07/2113)	Terrace house/ Accommodation for worker & staff	143 square metres /unit	1,651
105)	Lot 4962, 5th Miles, Sungai Binjai Road, Mukim Kapar, 41050 Klang, Selangor.	27/06/2018 (A)	4	Freehold	Factory/ Office Building	3 acres/ 30,304 square feet	17,714
106)	Lot 6494, 5 ¾ Miles, Lorong Sg Puluh, Mukim Kapar, 41050 Klang, Selangor.	28/10/2020 (A)	N/A	Freehold	Vacant	4.2644 hectares	40,544
107)	Meru Courts Apartment, Batu 6, Jalan Meru, Mukim Kapar, 41050 Klang, Selangor.	05/11/2020 (A)	1	Freehold	Terrace house/ Accommodation for staff	8,058 square metres	17,754
108)	Lot 4930, PT 50022 to 50041, HS (M) 32838 to HS (M) 32857, Jln Sg Binjai, Mukim Kapar, 41050 Klang, Selangor.	06/11/2020 (A)	N/A	Freehold	Vacant	37,899.61 square feet	3,448
109)	Lot 6495, 5 ¾ Miles, Lorong Sg Puluh, Mukim Kapar, 41050 Klang, Selangor.	16/11/2020 (A)	N/A	Freehold	Vacant	41,303.16 square metres	33,737
110)	Lot 5116, 6th Miles, Sungai Binjai Road, Mukim Kapar, 41050 Klang, Selangor.	10/12/2020 (A)	N/A	Freehold	Vacant	1.2141 hectares	5,400
111)	Lot 5117, 6th Miles, Sungai Binjai Road, Mukim Kapar, 41050 Klang, Selangor.	10/12/2020 (A)	N/A	Freehold	Vacant	1.2141 hectares	5,400

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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 31/08/2022, RM'000
B) TG MEDICAL SDN. BHD.							
1)	Lot 5091, Jalan Teratai, Batu 5, Off Jalan Meru, 41050 Klang, Selangor.	25/10/1995 (A)	26	Freehold	Factory/Glove manufacturing	3 acres/ 68,490 square feet	6,779
2)	No.19, Jalan Mempari 11, Batu 5½, Jalan Meru, 41050 Klang, Selangor.	08/05/1998 (A)	24	Freehold	Terrace house/ Accommodation for staff	1,300 square feet/ 1,100 square feet	78
3)	Lot 5972 & 5974, Jalan Teratai, Batu 5, Jalan Meru, 41050 Klang, Selangor.	01/07/1999 (A)	23	Freehold	Factory/Glove manufacturing	Approx 1.7935 acres /47,200 square feet	4,684
4)	Lot 5104, Jalan Teratai, Batu 5, Off Jalan Meru, 41050 Klang, Selangor.	29/03/2004 (A)	18	Freehold	Factory/Glove manufacturing	3 acres/ 54,600 square feet	6,391
5)	No.1, 3, 5, 7, 9 & 11, Jalan Abadi 10D/KU8, Taman Daya Maju, Meru, 41050 Klang, Selangor. 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.	12/07/2007 (A)	15	Freehold	Terrace house/ Accommodation for staff and worker	Approx 108.85 square metres/unit	5,844
6)	Lot 5975, Tempat Batu 4½, Jalan Sungai Binjai, 41050 Klang, Selangor.	03/10/2008 (A)	N/A	Freehold	Land	0.0275 hectares/ 2,960 square feet	201
C) TOP GLOVE ENGINEERING SDN. BHD.							
1)	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	2,722
2)	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	2,721
3)	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	2,720

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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 31/08/2022, RM'000
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	Land	19.83 acres 14,052
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	Land	7.91 acres 6,138
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 4,799
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)	1	Freehold	Accommodation for staff	113.43 square metres 714
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)	1	Freehold	Accommodation for staff	97.08 square feet 623
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)	4	Freehold	Bungalow/ Accommodation for staff	397 square metres 1,659
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)	5	Freehold	Bungalow/ Accommodation for staff	397 square metres 1,651
D) TOP GLOVE MEDICAL (THAILAND) CO. LTD.							
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 acres 3,600 (Thai Baht 29.26 mil)
			28/02/2003 (A)	19	Freehold	Factory/ Office building	9,504 square metres 5,648 (Thai Baht 45.90 mil)
			28/02/2003 (A)	19	Freehold	Accommodation for worker	1,200 square metres 1,179 (Thai Baht 9.58 mil)
			01/12/2011 (A)	10	Freehold	Factory building	5,134.5 square metres 2,833 (Thai Baht 23.02 mil)
			01/12/2011 (A)	10	Freehold	Accommodation for worker	882 square metres 1,133 (Thai Baht 9.21 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 702 (Thai Baht 5.70 mil)

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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 31/08/2022, RM'000
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 6,051 (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 6,436 (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 567 (Thai Baht 4.61 mil)
E) TG MEDICAL (U.S.A.), INC.							
1)	165 - 167 North Aspan Avenue, Azusa, CA 91702, USA.	Assessor's ID #8615 018 010	31/03/2005 (A)	17	Freehold	Warehouse/ Office building	25,878 square feet 8,631 (USD 1.93 mil)
2)	153 - 155 North Aspan Avenue, Azusa, CA 91702, USA.	Assessor's ID #8615 018 011	31/07/2013 (A)	9	Freehold	Warehouse/ Office building	25,950 square feet 16,088 (USD 3.59 mil)
F) TOP GLOVE TECHNOLOGY (THAILAND) CO. LTD.							
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)	16	Freehold	Factory/ Office building	Approx 40.4 acres/ 47,816.68 square metres 15,940 (Thai Baht 129.55 mil)
G) GREAT GLOVE (XINGHUA) CO. LTD.							
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)	16	Leasehold (Expiring on: Sept 2056)	Factory/ Office building, Industrial usage	112,234.48 square metres/ 30,646.96 square metres 11,413 (RMB 17.60 mil)
H) B TECH INDUSTRY CO. LTD.							
1)	268 M.5 T. Kumpangphet 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)	16	Freehold	Factory/ Office building	Approx 44,718 square metres/ 8,754 square metres 6,386 (Thai Baht 51.90 mil)
			21/08/2009 (A)	13	Freehold	Waste water pond	Approx 18.64 acres
I) FLEXITECH SDN. BHD.							
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)	17	Leasehold (Expiring on: 26/09/2087)	Production/ Warehouse	Approx 11,916 square metres/ 6,183 square metres 9,343

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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 31/08/2022, RM'000
2)	Lot 127, Jalan 6, Komplek Olak Lempit, Mukim Tanjung 12, 42700 Banting, Selangor.	15/09/2005 (A)	16	Leasehold (Expiring on: 26/09/2087)	Accommodation for worker	Approx 11,916 square metres/ 6,826 square metres	3,240
3)	Lot 124, Jalan 8, Komplek Olak Lempit, Mukim Tanjung 12, 42700 Banting, Selangor.	08/01/2009 (A)	13	Leasehold (Expiring on: 26/09/2087)	Production/ Office building	Approx 11,966 square metres/ 10,172 square metres	5,393
4)	Lot 126, Jalan 8, Komplek Olak Lempit, Mukim Tanjung 12, 42700 Banting, Selangor.	08/01/2009 (A)	13	Leasehold (Expiring on: 26/09/2087)	Production/ Office building	Approx 11,966 square metres/ 6,813 square metres	4,548
5)	No.11, Jalan Emas 28, Bandar Sungai Emas, 42700 Banting, Selangor.	29/04/2013 (A)	9	Freehold	Accommodation for staff	Approx 130 square metres	188
6)	No.7, Jalan Emas 28, Bandar Sungai Emas, 42700 Banting, Selangor.	19/06/2013 (A)	9	Freehold	Accommodation for staff	Approx 130 square metres	198
J) TOP QUALITY GLOVE SDN. BHD.							
1)	Lot 2604, Mukim Tanjong Dua Belas, Daerah Kuala Langat, Selangor.	25/01/2013 (A)	N/A	Freehold	Land	Approx 1.9526 hectares/4 acres 3 rood 12 pole	5,120
2)	Lot 2605, Mukim Tanjong Dua Belas, Daerah Kuala Langat, Selangor.	25/01/2013 (A)	N/A	Freehold	Land	Approx 2.031 hectares/5 acres 0 rood 3 pole	4,558
3)	Lot 2615, Mukim Tanjong Dua Belas, Daerah Kuala Langat, Selangor.	25/01/2013 (A)	N/A	Freehold	Land	Approx 1.7376 hectares/4 acres 1 rood 7 pole	3,899
4)	Lot 2616, Mukim Tanjong Dua Belas, Daerah Kuala Langat, Selangor.	25/01/2013 (A)	N/A	Freehold	Land	Approx 2.0942 hectares/5 acres 0 rood 28 pole	4,699
5)	Lot 5135, Jalan Dahlia, Off Jalan Meru, 41050 Klang, Selangor.	10/07/2014 (A)	N/A	Freehold	Warehouse	Approx 4.656 acres/ 202,827 square feet	13,894
6)	Lot 4977 & 4978, Jalan Dahlia, Off Jalan Meru, 41050 Klang, Selangor.	01/12/2016 (A)	N/A	Freehold	Land	5.45 acres/ 2.21 hectares	18,763
		01/12/2016 (A)	5	Freehold	Factory/Building	Double storey office building 8,874 square feet with 2 single storey warehouse 83,087 square feet	6,555
7)	Lot 5144, 6th Miles, Sungai Binjai Road, 41050 Klang, Selangor.	28/12/2016 (A)	3	Freehold	Factory	Approx 202,824.4 square feet	38,303

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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 31/08/2022, RM'000
8)	Lot 5145, 6th Miles, Sungai Binjai Road, 41050 Klang, Selangor.	28/12/2016 (A)	N/A	Freehold	Factory	Approx 201,468.1 square feet	39,078
9)	Lot 5133, Jalan Dahlia, Off Jalan Meru, 41050 Klang, Selangor.	31/08/2021 (R)	N/A	Freehold	Land	Approx 1.897 hectares	14,723
10)	Lot 5054, Jalan Kenangan KU8, Meru, 41050 Klang, Selangor.	11/07/2017 (A)	N/A	Freehold	Factory	Approx 12,267 square metres	36,979
11)	Lot 5057, Jalan Kenangan KU8, Meru, 41050 Klang, Selangor.	15/09/2017 (A)	N/A	Freehold	Land	Approx 1.2267 hectares	11,135
12)	Lot 5049 & 5050, Off Jalan Bunga raya, 5½ Mile, Jalan Meru, 41050 Klang, Selangor.	11/04/2018 (A)	N/A	Freehold	Land	2.091 hectares	19,812
		11/04/2018 (A)	3	Freehold	Factory/Building	119,353.58 square feet	45,042
13)	Lot 6472, Lorong Sg Puloh/KU6, Kawasan Perindustrian Sungai Puloh, 42100 Klang, Selangor.	10/07/2018 (A)	4	Freehold	Factory	Approx 34,499 square metres	66,512
14)	Lot 47442, Mukim Hulu Kinta, Daerah Kinta, Negeri Perak.	14/02/2019 (A)	N/A	Leasehold	Land	217,456 square feet	8,435
15)	Lot 4981 & 4982, Jalan Dahlia/KU8, Kawasan Perindustrian Meru Timur, 41050 Klang, Selangor.	06/05/2019 (A)	3	Freehold	Factory	9,609 square metres	39,801
16)	Lot 4948, Tempat Batu 5, Jalan Binjai, 41050 Klang, Selangor.	24/10/2019 (A)	N/A	Freehold	Land	Approx 1.2141 hectares	12,017
17)	Lot 12, Jalan Banting Dengkil, Kampong Olak Lempit, 42799 Banting, Selangor.	13/07/2020 (A)	N/A	Freehold	Land	Approx 67,647 square metres	106,078
18)	Lot 2606, Mukim Tanjong Dua Belas, Daerah Kuala Langat, Selangor.	27/07/2020 (A)	N/A	Freehold	Land	Approx 1.9779 hectares/ 4 acres 3 rood 22 pole	4,702
19)	Lot 2619, Mukim Tanjong Dua Belas, Daerah Kuala Langat, Selangor.	14/08/2020 (A)	N/A	Freehold	Land	Approx 2.1347 hectares/ 5 acres 1 rood 4 pole	5,731
20)	Lot 4963, Tempat Batu 5, Jalan Sungei Binjai, 41050 Klang, Selangor.	21/08/2020 (A)	N/A	Freehold	Land	Approx 1.2141 hectares	11,090
21)	Lot 13, Pekan Bukit Changgang, 42700 Banting, Selangor.	11/11/2020 (A)	N/A	Freehold	Land	Approx 6.0930 hectares	37,546

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22)	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	Land	Approx 3.9710 hectares	15,497
23)	Lot 2618, Mukim Tanjung Dua Belas, Daerah Kuala Langat, Negeri Selangor.	GR 60388, Lot 2618, Mukim Tanjung Dua Belas, Daerah Kuala Langat, Negeri Selangor.	12/03/2021 (A)	N/A	Freehold	Land	Approx 1.8489 hectares	6,754
24)	Lot 2617, Mukim Tanjung Dua Belas, Daerah Kuala Langat, Negeri Selangor.	GR 47726, Lot 2617, Mukim Tanjung Dua Belas, Daerah Kuala Langat, Negeri Selangor.	06/04/2021 (A)	N/A	Freehold	Land	Approx 2.1499 hectares	7,696
25)	Lot 2600, Mukim Tanjung Dua Belas, Daerah Kuala Langat, Negeri Selangor.	GR 47741, Lot 2600, Mukim Tanjung Dua Belas, Daerah Kuala Langat, Negeri Selangor.	10/05/2021 (A)	N/A	Freehold	Land	Approx 1.9880 hectares	5,104
26)	Lot 2601, Mukim Tanjung Dua Belas, Daerah Kuala Langat, Negeri Selangor.	PT 51671, H.S.(D) 48660, Lot 2601, Mukim Tanjung Dua Belas, Daerah Kuala Langat, Negeri Selangor.	25/05/2021 (A)	N/A	Freehold	Land	Approx 0.8107 hectares	2,075
27)	Lot 2631, Mukim Tanjung Dua Belas, Daerah Kuala Langat, Negeri Selangor.	GR 47745, Lot 2631, Mukim Tanjung Dua Belas, Daerah Kuala Langat, Negeri Selangor.	25/05/2021 (A)	N/A	Freehold	Land	Approx 0.8574 hectares	2,196
28)	Lot 2603, Mukim Tanjung Dua Belas, Daerah Kuala Langat, Negeri Selangor.	GR 47744, Lot 2603, Mukim Tanjung Dua Belas, Daerah Kuala Langat, Negeri Selangor.	15/02/2022 (A)	N/A	Freehold	Land	Approx 1.5378 hectares	3,944
K) GMP MEDICARE SDN. BHD.								
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)	12	Freehold	Factory/Glove manufacturing	3 acres	9,380
2)	Lot 2431, Mukim Port Dickson, Sendayan, 71100 Siliu, 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: 23 years Phase 2: 20 years	Freehold	Factory/Glove manufacturing	16.7 acres/ 22,000 square metres	24,900
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)	9	Freehold	Factory/Glove manufacturing	75,669 square feet	9,123
4)	Lot 3726, Kawasan Perindustrian Nilai, Mukim Setul, Daerah Seremban, 71800 Nilai, 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)	5	Freehold	Factory/Glove manufacturing	Approx 14,256 square metres/ 153,450 square feet	7,054

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L) TOP GLOVE PROPERTIES SDN. BHD.								
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)	10	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
M) PT. AGRO PRATAMA SEJAHTERA								
1)	The City Tower, 12th Floor 1N, JL MH Thamrin No.81, Jakarta Pusat 10310, Indonesia.	Bangka Belitung Province	01/10/2012 (A)	9	Leasehold (Expiring on: 18/03/2071)	Industrial Forest Plantation	30,773 hectares	20,501 (IDR 68.11 bil)
N) TG PORCELAIN SDN. BHD.								
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)	4	Freehold	Factory/Former Manufacturing	52,513.14 square feet	6,158
O) ASPION GROUP								
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	43,259
				9		Factory	1,316,383 square feet	28,900
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	4,690
				17		Factory/Office	9,496.09 square metres	4,673
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	2,768
				11		Factory Building	12,225.98 square metres	12,504
4)	Lot E4(4) [PT 4094], Jalan 8, Kawasan Perindustrian 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	5,026
				14		Factory Building	14,604.21 square metres	5,365
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	7,853
				16		Factory/ Warehouse	10,546.36 square metres	7,411
				8	Freehold	Office building/ Warehouse	2.64 hectares	4,041

List of Properties

	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 31/08/2022, RM'000
6)	PLO 5, Jalan Mahsuri 1, 7.5KM, Jalan Mersing, Kawasan Perindustrian Kluang, 86000 Kluang, Johor.	05/04/2018 (A) 05/04/2018 (A)	N/A 34	Leasehold (Expiring on: 01/10/2049)	Land Factory/Glove manufacturing	3 acres 7,515.14 square metres	815 2,544
7)	PLO 12, Jalan Mahsuri 1, 7.5KM, Jalan Mersing, Kawasan Perindustrian Kluang, 86000 Kluang, Johor.	05/04/2018 (A) 05/04/2018 (A)	N/A 15	Leasehold (Expiring on: 07/11/2050)	Land Factory/Glove manufacturing	3.206 acres 8,929.41 square metres	1,157 4,943
8)	Lot 366, GM 2547, Mukim of Kluang, Daerah Kluang, Johor.	05/04/2018 (A)	N/A	Freehold	Agricultural land	1.467 hectares	1,011
P) GREAT GLOVE (THAILAND) CO. LTD.							
1)	180/3 Moo.7, Srisonthon Rd., T.Srisonthon, A.Thalang, Phuket 83110 Thailand.	28/02/2006 (A) 01/10/2016 (A)	16 5	Freehold	Building Block A Building Block B	3,832 square metres 4,616 square metres	2,672 (Thai Baht 21.72 mil) 7,524 (Thai Baht 61.15 mil)
2)	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	2,369 (Thai Baht 19.25 mil)
Q) TG FMT SDN. BHD.							
1)	Lot 4987, Jalan Bunga Raya, Batu 6, Off Jalan Meru, 41050 Klang, Selangor.	01/06/2017 (A)	5	Freehold	Building	31,345 square feet	3,781
R) EASTERN PRESS SDN. BHD.							
1)	Lot 1, Jalan Paku 16/6, 40000 Shah Alam, Selangor.	05/01/2018 (A)	8	Leasehold (Expiring on: 03/04/2068)	Production use	3,121.44 square metres/ 1,148.84 square metres	5,141
2)	Lot 3, Jalan Paku 16/6, 40000 Shah Alam, Selangor.	05/01/2018 (A)	32	Leasehold (Expiring on: 03/04/2068)	Production use	1,774.39 square metres/ 1,038.19 square metres	4,802
3)	Lot 5, Jalan Paku 16/6, 40000 Shah Alam, Selangor.	05/01/2018 (A)	35	Leasehold (Expiring on: 03/04/2068)	Production use	1,774.39 square metres/ 1,209.96 square metres	3,870
4)	Lot 13 & Lot 15, Jalan Paku 2/6, 40000 Shah Alam, Selangor.	05/01/2018 (A)	26	Leasehold (Expiring on: 15/01/2068)	Production use	Lot 13: 1,755.81 square metres/ 951.6 square metres	7,219
			26		Production use	Lot 15: 1,718.65 square metres/ 1,137.51 square metres	
5)	Unit B2-602 Block 2, Pangsapuri Anggerik Indah, Jalan Sempadan 16/7, Seksyen 16, 40200 Shah Alam, Selangor.	05/01/2018 (A)	24	Leasehold (Expiring on: 01/03/2099)	Workers apartment	823 square feet	57

List of Properties

	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 31/08/2022, RM'000
6)	Unit B2-604 Block 2, Pangsapuri Anggerik Indah, Jalan Sempadan 16/7, Seksyen 16, 40200 Shah Alam, Selangor.	05/01/2018 (A)	24	Leasehold (Expiring on: 01/03/2099)	Workers apartment	740 square feet	63
7)	Lot 9, Jalan Paku 16/6, 40000 Shah Alam, Selangor.	30/08/2018 (A)	4	Leasehold (Expiring on: 03/04/2068)	Production use	1,774.39 square metres/ 989.14 square metres	4,952
8)	Lot 7, Jalan Paku 16/6, 40000 Shah Alam, Selangor.	21/12/2018 (A)	3	Leasehold (Expiring on: 03/04/2068)	Production use	1,774.39 square metres/ 973.39 square metres	11,140
9)	Unit 7-10-1, Suria Avenue, Lot 1, Jalan Dawai 16/2, Seksyen 16, 40200 Shah Alam, Selangor.	21/02/2019 (A)	3	Leasehold (Expiring on: 22/01/2072)	Workers apartment	894 square feet	266
10)	Unit 9-10-1, Suria Avenue, Lot 1, Jalan Dawai 16/2, Seksyen 16, 40200 Shah Alam, Selangor.	21/02/2019 (A)	3	Leasehold (Expiring on: 22/01/2072)	Workers apartment	1,006 square feet	266
11)	Lot 11, Jalan Paku 16/6, 40000 Shah Alam, Selangor.	08/05/2019 (A)	3	Leasehold (Expiring on: 15/01/2068)	Production use	1,774.39 square metres/ 772.06 square metres	4,578
12)	Lot 19, Jalan Paku 16/6, 40000 Shah Alam, Selangor.	09/12/2021 (A)	<1	Leasehold (Expiring on: 15/01/2068)	Production use	1,885.87 square metres	5,139
S) TOP GLOVE VIETNAM COMPANY LIMITED							
1)	Land Lot A_8B_CN, Bau Bang Industrial Park, Lai Uyen Town, Bau Bang District, Binh Duong Province, Vietnam.	07/05/2018 (A)	4	Leasehold (Expiring on: 20/06/2057)	Production Office Warehouse	218,212 square metres	77,035 (USD 17.18 mil)

Analysis Of Shareholdings

As at 26 October 2022

Share Capital

Total Issued Shares : 8,207,105,234 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 [^]	% [^]	No. of Holdings [^]	% [^]
1 to 99	673	0.50	12,903	0.00
100 to 1,000	31,749	23.43	20,648,557	0.26
1,001 to 10,000	69,024	50.94	308,799,388	3.86
10,001 to 100,000	30,431	22.46	887,015,496	11.08
100,001 to 400,367,045 (less than 5% of Issued Shares)	3,632	2.68	5,236,854,942	65.40
400,367,046 (5% of Issued Shares) and above	2	0.00	1,554,009,648	19.41
Total	135,511	100.00	8,007,340,934*	100.00

Note:

[^] Excluding Treasury Shares

* Out of the total holdings of 8,007,340,934 shares, 804,376,448 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	% [^]	Indirect	% [^]
1.	Tan Sri Dr <u>Lim</u> Wee Chai	2,224,843,256	27.79	689,691,448 *	8.61
2.	Puan Sri Tong Siew Bee	22,562,876	0.28	2,891,971,828 **	36.12
3.	Lim Hooi Sin	100,061,244	1.25	2,814,273,460 ***	35.15
4.	Lim Jin Feng	200,000	0.00	2,814,273,460 ***	35.15
5.	Firstway United Corp	554,966,328	6.93	-	-

Note:

[^] Calculated based on 8,007,340,934 Ordinary Shares (Issued share capital of 8,207,105,234 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

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	% [^]	Indirect	% [^]
1.	Tan Sri Dr <u>Lim</u> Wee Chai	2,224,843,256	27.79	689,691,448 *	8.61
2.	Lim Cheong Guan	418,000	0.01	-	-
3.	Lim Hooi Sin	100,061,244	1.25	2,814,273,460 **	35.15
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 Noripah Kamso	205,000	0.00	-	-
8.	Datuk Dr. Norma Mansor	-	-	42,900 *****	0.00
9.	Azrina Arshad	10,000	0.00	-	-
10.	Martin Giles Manen	-	-	-	-
11.	Dato' Kong Sooi Lin	5,000	0.00	-	-
12.	Dr Ngo Get Ping	770,000	0.01	-	-

Note:

[^] Calculated based on 8,007,340,934 Ordinary Shares (Issued share capital of 8,207,105,234 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, Madam 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	1,551,400 *
2.	Lim Cheong Guan	923,500	-
3.	Lim Hooi Sin	1,041,400	5,918,400 **
4.	Ng Yong Lin	957,700	-
5.	Dato' Lee Kim Meow	-	-
6.	Sharmila Sekarajasekaran	-	-
7.	Datuk Noripah Kamso	-	-
8.	Datuk Dr. Norma Mansor	-	-
9.	Azrina Arshad	-	-
10.	Martin Giles Manen	-	-
11.	Dato' Kong Sooi Lin	-	-
12.	Dr Ngo Get Ping	-	-

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

Analysis Of Shareholdings

As at 26 October 2022 (cont'd)

4. THIRTY (30) LARGEST SECURITIES ACCOUNT HOLDERS AS PER THE RECORD OF DEPOSITORS

No.	Names	Shareholdings	% [^]
1.	Citigroup Nominees (Asing) Sdn. Bhd. - Exempt An for The Central Depository (Pte) Limited	804,376,448	10.05
2.	CIMSEC Nominees (Tempatan) Sdn. Bhd. - CIMB for Tan Sri Dr Lim Wee Chai (PB)	749,633,200	9.36
3.	Citigroup Nominees (Tempatan) Sdn. Bhd. - Exempt An for Bank of Singapore Limited (Local)	225,200,500	2.81
4.	CIMSEC Nominees (Asing) Sdn. Bhd. - CIMB for Firstway United Corp (PB)	182,245,528	2.28
5.	Tan Sri Dr Lim Wee Chai	174,989,600	2.19
6.	Citigroup Nominees (Asing) Sdn. Bhd. - Exempt An for UBS AG Singapore (Foreign)	166,350,000	2.08
7.	CIMB Group Nominees (Tempatan) Sdn. Bhd. - Pledged securities account – DBS Bank Ltd for Tan Sri Dr Lim Wee Chai (SG1400360353)	150,000,000	1.87
8.	Citigroup Nominees (Asing) Sdn. Bhd. - UBS AG	141,632,703	1.77
9.	MFP Capital Corporation	125,952,922	1.57
10.	UOBM Nominees (Tempatan) Sdn. Bhd. - United Overseas Bank Nominees (Pte) Ltd for Tan Sri Dr Lim Wee Chai	122,100,000	1.52
11.	HSBC Nominees (Tempatan) Sdn. Bhd. - Pledged securities account – HBAP SG for Tan Sri Dr Lim Wee Chai (PB-SGDIV)	114,000,000	1.42
12.	HSBC Nominees (Asing) Sdn. Bhd. - J.P. Morgan Securities PLC	109,127,493	1.36
13.	UOBM Nominees (Tempatan) Sdn. Bhd. - United Overseas Bank Nominees (Pte) Ltd for Tan Sri Dr Lim Wee Chai	105,900,000	1.32
14.	Kumpulan Wang Persaraan (Diperbadankan)	100,443,950	1.25
15.	Maybank Nominees (Tempatan) Sdn. Bhd. - Nomura Singapore Limited for Tan Sri Dr Lim Wee Chai (419597)	90,000,000	1.12
16.	Cartaban Nominees (Asing) Sdn. Bhd. - Exempt An for State Street Bank & Trust Company (West CLT OD67)	81,409,500	1.02
17.	RHB Nominees (Tempatan) Sdn. Bhd. - Tan Sri Dr Lim Wee Chai	81,156,200	1.01
18.	HLB Nominees (Tempatan) Sdn. Bhd. - Pledged securities account for Tan Sri Dr Lim Wee Chai (SIN 8001084)	72,600,000	0.91
19.	HSBC Nominees (Asing) Sdn. Bhd. - JPMCB NA for Vanguard Emerging Markets Stock Index Fund	71,943,090	0.90
20.	HSBC Nominees (Asing) Sdn. Bhd. - JPMCB NA for Vanguard Total International Stock Index Fund	69,194,998	0.86
21.	Lim Hooi Sin	61,736,760	0.77
22.	Maybank Nominees (Tempatan) Sdn. Bhd. - Maybank Trustees Berhad for Public Itikal Fund (N14011970240)	60,000,000	0.75
23.	RHB Capital Nominees (Asing) Sdn. Bhd. - Pledged securities account for Firstway United Corp (RHB Bank (L) Ltd)	59,600,000	0.74
24.	Citigroup Nominees (Asing) Sdn. Bhd. - CB Spore GW for Government of Singapore (GIC C)	49,609,060	0.62
25.	Maybank Nominees (Tempatan) Sdn. Bhd. - Maybank Trustees Berhad for Public Regular Savings Fund (N14011940100)	48,269,500	0.60
26.	Citigroup Nominees (Tempatan) Sdn. Bhd. - Bank of Singapore Limited for Tan Sri Dr Lim Wee Chai	48,000,000	0.60
27.	Tan Sri Dr Lim Wee Chai	46,853,256	0.59
28.	HSBC Nominees (Tempatan) Sdn. Bhd. - Tan Sri Dr Lim Wee Chai	46,800,000	0.58
29.	Citigroup Nominees (Tempatan) Sdn. Bhd. - Employees Provident Fund Board (Affin-Hwg)	40,301,100	0.50
30.	Amanahraya Trustees Berhad - Amanah Saham Bumiputera Permodalan Nasional Berhad	40,000,000	0.50
	Total	4,239,425,808	52.94

Note:

[^] Calculated based on 8,007,340,934 Ordinary Shares (Issued share capital of 8,207,105,234 Ordinary Shares less Treasury Shares of 199,764,300)

Notice of the Twenty Fourth Annual General Meeting

NOTICE IS HEREBY GIVEN THAT the Twenty Fourth Annual General Meeting (“24th 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:

Day and Date	: Friday, 6 January 2023
Time	: 10:30 a.m.
Broadcast Venue	: TG Grand Ballroom Level 9, Top Glove Tower, 16, Persiaran Setia Dagang, Setia Alam, Seksyen U13, 40170 Shah Alam, Selangor Darul Ehsan, Malaysia (Members/Proxies/Corporate Representatives will not be allowed to be physically present at the Broadcast Venue)
Online Meeting Platform	: Securities Services ePortal https://sshbsb.net.my/
Modes of Communication	: 1. Typed text in the Online Meeting Platform 2. Email your questions to topglovecosec@topglove.com.my prior to the 24 th AGM

AGENDA

- To receive the Audited Financial Statements for the financial year ended 31 August 2022 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:

(a) Tan Sri Dr Lim Wee Chai	(Resolution 1)
(b) Lim Cheong Guan	(Resolution 2)

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:

(a) Martin Giles Manen	(Resolution 3)
(b) Dr Ngo Get Ping	(Resolution 4)
(c) Ng Yong Lin	(Resolution 5)

Please refer to Explanatory Note 3
- To approve the payment of Directors' fees for the financial year ended 31 August 2022.
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 7 January 2023 until the next Annual General Meeting of the Company to be held in year 2024.
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)**

Notice of the Twenty Fourth Annual General Meeting

Notice of the Twenty Fourth Annual General Meeting

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”)

“**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 2022 of RM2,118,874,000;

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;

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)

(c) Ordinary Resolution No. 3

Waiver of Pre-Emptive Rights for Issuance of New Shares under Employees Share Option Scheme (“ESOS”)

“**THAT** further to shareholders’ approval obtained on 9 January 2018 and pursuant to Section 85(1) of the Companies Act 2016 and Article 58 of the Company’s Constitution, shareholders hereby waive their pre-emptive rights over all options and/or grants offered/to be offered pursuant to the ESOS and/or any new shares to be issued pursuant to the exercise of such options and/or the vesting of such grants by eligible employees and executive directors of the Company and its subsidiaries, such new shares, when issued, shall rank pari passu with the existing shares.”

Please refer to Explanatory Note 9

(Resolution 11)

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 November 2022

NOTES:

1. The 24th 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 24th 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 30 December 2022 (General Meeting Record of Depositors) shall be eligible to participate in the 24th AGM.
4. A member of the Company entitled to participate and vote at the 24th 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 24th AGM. The members or their proxies or their corporate representatives may submit questions to the Company at topglovecosec@topglove.com.my prior to the 24th AGM or via real time submission of typed texts through a text box within Securities Services ePortal’s platform during live streaming of the 24th 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 during the 24th AGM.

Notice of the Twenty Fourth 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 24th 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://sshsb.net.my/> or by fax to +603-2094 9940 or by email to eservices@sshsb.com.my.

EXPLANATORY NOTES:

1. **Audited Financial Statements for the financial year ended 31 August 2022**
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 of all the Directors of the Company via the Board Effectiveness Evaluation 2022 facilitated by the Company Secretary. The Board is satisfied with the individual performance of the following retiring Directors. The Board endorsed the Board Nomination and Remuneration Committee’s recommendation on the re-election of the retiring Directors.

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
Tan Sri Dr <u>Lim</u> Wee Chai	<ol style="list-style-type: none"> 1. Founder of Top Glove and has served the Group for more than 30 years. 2. He has vast experience and knowledge related to business and corporate governance which grants him the ability to make appropriate decisions that safeguard stakeholders’ interests. 3. He has a strong sense of leadership that guarantees a bright and successful future for both the Company and the interests of the stakeholders.
Lim Cheong Guan	<ol style="list-style-type: none"> 1. Recently been appointed as Managing Director. 2. He has served the Group for more than 17 years and is well versed in the operations executed in the Company. 3. He has a wide knowledge of financial literacy and is efficient in executing financial strategies and also has expertise in investor relations matters as well as active engagement with the stakeholders.

Notice of the Twenty Fourth Annual General Meeting

Datuk Noripah Kamso, the Independent Non-Executive Director of the Company who has served on the Board for more than 7 years and who retires by rotation in accordance with Article 94 of the Company’s Constitution, has notified the Board that she does not wish to seek for re-election as a Director of the Company. Hence, she shall retire as a Director of the Company at the conclusion of the 24th AGM.

The profiles of the Directors who are standing for re-election as per Agenda item 2 of the Notice of the 24th AGM are stated on pages 16 and 17 of the Integrated Annual Report 2022.

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
Martin Giles Manen	<ol style="list-style-type: none"> 1. He is highly literate in the accounting language and he is a member of the Malaysian Institute of Accountants (MIA) and is able to make strategic decisions that bring forth commendable results. 2. He has regarded as a valuable member of the boardroom as he has vast experience and skills attained from previously serving in Public Listed Companies with similar industrial operations such as manufacturing and healthcare. 3. He is skillful in providing independent judgement that enables him to identify errors while providing context for discussion and decisions.
Dr Ngo Get Ping	<ol style="list-style-type: none"> 1. He is highly literate in the financial language of both local national and international attributed to his wider area of expertise in the monetary sectors. 2. He has constantly high enthusiasm and is active in challenging the Management and inquiring on details during meetings and discussions which enables him to direct the conversation to a more valuable and effective discussion. 3. He is highly skilled in risk management and is able to produce and execute mitigation strategies effectively.
Ng Yong Lin	<ol style="list-style-type: none"> 1. Recently appointed as Executive Director due to his extensive and broad knowledge of the Group’s operations. 2. He has a wide range of skills and knowledge related to technical operations and is able to demonstrate excellent behaviour throughout his service. 3. Youthful, vibrant and full of vigour while leading in The Fourth Industrial Revolution [Industry 4.0] which brings forth exemplary feats.

Dato’ Kong Sooi Lin, the Independent Non-Executive Director of the Company who has served on the Board for more than 9 months and who retires in accordance with Article 100 of the Company’s Constitution, has notified the Board that she does not wish to seek for re-election as a Director of the Company. Hence, she shall retire as a Director of the Company at the conclusion of the 24th AGM.

The profiles of the Directors who are standing for re-election as per Agenda item 3 of the Notice of the 24th AGM are stated on pages 25, 27 and 19 of the Integrated Annual Report 2022.

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 24th AGM.

Notice of the Twenty Fourth Annual General Meeting

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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 RM1,875,000 for the financial year ended 31 August 2022.

The following table outlines the Directors' fees structure for the financial year ended 31 August 2022:

		Annual Fees (RM)
Board	Executive Chairman	135,000
	Managing Director	117,000
	Executive Director and Non-Executive Director	108,000
	Senior Independent Non-Executive Director	115,200
Board Audit Committee		7,000
Board Risk and Investment 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
Board	Nil	1,500
General	Nil	1,500
Board Committee	1,200	1,000

In determining the estimated total Directors' benefits (excluding Directors' fees) for the period commencing 7 January 2023 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. As there is no change to the fixed meeting allowance, 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.

7. Authority to Issue Shares pursuant to the Act

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 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 Third ("23rd") AGM held on 6 January 2022 and which will lapse at the conclusion of the 24th 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 23rd AGM held on 6 January 2022. 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.

9. Waiver of Pre-Emptive Rights under Employees Share Option Scheme of the Company ("ESOS")

The ESOS was approved by the shareholders on 9 January 2018. Subsequent to the approval, the Company now seeks for waiver of the pre-emptive rights pursuant to Section 85(1) of the Act read together with Article 58 of the Company's Constitution from shareholders.

Personal Data Privacy:

By submitting an instrument appointing a proxy(ies) and/or representative(s) to participate and vote at the 24th 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 24th AGM (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the 24th 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 24th AGM.

Administrative Details for the 24th Annual General Meeting

Top Glove Corporation Bhd (“**Top Glove**”) will conduct its 24th Annual General Meeting (“**AGM**”) on a virtual basis by way of live streaming and online remote voting via Remote Participation and Voting (“**RPV**”) facilities which are available on Securities Services ePortal, details as set out below:

Day and Date	: Friday, 6 January 2023
Time	: 10:30 a.m.
Broadcast Venue	: TG Grand Ballroom Level 9, Top Glove Tower, 16, Persiaran Setia Dagang, Setia Alam, Seksyen U13, 40170 Shah Alam, Selangor Darul Ehsan, Malaysia (Members/Proxies/Corporate Representatives will not be allowed to be physically present at the Broadcast Venue)
Online Meeting Platform	: Securities Services ePortal https://sshsb.net.my/
Modes of Communication	: 1. Typed text in the Online Meeting Platform 2. Email your questions to topglovecosec@topglove.com.my prior to the AGM

Remote Participation and Voting

- Only shareholders whose names appear on the General Meeting Record of Depositors as at 30 December 2022 shall be eligible to participate in the AGM or appoint proxy(ies) or corporate representative(s) to participate and/or vote on his/her behalf.
- Since the AGM will be conducted virtually, shareholders/proxies/corporate representatives will not be allowed to be physically present at the Broadcast Venue.
- Shareholders who wish to participate at the AGM are required to (i) register as a user of the Securities Services ePortal no later than 12:30 p.m. on Thursday, 5 January 2023; AND (ii) register for remote participation via <https://sshsb.net.my/> no later than the ‘Questions and Answer’ session or when the Chairman announces that the AGM registration is closed during the AGM, whichever is the earlier. Please refer to the Securities Services ePortal User Guide in *Appendix I*.
- Securities Services ePortal allows individual and body corporate shareholders, through their appointed representatives to:
 - Submit proxy forms electronically;
 - Register for RPV at the meeting;
 - Attend and participate in the meeting via live streaming; and
 - Vote online on resolutions tabled at the meeting.
- Please note that no recording or photography of the AGM proceedings is allowed and must ensure that you are connected to the internet at all times in order to participate and vote when the AGM has commenced. Therefore, it is your responsibility to ensure that connectivity for the duration of the AGM is maintained.

Appointment of Proxy

- If a shareholder is unable to participate at the AGM via the RPV facilities, he/she may appoint more than one (1) proxy to participate, speak and vote on his/her behalf. He/she may also appoint the Chairman of the Meeting as his/her proxy and indicate the voting instructions in the proxy form.
- If you wish to participate at the AGM yourself, please do not submit any proxy form. A shareholder will not be allowed to participate at the AGM if his/her proxy(ies) has/have been appointed to participate at the AGM unless he/she revokes the proxy appointment and registers for the AGM.
- The appointment of proxy may be made in a hardcopy form or by electronic means as follows:

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, no later than **10:30 a.m. on Wednesday, 4 January 2023.**

By Electronic Means

The proxy form shall be electronically lodged via Securities Services ePortal’s platform at <https://sshsb.net.my/> or by fax to +603-2094 9940 or by email to eservices@sshsb.com.my no later than **10:30 a.m. on Wednesday, 4 January 2023.** Please refer to the Securities Services ePortal User Guide in *Appendix I*.

- Appointed proxies need not register for remote participation but are required to register as the users of the Securities Services ePortal **no later than 12:30 p.m. on Tuesday, 3 January 2023.**
- If you have submitted your proxy form and subsequently decide to appoint another person or wish to participate personally in the AGM, please write in to eservices@sshsb.com.my no later than **10:30 a.m. on Wednesday, 4 January 2023** to revoke the earlier appointed proxy.

For shareholders whose shares are traded on Singapore Exchange Securities Trading Limited, please refer to the instruction on the Voting Instruction Form A and Form B.

Submission of Questions

- Shareholders that wish to post questions to the Chairman/Board/Management can email their questions to topglovecosec@topglove.com.my no later than **10:30 a.m. on Thursday, 5 January 2023.**
- Shareholders may also submit their questions to the Chairman/Board/Management via the real time submission of typed texts through a text box within Securities Services ePortal’s platform before the start or during the live streaming of the AGM.
- The Chairman/Board/Management will endeavour to respond to relevant questions during the AGM or by email after the AGM.

Poll Voting

- The voting at the AGM will be conducted by poll in accordance with Paragraph 8.29A of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad. The poll will be conducted by way of electronic voting. Poll Administrators and Independent Scrutineers have been appointed to conduct the polling process and verify the results of the poll, respectively.
- Access to eVoting will be opened from the commencement of the AGM until the end of the voting session which will be announced by the Chairman of the Meeting. Please refer to the Securities Services ePortal User Guide in *Appendix I*.

Door Gift

- Shareholders/proxies/corporate representatives who had (i) logged in to Securities Services ePortal on 6 January 2023 **AND** (ii) cast their vote during the AGM are entitled to a TGeBuy AGM eVoucher (“**AGM eVoucher**”) worth RM50 when purchasing Top Glove products via its online platform at <https://tgebuy.com/>.

Administrative Details for the 24th Annual General Meeting

- An individual who is a shareholder or a proxy or a corporate representative is only entitled to **ONE** AGM eVoucher worth RM50. No additional AGM eVoucher will be given in the event that a shareholder is also an appointed proxy(ies)/corporate representative(s).
- Shipping fees will be waived if the purchase value is above RM100 (only applicable to addresses in Malaysia). No self-collection of purchases is allowed.
- The AGM eVoucher code will be emailed to eligible shareholders/proxies/corporate representatives on 9 January 2023 and the AGM eVoucher will remain valid until 9 March 2023. The AGM eVoucher can only be redeemed once.

Enquiries for AGM

- If you have any enquiry on Securities Services ePortal or proxy appointment prior to the AGM, please contact our Poll Administrator during office hours (Monday to Friday from 8:30 a.m. to 12:15 p.m. and 1:15 p.m. to 5:30 p.m., excluding public holiday) at +603 2084 9000 (General)

Poll Administrator: SS E Solutions Sdn. Bhd. Contact Persons and Nos.:

1. Wong Piang Yoong	: +603 2084 9168
2. Nurhayati Ang	: +603 2084 9162
3. Yuli Chew	: +603 2084 9008
4. Lee Pei Yeng	: +603 2084 9169
5. Rachel Ou	: +603 2084 9161
6. Muhammad Syazwan Bin Aznizam	: +603 2084 9213
7. Afiq Aiman Bin Halim	: +603 2084 9211

Email: eservices@sshsb.com.my

- If you have any enquiry on Administrative Details prior to the AGM, please contact Top Glove Corporate Services Department during office hours (Monday to Friday from 8:30 a.m. to 6:00 p.m., excluding public holiday):

Company : Top Glove Corporation Bhd

Contact Persons: 1. Kassy Lim Keat See
2. Sarah Heng Kawai

Contact No. : +6016 737 7113

Email : topglovecosec@topglove.com.my

Administrative Details for the 24th Annual General Meeting

Securities Services ePortal User Guide

Appendix I

Before the AGM	
A) Sign up for a user account at Securities Services ePortal	
<p>Step 1: Visit https://sshsb.net.my/ to sign up for a user account (registration is free). Please click on 'SIGN UP' to begin. You will be prompted to fill in your details and also to upload a copy of your MyKad (front and back separately) or passport.</p> <p>Step 2: A notification email will be sent to you within one (1) working day. Please verify your user account within seven (7) days of the notification email (Note: Your registered email address is your User ID).</p>	<p>Notes:</p> <ol style="list-style-type: none"> This is a ONE-TIME Registration. If you already have a user account of Securities Services ePortal, you <u>need not</u> register again. To register for the meeting under (B) below, please sign up for a user account no later than 12.30 p.m. on Thursday, 5 January 2023.
B) Registration for Remote Participation	
MUST DO THIS STEP FOR SHAREHOLDER WHO WISHES TO PARTICIPATE AND VOTE AT OUR AGM	
<p>Step 1: Log on to https://sshsb.net.my/ with your registered User ID (email address) and password.</p> <p>Step 2: Look for "Top Glove Corporation Bhd" under Company Name and "24th AGM on 6 January 2023 at 10:30 a.m.: Registration for Remote Participation" under the Corporate Exercise/ Event tab and Click ">".</p> <p>Step 3: Select whether you are participating as (1) Individual Shareholder; or (2) Corporate or Authorised Representative of a body corporate¹, and Click "Submit".</p>	<p>Notes:</p> <ol style="list-style-type: none"> All shareholders must register for remote participation at the meeting and are highly encouraged to register as early as possible and before the AGM date and time in order to ensure timely access to the meeting. Access shall be granted only to eligible shareholders in accordance with the General Meeting Record of Depositors as at 30 December 2022. If you wish to participate remotely at the AGM, please register no later than the 'Questions and Answer' session or when the Chairman announces that the meeting registration is closed during the AGM, whichever is earlier. A copy of your eRegistration for remote participation can be accessed via My Records. Your registration will apply to all the CDS account(s) of each individual shareholder/body corporate shareholder that you represent. If you are both an individual shareholder and representative of the body corporate(s), you need to register as an individual and also as a representative for each body corporate. As the meeting will be conducted on a virtual basis and only the Chairman and other essential individuals will be present at the broadcast venue, we highly encourage all shareholders to remotely participate and vote at the meeting, failing which, you may appoint the Chairman of the meeting as a proxy or your own proxy(ies) to represent you. <p><i>For shareholder whose shares are traded on Singapore Exchange Securities Trading Limited, please also refer to the instructions on the Voting Instruction Form (Form A or Form B). The remote access user ID and password will be emailed to you once your eRegistration for remote participation has been approved.</i></p>

Administrative Details for the 24th Annual General Meeting

Appendix I

C) Submission of eProxy Form		PLEASE DO NOT SUBMIT PROXY FORM IF YOU ARE REGISTERING TO PARTICIPATE IN THE MEETING
<p>Step 1: Log on to https://sshsb.net.my/ with your registered User ID (email address) and password.</p> <p>Step 2: Look for "Top Glove Corporation Bhd" under Company Name and "24th AGM on 6 January 2023 at 10:30 a.m.: Submission of Proxy Form" under Corporate Exercise/Event and Click ">".</p> <p>Step 3: Select whether you are submitting the proxy form as (1) Individual Shareholder; or (2) Corporate or Authorised Representative of a body corporate¹,</p> <p>Step 4: Enter your CDS account number or the body corporate's CDS account number.</p> <p>Step 5: Enter the information of your proxy(ies) and the proportion of securities (in %) to be represented by your proxy(ies).</p> <p>Step 6: Proceed to indicate how your votes are to be cast against each resolution.</p> <p>Step 7: Review and confirm your proxy form details before submission.</p>	<p>Notes:</p> <ol style="list-style-type: none"> Please submit your proxy form no later than 10:30 a.m. on Wednesday, 4 January 2023 if you wish to appoint proxy(ies) to participate on your behalf. A copy of your submitted eProxy Form can be accessed via My Records. You need to submit your eProxy Form for every CDS account(s) you have or represent. Appointed proxies need not register for remote participation under (B) above but if they are not registered users of the ePortal, they will need to sign up for a user account under (A) above no later than 12:30 p.m. on Tuesday, 3 January 2023. Upon processing the proxy forms, remote participation access will be granted automatically to the proxy(ies) instead of the shareholder, provided the proxy(ies) must be a registered user(s) of the ePortal, failing which, the proxy(ies) will not be able to participate at the AGM. Upon verification by the Poll Administrator with the General Meeting Record of Depositors as at 30 December 2022, you will receive an email advising you if you or your proxy is eligible to participate at the AGM. <p><i>For shareholders whose shares are traded on Singapore Exchange Securities Trading Limited, please also refer to the instructions on the Voting Instruction Form (Form A or Form B).</i></p>	
On the AGM Day (Friday, 6 January 2023 @ 10:30 a.m.)		
A) Joining the Live Stream Meeting		
<p>Step 1: Log on to https://sshsb.net.my/ with your registered User ID (email address) and password.</p> <p>Step 2: Look for "Top Glove Corporation Bhd" under Company Name and "24th AGM on 6 January 2023 at 10:30 a.m.: Live Stream Meeting" under the Corporate Exercise/Event and click ">" to join the AGM.</p>	<p>Notes:</p> <ol style="list-style-type: none"> You can start to log in 1 hour before the commencement of the AGM. If you have any questions that you wish to raise, please use the text box to submit your question. The Chairman/Board will endeavour to respond to your question during the AGM. Quality of the live streaming is dependent on the stability of the internet connection at the location of the user. 	



Administrative Details for the 24th Annual General Meeting

Appendix I

B) Remote Online Voting during the AGM

Step 1:

If you are logged on to the ePortal and already accessing the Live Stream Meeting, click on “**Proceed to Vote**” displayed below the Live Stream player to begin voting on the resolutions.

OR

If you are not logged on yet, log on to <https://sshsb.net.my/> with your registered User ID (email address) and password.

Look for “**Top Glove Corporation Bhd**” under Company Name and “**24th AGM on 6 January 2023 at 10:30 a.m.: Remote Voting**” under the Corporate Exercise/Event and click “>” to remotely cast and submit your votes online for the resolutions tabled at the AGM.

Step 2:

Cast your votes by clicking on the radio buttons against each resolution, acknowledge the Terms and Conditions of Use and Privacy Policy, review your casted votes and submit the votes.

Step 3:

Upon casting your votes, you will be redirected back to the Live Stream. The message “Voted” will be displayed below the Live Stream.

Notes:

1. Access to eVoting will be opened on the aforementioned date and time.
2. Your votes cast will apply throughout **ALL** the CDS accounts you represent as an individual shareholder, corporate/authorised representative and proxy.
3. Where you are attending as a proxy, and the shareholder who appointed you has indicated how the votes are to be cast, we will take the shareholder's indicated votes in the proxy form.
4. Access to eVoting will be closed as directed by the Chairman. A copy of your submitted eVoting can be accessed via My Records.

C) End of Remote Participation

The live streaming will end upon the announcement by the Chairman on the closure of the AGM.

¹ For body corporates, the appointed Corporate/Authorised Representative must upload the evidence of authority (e.g. Certificate of Appointment of Corporate Representative, Power of Attorney, letter of authority or other documents proving authority). Any document that is not in English or Bahasa Malaysia must be accompanied by a certified translation in English in one (1) file. The original evidence of authority and translation thereof, if required, have to be submitted to 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 for verification before the registration closing date and time.

PROXY FORM

* I/We, _____ Email: _____

NRIC/Passport/Registration No.: _____ Tel: _____

CDS Account No.: _____ Number of Shares Held: _____

Address: _____

being a member of **TOP GLOVE CORPORATION BHD [Registration No.: 199801018294 (474423-X)] (“Company”)** hereby appoint:

1) Name of Proxy: _____ NRIC/Passport No.: _____

Address: _____

Email: _____ Tel: _____ Percentage of Shares Represented: _____%

and/or

2) Name of Proxy: _____ NRIC/Passport No.: _____

Address: _____

Email: _____ Tel: _____ Percentage of Shares Represented: _____%

and/or the CHAIRMAN OF THE MEETING as my/our proxy to vote for me/us, and on my/our behalf at the Twenty Fourth Annual General Meeting (“AGM”) of the Company to be held virtually at the Broadcast Venue at TG Grand Ballroom, Level 9, Top Glove Tower, 16, Persiaran Setia Dagang, Setia Alam, Seksyen U13, 40170 Shah Alam, Selangor Darul Ehsan, Malaysia on Friday, 6 January 2023 at 10:30 a.m. and at any adjournment thereof.

Please indicate with “X” how you wish your vote to be cast. In the absence of specific instructions, your proxy(ies) will vote or abstain from voting at his/her/their discretion.

NO.	RESOLUTIONS	FOR	AGAINST
ORDINARY BUSINESS			
1.	To re-elect the Director, Tan Sri Dr Lim Wee Chai.		
2.	To re-elect the Director, Lim Cheong Guan.		
3.	To re-elect the Director, Martin Giles Manen.		
4.	To re-elect the Director, Dr Ngo Get Ping.		
5.	To re-elect the Director, Ng Yong Lin.		
6.	To approve the payment of Directors' fees.		
7.	To approve the payment of Directors' benefits (excluding Directors' fees).		
8.	To re-appoint Ernst & Young PLT as Auditors of the Company.		
SPECIAL BUSINESS			
9.	Authority to issue shares pursuant to the Companies Act 2016.		
10.	Proposed Renewal of Share Buy-Back Authority.		
11.	Waiver of Pre-Emptive Rights for Issuance of New Shares under Employees Share Option Scheme (“ESOS”).		

Signed on this _____ day of _____ 2022/2023

Signature of Member / Common Seal

Notes:

1. The 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://sshsb.net.my/>. Please follow the procedures provided in the Administrative Details for the 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 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 30 December 2022 (General Meeting Record of Depositors) shall be eligible to participate in the AGM.
4. A member of the Company entitled to participate and vote at the 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 AGM. The members or their proxies or their corporate representatives may submit questions to the Company at topglovecosec@topglove.com.my prior to the AGM or via real time submission of typed texts through a text box within Securities Services ePortal's platform during live streaming of the 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@sshsb.com.my during the AGM.
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 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://sshsb.net.my/> or by fax to +603-2094 9940 or by email to eservices@sshsb.com.my.

3. Fold this flap for sealing

2. Then, fold here



TOP GLOVE CORPORATION BHD
[Registration No.: 199801018294 (474423-X)]
c/o: Securities Services (Holdings) Sdn. Bhd.
Level 7, Menara Milenium
Jalan Damanlela, Pusat Bandar Damansara
Damansara Heights
50490 Kuala Lumpur
Wilayah Persekutuan
Malaysia

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SIRIM QAS INTERNATIONAL SDN. BHD. 199601037981 (410334-X)
1, Persiaran Dato' Menteri, Section 2, P.O Box 7035
40700 Shah Alam, Selangor Darul Ehsan. MALAYSIA
Tel : 603-5544 6400 Fax : 603-5544 6810
www.sirim-qas.com.my

INDEPENDENT ASSURANCE STATEMENT

Scope and Objective

SIRIM QAS International Sdn. Bhd., a Conformity Assessment Body in Malaysia, with extensive expertise and experience in the provision of sustainability-related assurance services, was engaged by Top Glove Corporation Bhd (hereafter referred to as Top Glove) to perform an independent verification and provide assurance of Top Glove Sustainability Report 2022. The main objective of the verification process is to provide assurance to Top Glove and its stakeholders of the accuracy and reliability of the information presented in the report. This was established through checking and verifying claims made in the report. The verification by SIRIM QAS International covered the sustainability-related activities which had been included in Top Glove Sustainability Report 2022 – Creating Sustainable Value, i.e., from page 1 to 93. Further details on the topics covered are provided in Appendix 1 of this statement.

The management of Top Glove was responsible for the preparation of the Sustainability Report. The objectivity and impartiality of this assurance statement is assured as no member of the verification team and no other employee of SIRIM QAS International was involved in the preparation of any part of Top Glove Sustainability Report 2022.

Verification team

The verification team from SIRIM QAS International consists of:

- 1) Ms. Aernida Abdul Kadir : Team Leader
- 2) Ms. Kamini Sooriamorthy : Team Member

Methodology

The verification process was carried out by SIRIM QAS International in October 2022. It involved the following activities:

- Reviewing and verifying the accuracy of data collected from various sources and that are presented in the report;
- Reviewing of internal and external documentation and displays such as awards, press releases, media publications, internal newsletters, internal systems, etc.;
- Interviewing of key personnel responsible for collating information and writing various parts of the report in order to substantiate the veracity of the claims;
- Evaluating the adequacy of Top Glove Sustainability Report and its overall presentation against the GRI Standards requirement.



During the verification process, issues were raised, and clarifications were sought from the management of Top Glove relating to the accuracy of some of the data and contents contained in the report. The Sustainability Report was subsequently reviewed and revised by Top Glove in response to the findings of the verification team. It can be confirmed that changes that have been incorporated into the final version of the report, has satisfactorily addressed all issues that had been raised.

Highlights in 2022

Top Glove management has endorsed the new sustainability strategy i.e., the FY2025 Sustainability Blueprint Structure to better deliver Top Glove commitment towards the sustainable development. The strategy, driven by the company mission focuses on three strategic themes namely Environmental, Social and Governance which are supported by five sustainability goals. The commitment is further affirmed with the launch of the new Sustainability Policy, serves as a guide to ethical and responsible sourcing and procurement activity for all Top Glove subsidiaries and joint ventures, as well as their supply chain. Concurrently, Top Glove has also expanded the reporting boundary of the company GHG emissions to include more direct and indirect emission resources to improve the completeness of their GHG accounting coverage.

Limitation

The verification process was subjected to the following limitations:

- The scope of work did not involve verification of information reported in Top Glove Integrated Annual Report 2022;
- The verification was designed to provide limited assurance in reference to International Standard on Assurance Engagements (ISAE) 3000, Assurance Engagements other than Audits or Reviews of Historical Financial Information, irrespective of the organization's ability to achieve its objectives, targets or expectations on sustainability-related issues;
- The corporate office at Menara Top Glove, Setia Alam, was visited as part of this assurance engagement. The verification process did not include physical inspections of any of Top Glove's operation sites and assets; and,
- The verification team did not verify any contractor or third-party data.

Conclusion

Based on the scope of the assessment process and evidence obtained, the following represents SIRIM QAS International's opinion:

- The level of accuracy of data included in Top Glove Sustainability Report 2022 is fairly stated;
- The level of sustainability performance information presented in the report was found to be properly prepared;
- The personnel responsible were able to demonstrate the origin(s) and interpretation of data contained in the report;
- The Sustainability Report provides a reasonable and balanced presentation of the sustainability performance of Top Glove Corporation Bhd.

Statement Prepared by:



AERNIDA BINTI ABDUL KADIR

Team Leader
Management System Certification Department
SIRIM QAS International Sdn. Bhd.
Date: 20 October 2022

Statement Approved by:



MOHD HAMIM BIN IMAM MUSTAIN

Senior General Manager
Management System Certification Department
SIRIM QAS International Sdn. Bhd.
Date: 25 October 2022

Note 1:
This Independent Assurance Statement has been issued based on the content verified prior to the approval date. SIRIM QAS International Sdn Bhd shall not be responsible for any changes or additions made after the referred date (20 October 2022).

Appendix 1 The topics and information covered in this assessment is tabulated below:		CLASSIFICATION OF DATA			
		HIGH	MEDIUM	LOW	UN SUBSTANTIATED
Creating Sustainable Value	Introduction				
	FY2022 Sustainability Highlights				
	Sustainability Strategy				
	Sustainability Roadmap FY2022 to FY2025				
	Stakeholder Engagement				
	Materiality Assessment				
	Environment				
	FY2022 Environment Highlights				
	Physical Impacts on Climate Change				
	Carbon Emission				
	Energy Consumption				
	Environmental Compliance				
	Waste & Effluent				
	Water Management				
	Social				
	FY2022 Social Highlights				
	Human Rights & Labour Management Relations				
	Occupational Health & Safety				
	Diversity & Inclusion				
	Security Management				
	Infectious Diseases				
	Local Community				
	Governance				
	FY2022 Governance Highlights				
	Ethics, Integrity & Governance				
	Product Quality & Safety				
	Supply Chain Management				
	Customer Experience				
	Conclusion				
	Continue Accelerating Our Sustainability Commitment				

Note 2:
Definition of LOW, MEDIUM, HIGH and UNSUBSTANTIATED of Appendix 1
UNSUBSTANTIATED – Data and information was not made available during the assessment review period due to reasons like confidentiality, unattainable data source and unavailable data owner. It has been identified as one of the limitations during the conduct of the assessment.
LOW – Data and information reviewed has been based on information endorsed by the data owners. Verifiers did not have the access to the source of the data origin. It has been identified as one of the limitations during the conduct of the assessment.
MEDIUM – Data and information has been confirmed with the direct owners. However, the source of the data origin has been based on secondary data which is not accessible by the verifiers during the conduct of the assessment.
HIGH – Data and information reviewed has been confirmed with the direct owners. The source of the data origin was provided during the conduct of the assessment.

GRI Content Index

GRI Content Index

GRI Standards	Disclosure Item	Section of Disclosure	Page
GRI 2: GENERAL DISCLOSURES 2021			
2-1	Organizational details	Our Business Overview Our Global Office Corporate Structure	IAR22 (pg. 4) IAR22 (pg. 7) IAR22 (pg. 8 to 9)
2-2	Entities included in the organization's sustainability reporting	Our Business Overview	IAR22 (pg.4)
2-3	Reporting period, frequency and contact point	Front Cover Corporate Information Corporate Governance Overview Statement	Front Cover IAR22 (pg. 14) IAR22 (pg. 97)
2-4	Restatements of information	Physical Impacts on Climate Change	SR (pg. 22)
2-5	External assurance	Independent External Assurance Statement	IAR22 (pg. 261) SR22 (pg. 94)
2-6	Activities, value chain and other business relationships	Supply Chain Management Letter to Stakeholders and Management Discussion & Analysis	SR22 (pg. 80 to 84) IAR22 (pg. 36 to 43)
2-7	Employees	Diversity & Inclusion	SR22 (pg. 55 to 61)
2-8	Workers who are not employees	Key Performance Indicators	SR22 (pg. 91 to 93)
2-9	Governance structure and composition	Board of Directors Sustainability Governance Structure	IAR22 (pg. 15 to 28) SR22 (pg. 71)
2-10	Nomination and selection of the highest governance body	Board Appointment and Succession Planning	IAR22 (pg. 86)
2-11	Chair of the highest governance body	Board of Directors	IAR22 (pg. 16)
2-12	Role of the highest governance body in overseeing the management of impacts	Board of Directors	IAR22 (pg. 15 to 27)
2-13	Delegation of responsibility for managing impacts	Senior Management Team	IAR22 (pg. 30 to 31)
2-14	Role of the highest governance body in sustainability reporting	Sustainability Governance Structure	SR22 (pg. 71)
2-15	Conflicts of interest	Board of Directors' Note Executive Committee's Note	IAR22 (pg. 27) IAR22 (pg. 29)
2-16	Communication of critical concerns	Board Sustainability Committee Report	IAR22 (pg. 93 to 94)
2-17	Collective knowledge of the highest governance body	An Empowered Board	IAR22 (pg. 28)
2-18	Evaluation of the performance of the highest governance body	Board Effectiveness Evaluation	IAR22 (pg. 88)

Note:
SR22 refers to Sustainability Report 2022
IAR22 refers to Integrated Annual Report 2022

GRI Standards	Disclosure Item	Section of Disclosure	Page
2-19	Remuneration policies	Board and Senior Management Remuneration	IAR22 (pg. 87)
2-20	Process to determine remuneration	Board and Senior Management Remuneration	IAR22 (pg. 87)
2-22	Statement on sustainable development strategy	Sustainability Strategy	SR22(pg. 3) IAR22 (pg. 58)
2-23	Policy commitments	List of Policies	SR22 (pg. 29)
2-24	Embedding policy commitments	List of Policies	SR22 (pg. 29)
2-25	Processes to remediate negative impacts	Human Rights & Labour Management Relations	SR22(pg. 41 to 48)
2-26	Mechanisms for seeking advice and raising concerns	Human Rights & Labour Management Relations	SR22(pg. 41 to 48)
2-27	Compliance with laws and regulations	Environmental Compliance Human Rights & Labour Management Relations	SR22 (pg.31) SR22 (pg.41 to 48)
2-28	Membership associations	Environmental Compliance	SR22 (pg.31)
2-29	Approach to stakeholder engagement	Stakeholder Engagement	SR22 (pg.8 to 11)
2-30	Collective bargaining agreements	Workers Engagement	SR22 (pg.47)
GRI 3: MATERIAL TOPICS 2021			
3-1	Process to determine material topics	Materiality Assessment	SR22 (pg.12)
3-2	List of material topics	Materiality Assessment	SR22 (pg.13 to 15)
3-3	Management of material topics	Sustainability Strategy	SR22 (pg.18 to 21)
GRI 201: ECONOMIC PERFORMANCE 2016			
201-1	Direct economic value generated and distributed	2022 Key Highlights	IAR22 (Inner Front Cover & pg.1)
201-2	Financial implications and other risks and opportunities due to climate change	Physical Impacts on Climate change	SR22 (pg.17 to 22)
GRI 202: MARKET PRESENCE 2016			
202-1	Ratios of standard entry level wage by gender compared to local minimum wage	Diversity & Inclusion	SR22 (pg.55 to 56)
202-2	Proportion of senior management hired from the local community	Diversity & Inclusion	SR22 (pg.55)
GRI 203: INDIRECT ECONOMIC IMPACTS 2016			
203-1	Infrastructure investments and services supported	Task Force on Climate-related Financial Disclosure Promoting Wellness	SR22 (pg. 19) SR22 (pg. 53)

GRI Content Index

GRI Content Index

GRI Standards	Disclosure Item	Section of Disclosure	Page
203-2	Significant indirect economic impacts	Task Force on Climate-related Financial Disclosure	SR22 (pg. 19)
		Tree Planting	SR22 (pg. 27)
		Promoting Wellness	SR22 (pg. 53)
GRI 204: PROCUREMENT PRACTICES 2016			
204-1	Proportion of spending on local suppliers	Supply Chain Management	SR22 (pg.83)
GRI 205: ANTI-CORRUPTION 2016			
205-1	Operations assessed for risks related to corruption	Corporate Integrity	SR22 (pg.75)
205-2	Communication and training about anti-corruption policies and procedures	Corporate Integrity	SR22 (pg.76)
205-3	Confirmed incidents of corruption and actions taken	Corporate Integrity	SR22 (pg.77)
GRI 206: ANTI-COMPETITIVE BEHAVIOR 2016			
206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	Customer Experience	SR22 (pg.83)
GRI 207: TAX 2019			
207-4	Country-by-country reporting	2022 Social Highlights	SR22 (pg. 40)
GRI 301: MATERIALS 2016			
301-1	Materials used by weight or volume	Material Consumption	SR22 (pg. 23)
301-2	Recycled input materials used	Reusing, Recycling and Upcycling of Waste	SR22 (pg. 26)
301-3	Reclaimed products and their packaging materials	Reusing, Recycling and Upcycling of Waste	SR22 (pg. 26)
		Sustainable Packaging Materials	SR22 (pg. 24)
GRI 302: ENERGY 2016			
302-1	Energy consumption within the organization	Energy Consumption	SR22 (pg. 29 to 31)
302-2	Energy consumption outside of the organization	Energy Consumption	SR22 (pg. 29 to 31)
302-3	Energy intensity	Energy Consumption	SR22 (pg. 29 to 31)
302-4	Reduction of energy consumption	Natural Gas	SR22 (pg. 30)
302-5	Reductions in energy requirements of products and services	Natural Gas	SR22 (pg. 30)
GRI 303: WATER AND EFFLUENTS 2018			
303-1	Interactions with water as a shared resource	Water Management	SR22 (pg. 35 to 39)
303-2	Management of water discharge-related impacts	Water Management	SR22 (pg. 35 to 39)

GRI Standards	Disclosure Item	Section of Disclosure	Page
303-3	Water withdrawal	Water Management	SR22 (pg. 35 to 39)
303-4	Water discharge	Water Management	SR22 (pg. 35 to 39)
303-5	Water consumption	Water Management	SR22 (pg. 35 to 39)
GRI 306: WASTE			
306-1	Waste generation and significant waste-related impacts	Water & Effluent	SR22 (pg. 32 to 34)
306-2	Management of significant waste-related impacts	Water & Effluent	SR22 (pg. 32 to 34)
306-3	Waste generated	Water & Effluent	SR22 (pg. 32 to 34)
306-4	Waste diverted from disposal	Water & Effluent	SR22 (pg. 32 to 34)
306-5	Waste directed to disposal	Water & Effluent	SR22 (pg. 32 to 34)
GRI 308: SUPPLIER ENVIRONMENTAL ASSESSMENT 2016			
308-1	New suppliers that were screened using environmental criteria	Supply chain Management	SR22 (pg. 32)
308-2	Negative environmental impacts in the supply chain and actions taken	Supply chain Management	SR22 (pg. 32)
GRI 401: EMPLOYMENT 2016			
401-1	New employee hires and employee turnover	Diversity & Inclusion	SR22 (pg. 59)
401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	Work-Life Integration	SR22 (pg. 54)
		Promoting Wellness	SR22 (pg. 52 to 53)
401-3	Parental leave	Parental Leave	SR22 (pg.54)
GRI 402: LABOR/MANAGEMENT RELATIONS 2016			
402-1	Minimum notice periods regarding operational changes	Workers Engagement	SR22 (pg. 44)
GRI 403: OCCUPATIONAL HEALTH AND SAFETY 2018			
403-1	Occupational health and safety management system	Occupational Health & Safety	SR22 (pg. 48 to 54)
403-2	Hazard identification, risk assessment, and incident investigation	Occupational Health & Safety	SR22 (pg. 48 to 54)
403-3	Occupational health services	Occupational Health & Safety	SR22 (pg. 48 to 54)
403-4	Worker participation, consultation, and communication on occupational health and safety	Occupational Health & Safety	SR22 (pg. 48 to 54)
403-5	Worker training on occupational health and safety	Occupational Health & Safety	SR22 (pg. 48 to 54)

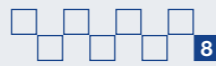


GRI Content Index

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GRI Standards	Disclosure Item	Section of Disclosure	Page
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403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Occupational Health & Safety	SR22 (pg. 48 to 54)
403-8	Workers covered by an occupational health and safety management system	Occupational Health & Safety	SR22 (pg. 48 to 54)
403-9	Work-related injuries	Occupational Health & Safety	SR22 (pg. 48 to 54)
403-10	Work-related ill health	Occupational Health & Safety	SR22 (pg. 48 to 54)
GRI 404: TRAINING AND EDUCATION 2016			
404-1	Average hours of training per year per employee	Talent Development	SR22 (pg. 59 to 61)
404-2	Programs for upgrading employee skills and transition assistance programs	Talent Development	SR22 (pg. 59 to 61)
404-3	Percentage of employees receiving regular performance and career development reviews	Talent Development	SR22 (pg. 59 to 61)
GRI 405: DIVERSITY AND EQUAL OPPORTUNITY 2016			
405-1	Diversity of governance bodies and employees	Gender Diversity	SR22 (pg. 56)
405-2	Ratio of basic salary and remuneration of women to men	Gender Diversity	SR22 (pg. 56)
GRI 406: NON-DISCRIMINATION 2016			
406-1	Incidents of discrimination and corrective actions taken	Prevention of Harassment & Bullying	SR22 (pg. 57)
GRI 407: FREEDOM OF ASSOCIATION AND COLLECTIVE BARGAINING 2016			
407-1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	Workers Engagement	SR22 (pg. 44)
GRI 408: CHILD LABOR 2016			
408-1	Operations and suppliers at significant risk for incidents of child labor	Our Policy on Human Rights Practices	SR22 (pg. 42)
GRI 409: FORCED OR COMPULSORY LABOR 2016			
409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labor	Human Rights & Labour Management Relations	SR22 (pg. 41 to 48)
GRI 410: SECURITY PRACTICES 2016			
410-1	Security personnel trained in human rights policies or procedures	Human Rights Risk Assessment	SR22 (pg. 42)

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GRI 413: LOCAL COMMUNITIES 2016			
413-1	Operations with local community engagement, impact assessments, and development programs	Local Communities	SR22 (pg. 65 to 69)
413-2	Operations with significant actual and potential negative impacts on local communities	Local Communities	SR22 (pg. 65 to 69)
GRI 414: SUPPLIER SOCIAL ASSESSMENT 2016			
414-1	New suppliers that were screened using social criteria	Supplier Assessment	SR22 (pg. 75)
414-2	Negative social impacts in the supply chain and actions taken	Communicating with Supply Chain via Webinar Sessions	SR22 (pg. 48)
GRI 415: PUBLIC POLICY 2016			
415-1	Political contributions	Anti-bribery & anti-corruption & ethics commitment	SR22 (pg. 75)
GRI 416: CUSTOMER HEALTH AND SAFETY 2016			
416-1	Assessment of the health and safety impacts of product and service categories	Product Quality & Safety	SR22 (pg. 78)
416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	Product Quality & Safety	SR22 (pg. 78)
GRI 417: MARKETING AND LABELING 2016			
417-1	Requirements for product and service information and labeling	Product Quality & Safety	SR22 (pg. 78)
417-2	Incidents of non-compliance concerning product and service information and labeling	Product Quality & Safety	SR22 (pg. 78)
417-3	Incidents of non-compliance concerning marketing communications	Product Quality & Safety	SR22 (pg. 78)
GRI 418: CUSTOMER PRIVACY 2016			
418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	Cyber Security & Data Privacy	SR22 (pg. 74)



SASB Content Index

SASB Code	Disclosure Item	Section of Disclosure	Page
PRODUCT SAFETY			
HC-MS-250a.1	Number of recalls issued, total units recalled	Ethics, Integrity & Governance	SR22 (pg. 79)
HC-MS-250a.2	List of products listed in the FDA's MedWatch Safety Alerts for Human Medical Products database	Ethics, Integrity & Governance	SR22 (pg. 79)
ETHICAL MARKETING			
HC-MS-270a.1	Total amount of monetary losses as a result of legal proceedings associated with false marketing claims	Ethics, Integrity & Governance	SR22 (pg. 83)
HC-MS-270a.2	Description of code of ethics governing promotion of off-label use of products	Ethics, Integrity & Governance	SR22 (pg. 83)
SUPPLY CHAIN MANAGEMENT			
HC-MS-430a.1	Percentage of (1) entity's facilities and (2) Tier I supplier's facilities participating in third-party audit programs for manufacturing and product quality	Ethics, Integrity & Governance	SR22 (pg. 81 to 82)
HC-MS-430a.2	Description of efforts to maintain traceability within the distribution chain	Ethics, Integrity & Governance	SR22 (pg. 82)
HC-MS-430a.3	Description of the management of risks associated with the use of critical materials	Managing Our Risks and Opportunities	IAR22 (pg. 65)
BUSINESS ETHICS			
HC-MS-510a.1	Total amount of monetary losses as a result of legal proceedings associated with bribery or corruption	Ethics, Integrity & Governance	SR22 (pg. 76)

Corporate Song

ENGLISH



**All over the world, We are known,
For our superior quality gloves,
Through the years we have grown,
We have shown,
Our gloves stand out superior in the world,
Top Glove is the best, Better than the rest,
Quality, Reliability and Consistency,
Remain our policy,
At Top Glove's Group of Companies.**

BAHASA MALAYSIA



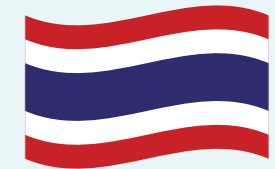
**Dari mulanya, hingga terkini,
Nama Top Glove diberi,
Pengeluar sarung tangan yang berkualiti,
Yakinlah hasil pengeluaran kami,
Yang bermutu dan berkualiti tinggi,
Sentiasa menuju kejayaan,
Untuk mencapai keunggulan.**

MANDARIN



**顶级的名誉 闻名世界
品质优良的顶级手套
历经多年的努力与成长
我们成功站在世界的顶端
顶级的手套 我们的骄傲
品质好 可信赖及依靠
是我们一直维护的宗旨
在顶级手套公司集团
语述：顶级手套
继续创新与迈进是我们的义务**

THAI



**ทั่วโลกนั้นยอมรับว่าเรานั้นคือ
ผู้นำด้านถุงมือที่พร้อมและคุณภาพดี
เราสร้างสรรค,เราเติบโต เรามั่นคง
เพื่อก้าวไปสู่สากล ด้วยมือเรา
ทอปโกลฟดีกว่าใคร เราทำงานด้วยใจ
คุณภาพดี และบริการที่ดี
เพื่อความไว้วางใจ เรายินดีรับใช้
ทอปโกลฟนั้นใจ คุณภาพต้องที่นี้**

TOP GLOVE

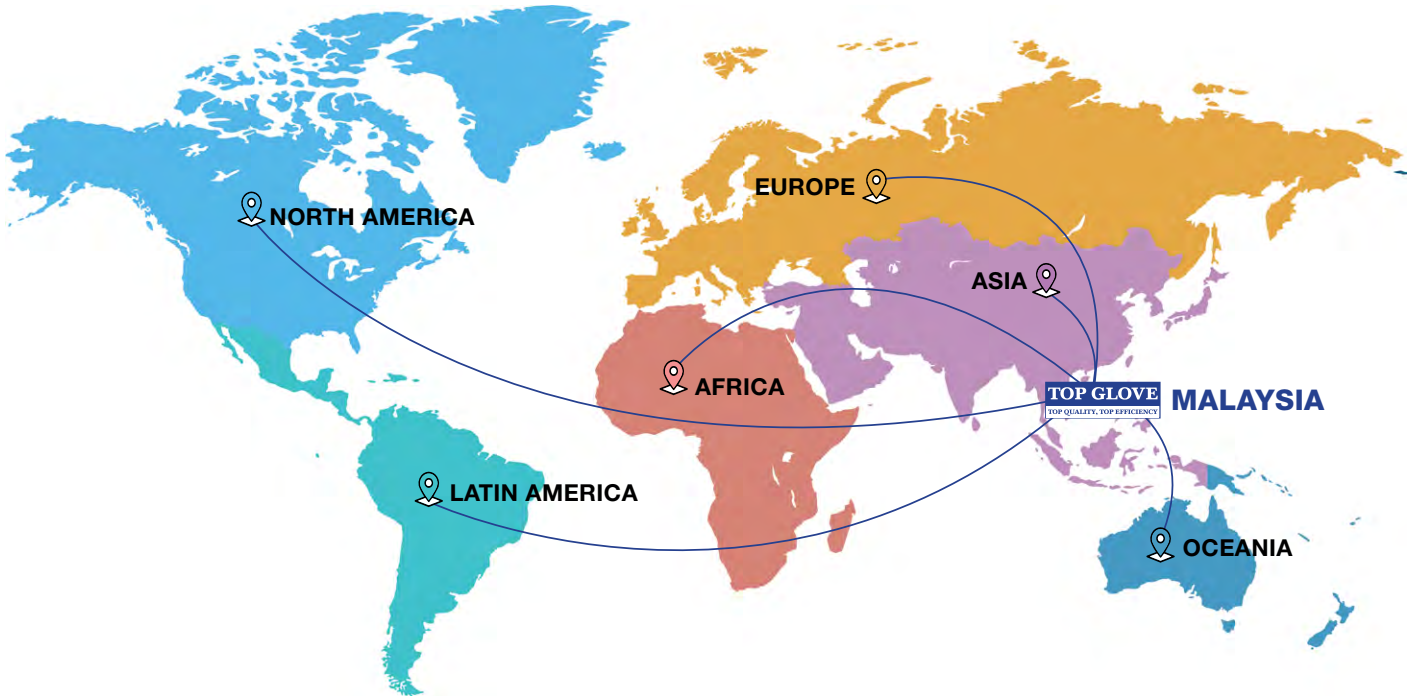
TOP QUALITY, TOP EFFICIENCY

**INTEGRATED
ANNUAL
REPORT
2022**

FINANCIAL YEAR ENDED
31 AUGUST 2022

Exports to

**195 Countries
Worldwide**



50
FACTORIES



810
PRODUCTION LINES



16,000
EMPLOYEES



100 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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SCAN FOR TG
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