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**If you are in any doubt as to the course of action to be taken, you should consult your stockbroker, bank manager, solicitor, accountant or other professional advisers immediately.**

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**TOP GLOVE CORPORATION BHD**

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

**CIRCULAR TO SHAREHOLDERS**

**IN RELATION TO THE**

- (I) PROPOSED ISSUANCE OF UP TO 793,500,000 NEW ORDINARY SHARES IN TOP GLOVE CORPORATION BHD (“TOP GLOVE”) (“TOP GLOVE SHARES”) RAISING UP TO HKD4.24 BILLION (EQUIVALENT OF APPROXIMATELY UP TO RM2.27 BILLION), THROUGH A GLOBAL OFFERING (INCLUDING AN ADDITIONAL 103,500,000 NEW TOP GLOVE SHARES WHICH MAY BE ISSUED UNDER THE OVER-ALLOTMENT OPTION, IF EXERCISED IN FULL) IN CONNECTION WITH THE LISTING OF TOP GLOVE ON THE MAIN BOARD OF THE STOCK EXCHANGE OF HONG KONG LIMITED (“HKEX”) (“PROPOSED ISSUANCE OF NEW SHARES”); AND**
  
- (II) PROPOSED AMENDMENTS TO THE CONSTITUTION OF TOP GLOVE TO FACILITATE THE IMPLEMENTATION OF THE DUAL PRIMARY LISTING OF AND QUOTATION FOR THE ENTIRE TOP GLOVE SHARES ON THE MAIN BOARD OF HKEX (“PROPOSED CONSTITUTION AMENDMENTS”)**

**AND**

**NOTICE OF EXTRAORDINARY GENERAL MEETING (“EGM”)**

*Principal Adviser for  
Proposed Issuance of New Shares*



Hong Leong Investment Bank Berhad  
(Registration No. 197001000928 (10209-W))

(A Participating Organisation of Bursa Malaysia Securities Berhad)  
(A Trading Participant of Bursa Malaysia Derivatives Berhad)

Date and time of the EGM	: Wednesday, 8 December 2021, at 10:30 a.m.
Online Meeting Platform	: Securities Services ePortal <a href="https://sshsb.net.my/">https://sshsb.net.my/</a>
Broadcast Venue of the EGM	: TG Grand Ballroom, Level 9, Top Glove Tower, 16, Persiaran Setia Dagang, Setia Alam, Seksyen U13, 40170 Shah Alam, Selangor Darul Ehsan, Malaysia <i>(Members/Proxies/Corporate Representatives will not be allowed to be physically present at the Broadcast Venue)</i>
Last date and time for lodging the Proxy Form	: Monday, 6 December 2021, at 10:30 a.m.

This Circular is dated 16 November 2021

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## DEFINITIONS

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Except where the context otherwise requires, the following definitions shall apply throughout this Circular:

Act	: Companies Act 2016
ADA/ADM	: Authorised Depository Agent or Authorised Direct Member of Bursa Securities
BNM	: Bank Negara Malaysia
Board	: Board of Directors of Top Glove
Bursa Depository	: Bursa Malaysia Depository Sdn Bhd
Bursa Securities	: Bursa Malaysia Securities Berhad
CCASS	: The Central Clearing and Settlement System established and operated by HKSCC
CDP	: The Central Depository (Pte) Limited of Singapore
CDS	: Central Depository System of Malaysia
Circular	: This circular to shareholders of Top Glove dated 16 November 2021 in relation to the Proposed Issuance of New Shares and Proposed Constitution Amendments
CMSA	: Capital Markets and Services Act 2007
Constitution	: Constitution of Top Glove
COVID-19	: Novel coronavirus disease 2019
EGM	: Extraordinary General Meeting
EPS	: Earnings per Share
ESGP	: Employee share grant scheme approved by the then shareholders of our Company on 6 January 2016 which became effective on 12 January 2016
ESOS Options	: Employees' share options under our "Top Glove Corporation Bhd Employees' Share Option Scheme III" for the eligible employees and Executive Directors of our Group (excluding dormant subsidiaries)
Frost & Sullivan	: Frost & Sullivan International Limited, being the Independent Market Researcher for the Global Offering
FYE	: Financial year ended / financial year ending (where applicable)
Global Offering	: Hong Kong Public Offering and International Offering, collectively
HKD	: Hong Kong Dollars
HKEX	: The Stock Exchange of Hong Kong Limited
HKSCC	: Hong Kong Securities Clearing Company Limited

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**DEFINITIONS (CONT'D)**

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HKSCC Nominees	:	HKSCC Nominees Limited, a wholly-owned subsidiary of HKSCC, in its capacity as nominee for HKSCC (or any successor thereto) as operator of CCASS and any successor, replacement or assign of HKSCC Nominees Limited as nominee for the operator of CCASS
HLIB or Principal Adviser	:	Hong Leong Investment Bank Berhad
Hong Kong Offer Shares	:	Up to 69,000,000 new Top Glove Shares initially being offered by our Company pursuant to the Hong Kong Public Offering (subject to reallocation)
Hong Kong Public Offering	:	The offer of Hong Kong Offer Shares to the Hong Kong Retail Investors for subscription at the Public Offer Price, on and subject to the terms and conditions set out in the prospectus
Hong Kong Retail Investors	:	Members of the public in Hong Kong
Hong Kong Underwriters	:	The underwriters of the Hong Kong Public Offering
Hong Kong Underwriting Agreement	:	The underwriting agreement relating to the Hong Kong Public Offering to be entered into between our Company, the Joint Global Coordinators, the Sole Sponsor and the Hong Kong Underwriters
Institutional Investors	:	(i) in the U.S., being qualified institutional buyers in reliance on Rule 144A under the U.S. Securities Act, or other investors in the U.S. pursuant to an exemption from or in a transaction not subject to the registration requirements of the U.S. Securities Act; and  (ii) outside the U.S., being investors (including professional and institutional investors within Hong Kong) pursuant to offshore transactions in reliance on Regulation S of the U.S. Securities Act
International Offer Price	:	The issue price for the International Offering
International Offer Shares	:	Up to 621,000,000 new Top Glove Shares initially being offered by our Company pursuant to the International Offering (subject to reallocation) together with, where relevant, up to an additional 103,500,000 new Top Glove Shares which may be issued by our Company pursuant to any exercise of the Over-allotment Option
International Offering	:	The offer of the International Offer Shares (i) in the U.S. or to U.S. persons, in each case only persons who are qualified institutional buyers in reliance on Rule 144A, or pursuant to an exemption from, or in a transaction not subject to, registration requirements of the U.S. Securities Act and (ii) outside the U.S. (including to professional and institutional investors within Hong Kong) to non-U.S. persons in offshore transactions in reliance on Regulation S of the U.S. Securities Act, for subscription or purchase (as the case may be) at the International Offer Price, in each case on and subject to the terms and conditions of International Underwriting Agreement
International Underwriters	:	The underwriters named in the International Underwriting Agreement, being the underwriters of the International Offering
International Underwriting Agreement	:	The underwriting agreement relating to the International Offering to be entered into between our Company, the Joint Global Coordinators and the International Underwriters

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**DEFINITIONS (CONT'D)**

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Joint Global Coordinators	:	Joint Global Coordinators for the International Offering to be appointed by our Company at a later date
Listing Requirements	:	Main Market Listing Requirements of Bursa Securities
LPD	:	20 October 2021, being the latest practicable date prior to the printing of this Circular
NA	:	Net assets
Over-allotment Option	:	The option expected to be granted by our Company under the International Underwriting Agreement to the International Underwriters, exercisable by the Joint Global Coordinators (on behalf of the International Underwriters), pursuant to which our Company may be required to issue up to an additional 103,500,000 new Top Glove Shares (representing not more than approximately 15% of the number of new Top Glove Shares initially being offered under the Global Offering), to, among other things, cover over-allocations under the International Offering
Proposals	:	Proposed Issuance of New Shares and Proposed Constitution Amendments collectively
Proposed Constitution Amendments	:	Proposed amendments to our existing Constitution
Proposed Dual Primary Listing	:	Proposed dual primary listing of and quotation for the entire issued Top Glove Shares on the Main Board of HKEX
Proposed Issuance of New Shares	:	Proposed issuance of up to 793,500,000 new Top Glove Shares raising up to HKD4.24 billion (equivalent of approximately up to RM2.27 billion) through the Global Offering (including an Over-allotment Option) in connection with the listing of Top Glove on the Main Board of HKEX
Public Offer Price	:	The issue price for the Hong Kong Public Offering
R&D	:	Research and development
RM and sen	:	Ringgit Malaysia and sen, respectively
SC	:	Securities Commission Malaysia
SFC	:	Securities and Futures Commission of Hong Kong
SGD	:	Singapore dollars
SGX-ST	:	Singapore Exchange Securities Trading Limited
Sole Sponsor	:	China International Capital Corporation Hong Kong Securities Limited
Top Glove or Company	:	Top Glove Corporation Bhd
Top Glove Group or Group	:	Top Glove and its subsidiaries, collectively
Top Glove Share(s) or Share(s)	:	Ordinary shares in Top Glove

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**DEFINITIONS (CONT'D)**

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Treasury Shares	:	Top Glove Shares held as treasury shares by our Company
Underwriters	:	Hong Kong Underwriters and International Underwriters, collectively
U.S.	:	United States of America
U.S. Securities Act	:	United States Securities Act of 1933

All references to “**our Company**” in this Circular are to Top Glove, references to “**our Group**” are to our Company and our subsidiaries, collectively, and references to “**we**”, “**us**”, “**our**” and “**ourselves**” are to our Company, and where the context requires, shall include our subsidiaries.

All references to “**you**” in this Circular are to our shareholders.

Words denoting the singular only shall include the plural and vice versa and words denoting the masculine gender shall, where applicable, include the feminine and neuter genders and vice versa. References to persons shall include corporations, unless otherwise specified.

Any reference to an enactment in this Circular is a reference to that enactment as for the time being amended or re-enacted.

Any reference to the time of day in this Circular is a reference to Malaysian time.

Any discrepancy in the tables included in this Circular between the amounts listed, actual figures and the totals thereof are due to rounding.

**For the purpose of this Circular, unless otherwise stated, the conversion of HKD to RM throughout this Circular, where applicable, is based on the exchange rate of HKD100.00:RM53.5152, which is the middle rate at 5.00 p.m. published by BNM on LPD.**

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**EXECUTIVE SUMMARY**

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THE EXECUTIVE SUMMARY HIGHLIGHTS THE SALIENT INFORMATION REGARDING THE PROPOSED ISSUANCE OF NEW SHARES. YOU ARE ADVISED TO READ AND CAREFULLY CONSIDER THE ENTIRE CONTENTS OF THIS CIRCULAR, INCLUDING THE APPENDICES, BEFORE VOTING ON THE ORDINARY RESOLUTION PERTAINING TO THE PROPOSED ISSUANCE OF NEW SHARES AND SPECIAL RESOLUTION PERTAINING TO THE PROPOSED CONSTITUTION AMENDMENTS TO BE TABLED AT OUR FORTHCOMING EGM.

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**Key Information**      **Summary**

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**Issue size**      The Proposed Issuance of New Shares involves an issuance of up to 793,500,000 new Top Glove Shares (including up to 103,500,000 new Top Glove Shares, which may be issued under the Over-allotment Option, if exercised in full). The issuance of up to 793,500,000 new Top Glove Shares pursuant to the Global Offering:

- (i) represents approximately 9.91% of the total issued Top Glove Shares of 8,007,097,234 as at the LPD (excluding 199,913,800 Treasury Shares as at the LPD) raising up to HKD4.24 billion (equivalent of approximately up to RM2.27 billion) at an issue price to be determined at a later date; and
- (ii) represents approximately 9.02% of the enlarged Top Glove Shares after the Proposed Issuance of New Shares of 8,800,597,234 Top Glove Shares (excluding 199,913,800 Treasury Shares as at the LPD), assuming the Over-allotment Option is exercised in full.

For the avoidance of doubt, the number of additional new Top Glove Shares which may be issued under the Over-allotment Option will be determined later, and will represent not more than approximately 15% of the initial offering size under the Global Offering.

The number of new Top Glove Shares proposed to be issued assuming the Over-allotment Option is exercised or is not exercised is as follows:

	<b>No. of new Top Glove Shares to be issued</b>	<b>% of the total issued Top Glove Shares</b>	<b>% of the enlarged total issued Top Glove Shares</b>
Assuming the Over-allotment Option is not exercised	Up to 690,000,000	^8.62%	*7.93%
Assuming the Over-allotment Option is exercised in full	Up to 793,500,000	^9.91%	#9.02%

**Notes:**

- <sup>^</sup> Calculated based on 8,007,097,234 Top Glove Shares (excluding 199,913,800 Treasury Shares as at the LPD).
- <sup>\*</sup> Calculated based on the enlarged Top Glove Shares after the Proposed Issuance of New Shares of 8,697,097,234 Top Glove Shares (excluding 199,913,800 Treasury Shares as at the LPD), assuming the Over-allotment Option is not exercised.
- <sup>#</sup> Calculated based on the enlarged Top Glove Shares after the Proposed Issuance of New Shares of 8,800,597,234 Top Glove Shares (excluding 199,913,800 Treasury Shares as at the LPD), assuming the Over-allotment Option is exercised in full.

**Issue price**      After the receipt of all regulatory approvals for the (i) Proposed Issuance of New Shares and (ii) the Proposed Dual Primary Listing; and after the receipt of shareholders' approval for the (i) Proposed Issuance of New Shares and (ii) the Proposed Constitution Amendments, our Board will determine and fix the maximum Public Offer Price, which will be announced by our Company at a later date.

Please refer to **Section 2.1.2** of this Circular for further information.

## EXECUTIVE SUMMARY (CONT'D)

### Key Information Summary

**Use of proceeds** The actual amount of proceeds to be raised from the Proposed Issuance of New Shares will depend on the actual number of new Top Glove Shares to be issued and the final issue price of the new Top Glove Shares pursuant to the Global Offering, all of which will be determined and announced by our Company at a later date.

For illustrative purposes only, assuming the new Top Glove Shares are issued pursuant to the Global Offering at an issue price of RM2.86 per Top Glove Share (equivalent to HKD5.34) based on the closing price of Top Glove Shares on Bursa Securities as at the LPD, the Proposed Issuance of New Shares is expected to raise gross proceeds of:

The Proposed Issuance of New Shares is expected to raise gross proceeds of:

- (i) up to approximately HKD3.68 billion (equivalent of approximately up to RM1.97 billion) assuming the Over-allotment Option is not exercised; or
- (ii) up to approximately HKD4.24 billion (equivalent of approximately up to RM2.27 billion) assuming the Over-allotment Option is exercised in full.

We intend to use the net proceeds from the Global Offering in the following manner to pursue our business and strategic objectives:

Details	Maximum amount to be raised <sup>^</sup>		% allocation	Estimated time frame for use of proceeds from the date of listing
	HKD'million	RM'million equivalent		
Expansion of production capacity and developing a data-driven manufacturing system	2,480.90	1,327.66	60.0	24 months
R&D	413.48	221.28	10.0	60 months
Upgrading of various software systems and acquire information technology such as artificial intelligence and big data	413.48	221.28	10.0	60 months
Environmental, Social and Corporate Governance practices and initiatives	206.74	110.64	5.0	24 months
Potential merger and acquisition and other investment opportunities	413.48	221.28	10.0	36 months
Working capital and general corporate purposes	206.74	110.64	5.0	36 months
<b>Total</b>	<b>4,134.82</b>	<b>2,212.78</b>	<b>100.0</b>	

**Note:**

<sup>^</sup> After deducting the estimated listing expenses assuming an issue price of RM2.86 (equivalent to HKD5.34), based on the closing price of Top Glove Shares on Bursa Securities as at the LPD for illustrative purposes only.

Please refer to **Section 4** of this Circular for further information.



<b>Key Information</b>	<b>Summary</b>
<b>Rationale and Benefits</b>	<p><b><u>Proposed Issuance of New Shares</u></b></p> <p>(a) The proceeds to be raised from the Proposed Issuance of New Shares will be used:</p> <ul style="list-style-type: none"><li>(i) to fund our Group's ongoing organic expansion plan to increase our production capacity and geographical expansion by building 3 new factories in Klang, Malaysia, and the remaining 3 factories in Banting, Kulim and Ipoh, Malaysia and production facilities, as well as expanding and upgrading our existing factories, so as to further strengthening our Company's position in the rubber glove industry; and</li><li>(ii) to capitalise on opportunity to grow our business via strategic business expansion or acquisition. The readily available funds will provide us with the financial flexibility to seize any acquisition opportunities that may arise, and position us on a stronger negotiation footing in these opportunities.</li></ul> <p>(b) Although we are in net cash position with strong cash flows, we nevertheless intend to take advantage of HKEX (via the Proposed Issuance of New Shares) for our expansion plans as the current stock market conditions are conducive for equity fundraising, as opposed to raising funds only when we are in need of cash in the future, which may expose us to external / market dynamic factors, high cost of funding, lack of liquidity which may make our fund raising undesirable.</p> <p><b><u>Proposed Dual Primary Listing</u></b></p> <p>The Proposed Dual Primary Listing will:</p> <ul style="list-style-type: none"><li>(a) provide an additional platform for Top Glove Shares to be traded via another established and larger stock exchange i.e. HKEX, that allows direct participation from new, private and institutional investors in Hong Kong and China; and</li><li>(b) provide additional financing flexibility and new platform for future fundraising to finance potential merger and acquisition activities and our Group's working capital and general corporate requirements. As a Hong Kong listed company, our Company will have more exposure to mergers and acquisition opportunities in Hong Kong, China, Taiwan, Korea and other Asian countries.</li></ul> <p><b><u>Proposed Constitution Amendments</u></b></p> <p>The Proposed Constitution Amendments are intended to facilitate the Proposed Dual Primary Listing in order to align our Constitution with the provisions of the relevant laws, listing rules and regulations in Hong Kong.</p>
<b>Approval Required</b>	<p>The Proposals are conditional upon approvals being obtained from the following:</p> <ul style="list-style-type: none"><li>(i) Bursa Securities, for the following:<ul style="list-style-type: none"><li>(a) waivers from complying with Paragraphs 6.09, 6.12 and 6.13 of the Listing Requirements and variation of Paragraph 6.15 of the Listing Requirements (which was obtained on 26 January 2021); and</li><li>(b) additional listing of and quotation for up to 793,500,000 new Top Glove Shares (including up to 103,500,000 new Top Glove Shares which may be issued under the Over-allotment Option, if exercised in full) pursuant to the Proposed Issuance of New Shares in conjunction with the Global Offering;</li></ul></li></ul>

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**EXECUTIVE SUMMARY (CONT'D)**

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<b>Key Information</b>	<b>Summary</b>
	(ii) HKEX, for the acceptance of Malaysia as an acceptable jurisdiction of incorporation for companies to be eligible for listing in Hong Kong (which was re-submitted on 28 October 2021);
	(iii) HKEX, for the listing of, and permission to deal in, the entire issued Top Glove Shares on the Main Board of HKEX and certain waivers from strict compliance with HKEX Main Board Listing Rules;
	(iv) SFC on certain waivers pursuant to the Companies (Winding Up and Miscellaneous Provisions) Ordinance (which was re-submitted on 28 October 2021);
	(v) HKSCC, for acceptance of Top Glove Shares as eligible securities for deposit, clearance and settlement in the Central Clearing and Settlement System (which was re-submitted on 28 October 2021);
	(vi) our shareholders, for the Proposed Issuance of New Shares and the Proposed Constitution Amendments at our forthcoming EGM; and
	(vii) other relevant authorities and/or parties, if required.

On 26 February 2021, China International Capital Corporation Hong Kong Securities Limited, on behalf of our Company, submitted the application Form A1 (Listing Application Form) to HKEX together with the application proof of the prospectus and supporting documents for the Global Offering.

On 26 August 2021, we announced that the application for the proposed listing of Top Glove on HKEX had lapsed on even date.

Thereafter, on 28 October 2021, China International Capital Corporation Hong Kong Securities Limited, on behalf of our Company, re-submitted the application Form A1 (Listing Application Form) to HKEX together with the application proof of the prospectus and supporting documents for the Global Offering, including the application to HKEX for the acceptance of Malaysia as an acceptable jurisdiction of incorporation for companies to be eligible for listing in Hong Kong, the draft application to SFC for certain exemptions pursuant to the Companies (Winding Up and Miscellaneous Provisions) Ordinance and the application to HKSCC for acceptance of Top Glove Shares as eligible securities for deposit, clearance and settlement in the Central Clearing and Settlement System.

Please refer to **Section 9** of this Circular for further information.

**Directors'  
Statement and  
Recommendation**

Our Board, after having considered all relevant aspects of the Proposals, including the rationale and benefits as well as the financial effects of the Proposals, is of the opinion that the Proposals are fair, reasonable, not detrimental to the interest of our non-interested shareholders, and in the best interests of our Company.

Accordingly, our Board recommends that you vote in favour of the ordinary resolution in relation to the Proposed Issuance of New Shares and the special resolution in relation to the Proposed Constitution Amendments to be tabled at our forthcoming EGM.



**TOP GLOVE CORPORATION BHD**

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

**Registered Office**

Level 21, Top Glove Tower  
16, Persiaran Setia Dagang  
Setia Alam, Seksyen U13  
40170 Shah Alam  
Selangor Darul Ehsan  
Malaysia

16 November 2021

**Board of Directors**

Tan Sri Dr Lim Wee Chai (*Executive Chairman*)  
Dato' Lee Kim Meow (*Managing Director*)  
Dato' Lim Han Boon (*Senior Independent Non-Executive Director*)  
Tan Sri Rainer Althoff (*Independent Non-Executive Director*)  
Lim Hooi Sin (*Executive Director*)  
Lim Cheong Guan (*Executive Director*)  
Puan Sri Tong Siew Bee (*Non-Independent Non-Executive Director*)  
Datuk Noripah Kamso (*Independent Non-Executive Director*)  
Sharmila Sekarajasekaran (*Independent Non-Executive Director*)  
Datuk Dr. Norma Mansor (*Independent Non-Executive Director*)  
Azrina Arshad (*Independent Non-Executive Director*)  
Lim Andy (*Independent Non-Executive Director*)

**To: Our shareholders**

Dear Sir / Madam,

- (I) PROPOSED ISSUANCE OF NEW SHARES; AND**
- (II) PROPOSED CONSTITUTION AMENDMENTS**

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**1. INTRODUCTION**

On 12 October 2020, our Board announced that our Company was evaluating a dual primary listing on HKEX.

On 26 February 2021, HLIB, on behalf of our Company, announced that our Company proposes to undertake the following proposals:

- (i) issuance of up to 1,495,000,000 new Top Glove Shares raising up to HKD14.95 billion (equivalent of approximately up to RM7.77 billion) through the Global Offering (including an over-allotment option) in connection with the listing of Top Glove on the Main Board of HKEX;
- (ii) Proposed Constitution Amendments; and
- (iii) Proposed Dual Primary Listing.

On 22 April 2021, HLIB, on behalf of our Board, announced that our Board resolved to revise the issuance of new Top Glove Shares from up to 1,495,000,000 to up to 793,500,000 new Top Glove Shares (including an additional 103,500,000 new Top Glove Shares which may be issued under the Over-allotment Option, if exercised in full) under the Proposed Issuance of New Shares pursuant to the Global Offering. As such, the amount to be raised from the Proposed Issuance of New Shares is expected to be revised to up to approximately HKD7.94 billion (equivalent of approximately up to RM4.22 billion). The revision to the number of new Top Glove Shares proposed to be issued under the Proposed Issuance of New Shares above takes into consideration the best interest of the existing shareholders of our Company by minimising dilution to existing shareholders of their respective shareholdings.

On 26 August 2021, we announced that the application for the proposed listing of Top Glove on the HKEX which was submitted to the HKEX on 26 February 2021 lapsed on 26 August 2021 as the listing application has a validity of 6 months under the HKEX Listing Rules. We also informed that following the amendments made to the CMSA, which took effect on 1 July 2021, the approval for the Proposed Dual Primary Listing from the SC is no longer required. In this regard, on behalf of our Company, HLIB had on 26 August 2021 written to the SC, to withdraw the application for the Proposed Dual Primary Listing.

On 28 October 2021, we announced that China International Capital Corporation Hong Kong Securities Limited, has on our behalf, re-submitted the application Form A1 (Listing Application Form) to HKEX together with the application proof of the prospectus and supporting documents for the HK IPO on 28 October 2021, including the application to HKEX for the acceptance of Malaysia as an acceptable jurisdiction of incorporation for companies to be eligible for listing in Hong Kong, the draft application to SFC for certain exemptions pursuant to the Companies (Winding Up and Miscellaneous Provisions) Ordinance and the application to HKSCC for acceptance of Top Glove Shares as eligible securities for deposit, clearance and settlement in the Central Clearing and Settlement System. Additionally, our Board has also resolved to revise the proceeds to be raised from the Proposed Issuance of New Shares of up to HKD4.24 billion (equivalent of approximately up to RM2.27 billion), after taking into account the prevailing share price of our Company and the funding requirements of our Group.

On 11 November 2021, we announced that Bursa Securities had, vide its letter dated 10 November 2021, which was received on 11 November 2021, approved the listing and quotation for up to 793,500,000 new Top Glove Shares (including up to 103,500,000 new Top Glove Shares which may be issued under the Over-allotment Option, if exercised in full) to be issued pursuant to the Proposed Issuance of New Shares, subject to the conditions as set out in **Section 9** of this Circular.

**THE PURPOSE OF THIS CIRCULAR IS TO PROVIDE YOU WITH DETAILS OF THE PROPOSALS TOGETHER WITH THE RECOMMENDATION OF OUR BOARD AND TO SEEK YOUR APPROVAL FOR THE RESOLUTIONS PERTAINING TO THE PROPOSED ISSUANCE OF NEW SHARES AND PROPOSED CONSTITUTION AMENDMENTS TO BE TABLED AT OUR FORTHCOMING EGM. THE NOTICE OF EGM TOGETHER WITH THE FORM OF PROXY ARE ENCLOSED IN THIS CIRCULAR.**

**YOU ARE ADVISED TO READ AND CAREFULLY CONSIDER THE CONTENTS OF THIS CIRCULAR TOGETHER WITH THE APPENDICES CONTAINED HEREIN BEFORE VOTING ON THE RESOLUTIONS PERTAINING TO THE PROPOSED ISSUANCE OF NEW SHARES AND PROPOSED CONSTITUTION AMENDMENTS TO BE TABLED AT OUR FORTHCOMING EGM.**

## 2. DETAILS OF THE PROPOSALS

### 2.1 Proposed Issuance of New Shares

#### 2.1.1 Basis and number of new Top Glove Shares

The Proposed Issuance of New Shares involves an issuance of up to 793,500,000 new Top Glove Shares (including up to 103,500,000 new Top Glove Shares which may be issued under the Over-allotment Option, if exercised in full). The issuance of up to 793,500,000 new Top Glove Shares pursuant to the Global Offering:

- (i) represents approximately 9.91% of the total issued Top Glove Shares of 8,007,097,234 as at the LPD (excluding 199,913,800 Treasury Shares as at the LPD) raising up to HKD4.24 billion (equivalent of approximately up to RM2.27 billion), at an issue price to be determined at a later date; and
- (ii) represents approximately 9.02% of the enlarged Top Glove Shares after the Proposed Issuance of New Shares of 8,800,597,234 Top Glove Shares (excluding 199,913,800 Treasury Shares as at the LPD), assuming the Over-allotment Option is exercised in full.

For the avoidance of doubt, the number of additional new Top Glove Shares which may be issued under the Over-allotment Option will be determined later, and will represent not more than approximately 15% of the initial offering size under the Global Offering.

The number of new Top Glove Shares proposed to be issued assuming the Over-allotment Option is exercised or is not exercised is as follows:

	<b>No. of new Top Glove Shares to be issued</b>	<b>% of the total issued Top Glove Shares</b>	<b>% of the enlarged total issued Top Glove Shares</b>
Assuming the Over-allotment Option is not exercised	Up to 690,000,000	^8.62%	*7.93%
Assuming the Over-allotment Option is exercised in full	Up to 793,500,000	^9.91%	#9.02%

**Notes:**

<sup>^</sup> Calculated based on 8,007,097,234 Top Glove Shares (excluding 199,913,800 Treasury Shares as at the LPD).

<sup>\*</sup> Calculated based on the enlarged Top Glove Shares after the Proposed Issuance of New Shares of 8,697,097,234 Top Glove Shares (excluding 199,913,800 Treasury Shares as at the LPD), assuming the Over-allotment Option is not exercised.

<sup>#</sup> Calculated based on the enlarged Top Glove Shares after the Proposed Issuance of New Shares of 8,800,597,234 Top Glove Shares (excluding 199,913,800 Treasury Shares as at the LPD), assuming the Over-allotment Option is exercised in full.

The Proposed Issuance of New Shares will involve an issuance of new Top Glove Shares pursuant to the Global Offering and will comprise the following:

- (a) an offering of new Top Glove Shares to Hong Kong Retail Investors; and
- (b) an international offering of new Top Glove Shares:
  - (i) in the U.S. or to U.S. persons, in each case only persons who are qualified institutional buyers in reliance on Rule 144A, or pursuant to an exemption from, or in a transaction not subject to, registration requirements of the U.S. Securities Act; and

- (ii) outside the U.S. (including to professional and institutional investors within Hong Kong) to non-U.S. persons in offshore transactions in reliance on Regulation S of the U.S. Securities Act, for subscription or purchase (as the case may be) at the International Offer Price, in each case on and subject to the terms and conditions of International Underwriting Agreement.

### **2.1.2 Basis for determining the issue price of the new Top Glove Shares to be issued in conjunction with the Proposed Issuance of New Shares**

After the receipt of all regulatory approvals for the Proposed Issuance of New Shares and Proposed Dual Primary Listing, and after obtaining our shareholders' approval for the:

- (i) Proposed Issuance of New Shares; and
- (ii) Proposed Constitution Amendments,

our Board will determine and fix the maximum Public Offer Price, which will be announced by our Company at a later date. The basis in determining the maximum Public Offer Price will take into consideration the closing share price of Top Glove Shares traded on Bursa Securities and SGX-ST which will be determined later.

#### **(i) Hong Kong Public Offering**

If the final International Offer Price is higher than the maximum Public Offer Price, the Public Offer Price will be fixed at the maximum Public Offer Price.

If the final International Offer Price is lower than the maximum Public Offer Price, the Public Offer Price will be fixed at the same price as the International Offer Price.

#### **(ii) International Offering**

The final International Offer Price will be determined based on the result of the institutional book building exercise, which shall take into consideration, amongst others, the following:

- (a) discount or premium to the closing price of Top Glove Shares prior to the launch of the Hong Kong Public Offering;
- (b) prevailing share price movement of Top Glove Shares; and
- (c) prevailing market conditions in Hong Kong.

The final International Offer Price may be determined at a level higher than the maximum Public Offer Price if:

- (a) the HKD equivalent of the closing trading prices of Top Glove Shares on Bursa Securities and SGX-ST exceeds the maximum Public Offer Price on the last trading day on or before the price determination date; and/or
- (b) the results of the level of subscription by way of institutional bookbuilding exercise exceeds the maximum Public Offer Price.

### 2.1.3 Over-allotment Option

In connection with the offering of new Top Glove Shares pursuant to the Global Offering, the Joint Global Coordinators, on behalf of the International Underwriters, are entitled to exercise the Over-allotment Option to, among other things, cover any over-allocation of new Top Glove Shares pursuant to the Global Offering.

On the listing date, the Joint Global Coordinators will over-allocate up to 15% of the new Top Glove Shares initially available under the Global Offering (being the number of shares equivalent to the maximum number of new Top Glove Shares which may be issued pursuant to the exercise of the Over-allotment Option) to institutional investors. The over-allocation may be settled by (a) exercise of the Over-allotment Option in part or in full, (b) using Top Glove Shares purchased by the stabilising manager in the secondary market at prices that do not exceed the Global Offering price or (c) through the stock borrowing arrangements as detailed below, or a combination of these means.

In order to facilitate the settlement of such over-allocation to institutional investors, the stabilising manager will borrow such number of over-allocated Top Glove Shares (i.e. up to 103,500,000 Top Glove Shares) from Tan Sri Dr. Lim Wee Chai (an existing major shareholder of Top Glove), which he currently holds on Bursa Securities pursuant to a stock borrowing and lending agreement ("**SBL Agreement**"). The SBL Agreement will be entered into between the stabilising manager and Tan Sri Dr. Lim Wee Chai on the day of price determination for the Global Offering. Pursuant to HKEX Listing Rules, no payment will be made by the stabilising manager to Tan Sri Dr. Lim Wee Chai for the borrowing of Top Glove Shares from Tan Sri Dr. Lim Wee Chai and hence, Tan Sri Dr. Lim Wee Chai will not derive any financial benefit.

The exercise of Over-allotment Option by Joint Global Coordinators is a back-to-back placement pursuant to Paragraph 6.14 of the Listing Requirements. To facilitate the settlement of the over-allocation described above, our Company will undertake a back-to-back placement involving the following:

- (a) Tan Sri Dr. Lim Wee Chai will lend up to 103,500,000 of his existing Top Glove Shares to the stabilising manager under the SBL Agreement. The stabilising manager will use such shares for placement/delivery to the placees pursuant to the over-allocation process under the International Offering, with the proceeds from the over-allocation of shares being retained by the stabilising manager and used to undertake stabilisation activities ("**Relevant Proceeds**"); and
- (b) Whether or not the Over-allotment Option is exercised by the Joint Global Coordinators will depend on how the share price performs during the stabilisation period, which is the period from the date of listing of Top Glove Shares on HKEX to 30 days after the last day of the Global Offering's offering period.

If the share price exceeds the IPO price during the stabilisation period, the Joint Global Coordinators will exercise the Over-allotment Option and will pay Top Glove for the new Top Glove Shares issued pursuant to the exercise of the Over-allotment Option using the Relevant Proceeds. In order to return Top Glove Shares to Tan Sri Dr. Lim Wee Chai, the Joint Global Coordinators will direct Top Glove to issue the Over-allotment Option shares to Tan Sri Dr. Lim Wee Chai.

If the share price is below the IPO price during the stabilisation period, the stabilising manager will undertake stabilisation activities in the market. At the end of the stabilisation period, assuming the Over-allotment Option is not exercised by the Joint Global Coordinators, the stabilising manager will use the Top Glove Shares purchased on-market pursuant to the stabilisation activities to return to Tan Sri Dr. Lim Wee Chai.



If the Over-allotment Option is exercised in part only, then (i) the Joint Global Coordinators will direct Top Glove to issue new Top Glove Shares pursuant to the Over-allotment Option to Tan Sri Dr. Lim Wee Chai and (ii) the stabilising manager will return the balance of the borrowed Top Glove shares to Tan Sri Dr. Lim Wee Chai using the Top Glove Shares purchased on-market pursuant to the stabilisation activities.

Accordingly, at the end of the stabilisation period, the stabilising manager will return all the Top Glove Shares borrowed pursuant to the SBL Agreement to Tan Sri Dr. Lim Wee Chai, either through the exercise of the Over-allotment Option and/or by using Top Glove Shares purchased by the stabilising manager on-market pursuant to the stabilisation activities. The stabilisation period will commence from the date of listing of Top Glove Shares on HKEX and ends on the 30<sup>th</sup> day after the last day of the Global Offering's offering period.

Our Company which may undertake a back-to-back placement as set out above, has complied with the following conditions pursuant to Paragraph 6.14(2) of the Listing Requirements:

<b>No.</b>	<b>Conditions</b>	<b>Status of compliance</b>
1.	The listed issuer has an average daily market capitalisation of at least RM500 million in the 3 months ending on the last business day of the calendar month immediately preceding the date of the placement;	Complied.
2.	The listed issuer complies with the security holding spread requirements under Paragraph 8.02(1) of the Listing Requirements; and	Complied.
3.	The listed issuer gives Bursa Securities a declaration from its existing shareholder involved in the back-to-back placement arrangement to Bursa Securities that he will not derive any financial benefit from such an arrangement, whether directly or indirectly.	Complied.

#### **2.1.4 Ranking of the new Top Glove Shares to be issued pursuant to the Proposed Issuance of New Shares**

The new Top Glove Shares to be issued pursuant to the Proposed Issuance of New Shares shall, upon issuance and allotment, rank equally in all respects with the existing issued Top Glove Shares. However, the new Top Glove Shares will not be entitled to any prior dividends, rights, allotments and/or other distributions unless such new Top Glove Shares were issued on or prior to the entitlement date of such dividends, rights, allotments and/or other distributions.

#### **2.1.5 Listing of and quotation for the new Top Glove Shares to be issued in conjunction with the Proposed Issuance of New Shares**

Bursa Securities had, vide its letter dated 10 November 2021, approved the additional listing and quotation for up to 793,500,000 new Top Glove Shares (including up to 103,500,000 new Top Glove Shares which may be issued under the Over-allotment Option, if exercised in full) to be issued pursuant to the Proposed Issuance of New Shares in conjunction with the Global Offering, subject to the conditions as set out in **Section 9** of this Circular.

On 28 October 2021, China International Capital Corporation Hong Kong Securities Limited, has on our behalf, re-submitted the application Form A1 (Listing Application Form) to HKEX together with the application proof of the prospectus and supporting documents for the HK IPO. As at 12 November 2021, the approval from HKEX has not been obtained yet.

The new Top Glove Shares will be offered to investors pursuant to the Hong Kong Public Offering and the International Offering. Investors who intend to subscribe for such new Top Glove Shares pursuant to the Global Offering must comply with the applicable laws and regulations of Hong Kong and any other jurisdictions where such new Top Glove Shares will be offered or placed to investors.

As part of the Proposed Issuance of New Shares, an application for the listing of, and permission to deal in, the existing and the new Top Glove Shares has been submitted to HKEX.



## **2.2 Proposed Constitution Amendments**

The Proposed Constitution Amendments entail the consequential amendments to the Constitution to facilitate the Proposed Dual Primary Listing.

## **2.3 Proposed Dual Primary Listing**

The Proposed Dual Primary Listing will entail the listing of, and permission to deal in, all the Top Glove Shares, which will be listed and quoted on the Main Market of Bursa Securities, Main Board of SGX-ST and the Main Board of HKEX.

The dealing and trading of Top Glove Shares on HKEX will be in HKD. For the avoidance of doubt, Bursa Securities will remain as one of the primary stock exchanges while SGX-ST will remain as the secondary stock exchange on which the Top Glove Shares are currently listed.

As part of the Proposed Dual Primary Listing, all existing Top Glove Shares, which are currently listed and traded on Bursa Securities and SGX-ST, together with the new Top Glove Shares to be issued pursuant to the Proposed Issuance of New Shares will be fungible between these three (3) stock exchanges. In this regard, a shareholder holding existing Top Glove Shares listed and quoted on the Main Market of Bursa Securities or the Main Board of SGX-ST may transfer their Top Glove Shares to the Main Board of HKEX and vice versa for the purpose of trading on these respective stock exchanges. Please refer to **Appendix I** of this Circular for further details regarding the process to transfer Top Glove Shares among these three (3) stock exchanges and the applicable fees.

A draft prospectus containing the details of the Global Offering has been filed with HKEX, and the final prospectus will be registered by the Registrar of Companies of Hong Kong prior to the issuance of the prospectus and the commencement of the offering of the new Top Glove Shares pursuant to the Global Offering.

Following the Proposed Dual Primary Listing, our Company will be required to comply with the relevant laws, regulations and listing rules in Malaysia (as applicable to a Malaysia incorporated company primary listed on Bursa Securities), Hong Kong (as applicable to a primary listed issuer) and Singapore (as applicable to a secondary listed issuer), including but not limited to, the take-over rules, the disclosure standard and the Listing Requirements and HKEX listing rules respectively, where applicable.

The Proposed Dual Primary Listing will provide an additional platform for Top Glove Shares to be traded via another established and larger stock exchange i.e. HKEX, that allows direct participation from new, private and institutional investors in Hong Kong and China, and will also provide additional financing flexibility and new platform for future fundraising to finance potential merger and acquisition activities and our Group's working capital and general corporate requirements. As a Hong Kong listed company, our Company will have more exposure to mergers and acquisition opportunities in Hong Kong, China, Taiwan, Korea and other Asian countries.

### **2.3.1 Information on HKEX**

HKEX is the stock exchange of Hong Kong and is wholly owned by the Hong Kong Exchanges and Clearing Limited.

The Hong Kong Exchanges and Clearing Limited is a member of the World Federation of Exchanges and the Asian and Oceanian Stock Exchanges Federation.

As at the LPD, there are 2,259 companies listed on the Main Board of HKEX with a total market capitalisation of approximately HKD50.9 trillion (equivalent to approximately RM27.24 trillion).

Of the 2,259 companies listed on HKEX, 886 or approximately 39.2% are foreign companies with a total market capitalisation of approximately HKD37.5 trillion (equivalent to approximately RM20.0 trillion).

*(Source: Bloomberg)*

### **2.3.2 Underwriting arrangement**

The prospectus will be published solely in connection with the Hong Kong Public Offering. The Hong Kong Public Offering will be fully underwritten by the Hong Kong Underwriters on a conditional basis. The obligations of the Hong Kong Underwriters for the Hong Kong Public Offering are conditional upon, amongst others, the conditions precedent in the Hong Kong Underwriting Agreement and the International Underwriting Agreement being satisfied, and the Hong Kong Underwriting Agreement and the International Underwriting Agreement not having been terminated in accordance with the terms of the respective agreements.

The International Offering is expected to be fully underwritten by the International Underwriters. If, for any reason, the issue price is not agreed between the Joint Global Coordinators (for themselves and on behalf of the underwriters) and our Company, the Global Offering will not proceed and will lapse.

The Global Offering comprises the following offering size:

- (i) offering size of up to 69,000,000 new Top Glove Shares to be issued by our Company for the Hong Kong Public Offering; and
- (ii) offering size of up to 621,000,000 new Top Glove Shares to be issued by our Company for the International Offering,

subject, in each case, to reallocation and the Over-allotment Option (in the case of the International Offering).

As the Global Offering will be undertaken on full subscription basis, our Company will enter into underwriting agreements for the new Top Glove offered under the Hong Kong Public Offering and International Offering at a later date. The underwriting arrangement is only expected to be in place prior to the implementation of the Global Offering, details of which will be announced upon execution of the underwriting agreement.

## **3. RATIONALE AND BENEFITS FOR THE PROPOSALS**

### **3.1 Proposed Issuance of New Shares**

Our Company had not undertaken any fund raising exercises during the past 12 months immediately preceding the date of this Circular.

The Proposed Issuance of New Shares will enable our Company to raise fresh capital without having the need to undertake a cash call from its existing shareholders. The funds to be raised from the Proposed Issuance of New Shares will be used:

- (i) to fund our Group's ongoing organic expansion plan to increase our production capacity and geographical expansion by building 3 new factories in Klang, Malaysia, and the remaining 3 factories in Banting, Kulim and Ipoh, Malaysia, as well as expanding and upgrading our existing factories, so as to further strengthening our Company's position in the rubber glove industry; and
- (ii) to capitalise on opportunity to grow our business via strategic business expansion or acquisition. The readily available funds will provide us with the financial flexibility to seize any acquisition opportunities that may arise, and position us on a stronger negotiation footing in these opportunities.

Although we are in net cash position with strong cash flows, we nevertheless intend to take advantage of HKEX (via the Proposed Issuance of New Shares) for our expansion plans as the current stock market conditions are conducive for equity fundraising, as opposed to raising funds only when we are in need of cash in the future, which may expose us to external / market dynamic factors, high cost of funding, lack of liquidity which may make our fund raising undesirable.

We believe the current share market condition in HKEX is conducive for equity fundraising in view that the HKEX sees stronger liquidity in 2021, supported by the increasing annual average daily trading value from HKD63.6 billion in 2019 to HKD151.1 billion in 2021 year to date.

After due consideration of the various funding options available to our Company, our Board is of the view that the Proposed Issuance of New Shares is the most appropriate avenue for our Company to raise a sizeable amount for the use of proceeds set out in **Section 4** of this Circular.

### **3.2 Proposed Constitution Amendments**

The Proposed Constitution Amendments are intended to facilitate the Proposed Dual Primary Listing in order to align the Constitution with the provisions of the relevant laws, listing rules and regulations in Hong Kong.

### **3.3 Proposed Dual Primary Listing**

The rationale for the Proposed Dual Primary Listing is as follows:

- (i) to provide us with an additional platform on which the Top Glove Shares can be traded, and allow direct equity participation by new private and institutional investors in Hong Kong and China, including Chinese funds and wealth management investors, which will in turn enhance our investor reach and broaden our investor base. This will enable our Company to have cost effective capital raising for future expansion/corporate finance exercises which include raising additional capital from existing shareholders via rights issue or other investors via placement of new Top Glove Shares or issuance of other types of securities for the glove business. In addition, this is expected to increase investor relevance for our Company across a new investor base and strengthen liquidity of Top Glove's Shares trading, enable subsequent effective funds raising post listing and to enhance stakeholders' long term value; and
- (ii) to provide additional financing flexibility and a new platform for future fundraising to finance potential merger and acquisition activities and our Group's working capital and general corporate requirements, and to enhance the visibility of our profile among international funds/investors, customers and suppliers, investment analysts and media, as well as to increase brand awareness for our Group.

## **4. USE OF PROCEEDS**

The actual amount of proceeds to be raised from the Proposed Issuance of New Shares will depend on the actual number of new Top Glove Shares to be issued and the final issue price of the new Top Glove Shares pursuant to the Global Offering, all of which will be determined and announced by our Company at a later date.

For illustration purposes only, assuming the new Top Glove Shares are issued pursuant to the Global Offering at an issue price of RM2.86 per Top Glove Share (equivalent to HKD5.34) based on the closing price of Top Glove Shares as at the LPD, the Proposed Issuance of New Shares is expected to raise gross proceeds of:

- (i) up to approximately HKD3.68 billion (equivalent of approximately up to RM1.97 billion) assuming the Over-allotment Option is not exercised.
- (ii) up to approximately HKD4.24 billion (equivalent of approximately up to RM2.27 billion) assuming the Over-allotment Option is exercised in full.

The indicative net proceeds from the Proposed Issuance of New Shares which we will receive, after deducting the underwriting commissions, the discretionary incentive fee (assuming the full payment of the discretionary incentive fee) and the estimated expenses<sup>#</sup> in relation to the Global Offering payable by us, will be approximately up to approximately HKD4.13 billion (equivalent of approximately up to RM2.21 billion), assuming the Over-allotment Option is exercised in full.

We intend to use the indicative net proceeds from the Global Offering in the following manner (assuming the Over-allotment Option is exercised in full) to pursue our business and strategic objectives:

Details	Note	Maximum amount to be raised		*% allocation	Estimated time frame for use of proceeds from the date of listing
		HKD'million	RM'million equivalent		
Expansion of production capacity and developing a data-driven manufacturing system	1	2,480.90	1,327.66	60.0	24 months
R&D	2	413.48	221.28	10.0	60 months
Upgrading of various software systems and acquire information technology such as artificial intelligence and big data	3	413.48	221.28	10.0	60 months
Environmental, Social and Corporate Governance practices and initiatives	4	206.74	110.64	5.0	24 months
Potential merger and acquisition and other investment opportunities	5	413.48	221.28	10.0	36 months
Working capital and general corporate purposes	6	206.74	110.64	5.0	36 months
<b>Total</b>		<b>4,134.82</b>	<b>2,212.78</b>	<b>100.0</b>	

In the event that the International Offer Price is fixed at a higher or lower level compared to the maximum Public Offer Price, the surplus of the net proceeds will be allocated to the above purposes on a pro rata basis. If the net proceeds from the Global Offering are not immediately applied to the above purposes, we will deposit those net proceeds into interest-bearing bank accounts.

**Notes:**

- # The estimated expenses in relation to the Proposed Dual Primary Listing amounting to approximately HKD105.87 million (equivalent to approximately RM56.65 million) are expected to be used within 1 month from the date of the listing and shall comprise the following:

	(HKD'million)	RM equivalent (RM'million)
Professional fees	68.77	36.80
Underwriting commissions and incentive fees (assuming full payment of the discretionary incentive fees~)	33.93	18.15
Printing costs of the prospectus and advertising cost	0.64	0.34
Other expenses related or incidental to the Proposed Dual Primary Listing	1.23	0.66
Fees payable to the relevant authorities in Hong Kong	1.30	0.70
<b>Total</b>	<b>105.87</b>	<b>56.65</b>

~ The incentive fees may be granted at our full discretion. It is offered to underwriters as part of their compensation package, subject to their performance. This arrangement is to encourage the underwriters to promote our Shares pursuant the Global Offering.

\* Calculated based on the amount to be raised over the net proceeds.

- (1) We intend to allocate the amount for the following purposes:

<u>Description</u>	<u>HKD'million</u>	<u>RM'million equivalent</u>
For the FYE 2019, the average utilisation rate across our production facilities was 84%. The COVID-19 outbreak substantially increased the demand for our glove products worldwide. Due to the rising demand, the average utilisation rate of our production facilities increased to 88% for the FYE 2020. While the average utilisation rate of our production facilities during the FYE 2021 was impacted by the Enhanced Movement Control Order (“EMCO”) in Malaysia, which was in place from 17 November 2020 to 14 December 2020, the extended EMCO affected multiple areas of Selangor for the majority of July 2021, and the suspension of export to the U.S. of all disposable gloves produced by our Group in Malaysia pursuant to the Notice of Finding issued by the CBP on 29 March 2021, our utilisation rate continued to be high at an average of 78% across our business for FYE 2021. We expect glove demand to continue to grow post pandemic. According to Frost & Sullivan, the global glove demand grew at CAGR of 11.1% from year 2015 to 2020. Post Covid-19 pandemic, the glove demand is expected to stabilise, but the growth rate for glove market will not return to pre Covid-19 pandemic level due to the elevated level of hygiene awareness across all levels of society. In this regard, it is expected that the global demand for gloves will be higher than pre Covid-19 pandemic and with CAGR of 13.1% from year 2020 to 2025 estimates. As such, we plan to add 101 billion pieces of gloves production capacity so as to achieve an annual production capacity of 201 billion pieces of gloves by the end of 2025. As at the LPD, we have 37 glove factories, of which 32 glove factories are located in Malaysia, 3 glove factories are located in Thailand, 1 glove factory is located in China and 1 glove factory is located in Vietnam. As at the LPD, our current annual production capacity is 100 billion pieces of gloves with 812 single former production lines.		
Further details are set out below:	1,736.63	929.36

- (i) We plan to build 6 new factories to commence production of mainly nitrile latex gloves by the end of 2023, including 3 factories in Klang, Malaysia, and the remaining 3 factories in Banting, Kulim and Ipoh, Malaysia. Further details on the 6 new factories and production facilities are as follows:

<u>New factory</u>	<u>Location</u>	<u>Capacity in billion pieces per annum</u>	<u>Estimated total capital expenditure</u>	<u>Estimated built-up area</u>
			<u>RM'million</u>	<u>square feet</u>
F35 Block A	Klang, Malaysia	1.8	90	45,300
F38 Block A2 (First Phase)	Kulim, Malaysia	3.6	180	73,200
F42 (First Phase)	Banting, Malaysia	3.6	180	88,300
F45 (First Phase)	Ipoh, Malaysia	4.8	240	148,100
F46	Klang, Malaysia	3.9	195	144,200
F47 (First Phase)	Klang, Malaysia	4.2	210	101,200
<b>Total</b>		<b>21.9</b>	<b>1,095</b>	<b>600,300</b>

<b>Description</b>		<b>HKD'million</b>	<b>RM'million equivalent</b>
<p>As at the date of this Circular, we have obtained all relevant approvals for the construction of these new factories except for Factory 47 which has not commenced construction. The estimated dates to commence and complete the construction of these 6 new factories are as follows:</p>			
<b>New factory</b>	<b>Location</b>	<b>Estimated date to commence the construction</b>	<b>Estimated date to complete the construction</b>
F35 Block A	Klang, Malaysia	1 <sup>st</sup> quarter 2020	2 <sup>nd</sup> quarter 2022
F38 Block A2 (First Phase)	Kulim, Malaysia	3 <sup>rd</sup> quarter 2020	1 <sup>st</sup> quarter 2022
F42 (First Phase)	Banting, Malaysia	4 <sup>th</sup> quarter 2020	3 <sup>rd</sup> quarter 2022
F45 (First Phase)	Ipoh, Malaysia	4 <sup>th</sup> quarter 2020	1 <sup>st</sup> quarter 2023
F46	Klang, Malaysia	4 <sup>th</sup> quarter 2020	1 <sup>st</sup> quarter 2023
F47 (First Phase)	Klang, Malaysia	2 <sup>nd</sup> quarter 2022	4 <sup>th</sup> quarter 2023
(ii)	to expand our existing glove factories, upgrade and modify the existing production lines and automate and digitise the production process, including further automating glove output counting, increasing glove stamping output, enabling auto-packing in all production lines, and instituting real-time latex monitoring. Currently, we have 32 glove factories in Malaysia, 3 glove factories in Thailand, 1 glove factory each in China and Vietnam respectively;	248.09	132.77
(iii)	to construct a new nitrile latex plant located in Banting, Malaysia, to allow us to source nitrile latex internally and to also construct a new sterilisation plant located in Klang, Malaysia, and to reduce our reliance on third party supplies for sterilisation services. The construction of the new nitrile latex plant has commenced in March 2020 and it is expected to complete by third quarter of 2022 and the construction of the new sterilisation plant has commenced in March 2020 and it is expected to complete by first quarter of 2022;	471.37	252.25
(iv)	to develop a data-driven manufacturing system to optimise quality and efficiency, which involves digitising quality control of incoming raw materials, raw material consumption tracking, energy consumption monitoring, logistic planning and other aspects of our production. The implementation of data-driven manufacturing system will be installed at all the new factories as well as our existing factories. The implementation of data-driven manufacturing system for our existing factories will be carried out in stages.	24.81	13.28
<b>Total</b>		<b>2,480.90</b>	<b>1,327.66</b>

- (2) We intend to use this amount for R&D, including:
- (i) to further enhance in-house chemical and synthetic latex development, including purchasing high-end machineries for R&D and production purposes, setting up pilot plants and mass production plants for synthesis of premium synthetic latex for glove dipping and developing new synthesis technology for Polyisoprene and Polychloroprene;
  - (ii) to develop new products through collaboration with international and domestic R&D institutions including purchasing analytical instruments and lab equipment;
  - (iii) to automate the product inspection system and improve process efficiency;
  - (iv) to establish a research database for research prototype simulation by purchasing and using supercomputers;
  - (v) to diversify our product offerings and develop new products in the areas of personal care, home care and oral health care, including various house-cleaning products, detergent, sanitisers, hand wash, toothpaste, lotion, shampoo and conditioner;
  - (vi) to improve research facilities in our R&D centres by upgrading and purchasing lab equipment and instruments;
  - (vii) to invest in manufacturing data linkage for process control; and
  - (viii) to develop biodegradable and compostable products and technology to support environmental sustainability and reduce carbon footprint.
- (3) We intend to use this amount to upgrade various software systems and acquire information technology such as artificial intelligence and big data, including:
- (i) to fully upgrade our Enterprise Resource Planning system to SAP S4/HANA to improve our operational efficiency. The upgraded system will have built-in intelligence technologies such as artificial intelligence, machine learning and advanced analytics and in-memory database that offers real-time processing speeds;
  - (ii) to improve our supply chain model and customer experience, after a full upgrade to SAP S/4HANA, to enable greater control and data visibility across the end-to-end supply chain;
  - (iii) to develop big data and artificial intelligence, such as data lake, chatbot and voice bot, to improve data storage and retrieval and deliver superior customer services;
  - (iv) to develop augmented reality, including preventive maintenance systems to achieve faster responses and repairs, minimise unscheduled down time and serve as a remote virtual guide;
  - (v) to install information technology smart closed-circuit television to enhance quality, efficiency and safety in our manufacturing facilities and sensors such as radio-frequency identification (**RFID**) to collect data faster and more accurately;
  - (vi) to invest in cloud computing technologies for faster deployment, including our continued use of Amazon Web Services and Microsoft Azure cloud for its enterprise systems and factory systems and our continued effort to build our own cloud computing system;
  - (vii) to enhance cyber security and data protection, including strengthening our computer systems and protecting them against cyberattacks with adequate firewall and data encryption; and
  - (viii) to improve our other information technology infrastructure to increase throughput of data connectivity for real-time information and application services by using technologies such as WiFi 6 and 5G.



- (4) We intend to allocate the amount for the following purposes:

<b>Description</b>	<b>HKD'million</b>	<b>RM'million equivalent</b>
We intend to allocate the following amount to improve employees' welfare, which include acquiring, building and upgrading workers' hostels and related facilities and developing training and leadership programs for our employees, the breakdown of which are as follows:		
(i) to build large-scale, fully-equipped hostels in Klang and Banting, Selangor, Malaysia, with the capacity to accommodate 10,400 workers.	155.06	82.98
We also intend to allocate the following amount for the following purposes:		
(i) on our environmental and climate change initiatives, such as implementing a wider use of renewable energy and solar power in our manufacturing facilities and further developing our waste management programmes and related technologies; and	41.35	22.13
(ii) strengthening our corporate governance framework with a particular focus on improving our labour practices in accordance with the International Labour Organisation standards.	10.34	5.53
<b>Total</b>	<b>206.74</b>	<b>110.64</b>

- (5) We intend to earmark this amount for potential merger and acquisition and other investment opportunities such as joint venture in synergistic businesses to our core healthcare business. Potential acquisition targets may include businesses comparable or complementary to our existing core healthcare business, such as those in the glove, pharmaceutical and medical and healthcare product industries, and collaborative joint ventures, which may strengthen our sales network. As at the LPD, we have not identified any specific acquisition targets or entered into any agreements or commitments in this regard. An announcement will be made in the event that such potential merger and acquisition and other investment, where necessary and/or shareholders' approval will be sought, if required, in compliance with Listing Requirements.

- (6) This relates to working capital and general corporate purposes such as the promotional and marketing expenses and general overhead expenses, the breakdown of which are as follows:

	<b>HKD'million</b>	<b>RM'million equivalent</b>
Working capital	124.04	66.38
General overhead expenses which include the upkeep and maintenance expenses.	82.70	44.26
<b>Total</b>	<b>206.74</b>	<b>110.64</b>

The overall objectives for the use of proceeds is to achieve the following benefits:

- to enable our Group to further increase our production capacity;
- to enable our Company to involve in upstream activities, such as to produce critical raw materials internally and also to reduce our reliance on third party supplies for sterilisation services;
- to automate glove defect inspection, which will reduce manpower and cost as well as further improve the product quality and reduce production cost per piece;
- to invest in R&D which will enable us to further improve our glove technology, production quality and to achieve better efficiency;
- to further increase our focus in Environmental, Social and Corporate Governance practices and initiatives which will further enhance and strengthen our corporate governance and compliance framework of our Company for better sustainability; and
- to enable us to further expand our business via synergetic mergers and acquisitions and create more job opportunities.



## **5. INDUSTRY OVERVIEW AND PROSPECTS**

### **5.1 Overview and outlook of the Malaysian economy**

#### **GDP growth turned positive in second quarter 2021**

The Malaysian economy expanded by 16.1% in the second quarter of 2021 (1Q 2021: -0.5%). Growth was supported mainly by the improvement in domestic demand and continued robust exports performance. The strong growth also reflected continued policy support and the low base from the significant decline in activity during the second quarter of 2020. Economic activity picked up at the start of the second quarter but slowed following the re-imposition of stricter nationwide containment measures, particularly under Phase 1 of the Full Movement Control Order (**FMCO**). For the second quarter as a whole, all economic sectors registered an improvement, particularly the manufacturing sector. On the expenditure side, growth was driven by higher private sector spending and strong trade activity. On a quarter-on-quarter seasonally-adjusted basis, the economy registered a decline of 2.0% (1Q 2021: 2.7%), due to the containment measures.

#### **Growth in most economic sectors improved**

On the sectoral front, double-digit growth was recorded across most economic sectors in the second quarter of 2021. The services sector expanded by 13.4% (1Q 2020: -2.3%). Growth was supported by a nascent recovery in consumer-related activities in April and May 2021. This was, however, partially reversed by the re-imposition of restrictions on non-essential retail activities, dine-ins and inter-district and inter-state travel. Meanwhile, the information and communication subsector continued to benefit from rising demand for e-commerce and e-payment activity, as well as remote working and learning arrangements. Additionally, strong double-digit growth was recorded in the finance and insurance subsector, attributed to higher fee income, sustained loan and deposit growth, and higher net insurance premiums less claims.

Growth in the manufacturing sector expanded by 26.6% (1Q 21: 6.6%). On a seasonally adjusted, quarter-on-quarter basis however, manufacturing growth declined by 1.5%. This was a result of the imposition of MCO 3.0 which impacted demand domestically for products in the consumer- and construction-related clusters. Demand conditions for export-oriented industry remained resilient amid the continued global tech upcycle and recovery in global growth. Manufacturing growth was further impacted by the FMCO Phase 1, which limited operations to only essential sectors and those in the global value chain.

#### **Higher domestic demand and robust external demand**

Domestic demand turned around to register a positive growth of 12.3% (1Q 2021: -1.0%) in the second quarter of 2021, mainly supported by private sector expenditure. On the external front, demand for Malaysia's exports, particularly for electrical and electronics (**E&E**) products, continued to remain robust.

Private consumption growth increased by 11.6% during the quarter (1Q 2021: -1.5%), following a broad-based expansion across both necessity and discretionary items, particularly at the start of the quarter, prior to the imposition of FMCO. This was due mainly to less stringent containment measures and mobility restrictions in the first half of the quarter. Labour market conditions also showed signs of improvement in the same period, which lent support to household spending. Furthermore, various policy measures, including the EPF i-Sinar withdrawals and Bantuan Prihatin Rakyat, provided additional lift to consumer expenditure.

Public consumption expanded by 9.0% (1Q 2021: 5.9%), mainly on account of higher spending on supplies and services.

### **Labour market recovery was affected by FMCO**

In the labour market, improvements in conditions in the first half of the quarter was affected by the imposition of FMCO in June. For the second quarter as a whole, the unemployment rate remained elevated at 4.8% (1Q 2021: 4.8%). This reflected a net employment decline of 29 thousand persons relative to the previous quarter (1Q 2021: +75 thousand persons), amid a smaller labour force (-36 thousand persons; 1Q 2021: +86 thousand persons).

The Employment Insurance System (**EIS**) recorded lower jobless claims (14,311 persons; 1Q 2021: 20,418), amid a higher placement rate of employees into new jobs (40 per 100 people retrenched; 1Q 2021: 33)\*, reflecting lower retrenchments and improvement in hiring activity in April and May. Nevertheless, there was a deterioration in both retrenchments and hiring activity in June.

Private sector wages grew by 2.4% (1Q 2021: -2.2%), attributable mainly to the relatively low base in the second quarter of 2020. In the services sector, wages increased by 0.4% (1Q 2021: -3.1%), driven by improvements in the transportation and storage and wholesale and retail trade subsectors. In the manufacturing sector, wage growth was also higher at 6.0% (1Q 2021: -0.6%), due to broad-based improvements in wages of both the export-oriented<sup>^</sup> and domestic-oriented sub-sectors. Nevertheless, on a quarter-on-quarter basis, private sector wages declined by 2.2%, reflecting the impact of operating and labour capacity restrictions.

\* *Job losses and retrenchments are proxied by the number of people who apply for the EIS benefits (jobless claims) following loss of employment, while the placement rate refers to the number of people placed in new jobs under the EIS programme for every 100 persons retrenched. Thus, the placement rate is indicative of the pace of hiring, relative to retrenchment activity. EIS data does not include non-standard workers, who may be more significantly affected by the movement restrictions.*

<sup>^</sup> *Export-oriented manufacturing subsectors include E&E, petroleum, chemical, rubber and plastic, wood products, furniture, paper products and printing, and textiles, wearing apparel, leather and footwear. Domestic-oriented manufacturing subsectors include food, beverages and tobacco, non-metallic mineral products, basic metal and fabricated metal products; and transport equipment and other manufacturers.*

### **The pace of recovery of the Malaysian economy dampened by resurgence of COVID-19 cases**

The Malaysian economy was on track for a broad recovery in 2021 as compared to last year. However, the resurgence of COVID-19 cases has necessitated the re-imposition of nationwide containment measures, which would weigh on growth. Nevertheless, the impact will be partially mitigated by continued allowances for essential economic sectors to operate, higher adaptability to remote work, as well as increased automation and digitalisation. Growth will continue to be supported by policy measures, which will provide cash flow support, particularly for affected households and businesses. Going forward, the economic recovery will be underpinned by higher external demand and gradual improvement in domestic demand. The rapid progress of the nationwide vaccination programme will allow economic sectors to be gradually reopened and provide some lift to household and business sentiments.

Against this backdrop, for 2021, the Malaysian economy is projected to expand within the range of 3.0 - 4.0%, although the pace of recovery will be uneven across sectors. The recovery is expected to accelerate going into 2022, supported by normalisation of economic activities as well as the positive spillovers from continued improvement in external demand.

The balance of risks remains tilted to the downside, arising mainly from pandemic-related factors, such as delay in the easing of containment measures or imposition of tighter containment measures, and a weaker-than-expected global growth recovery.

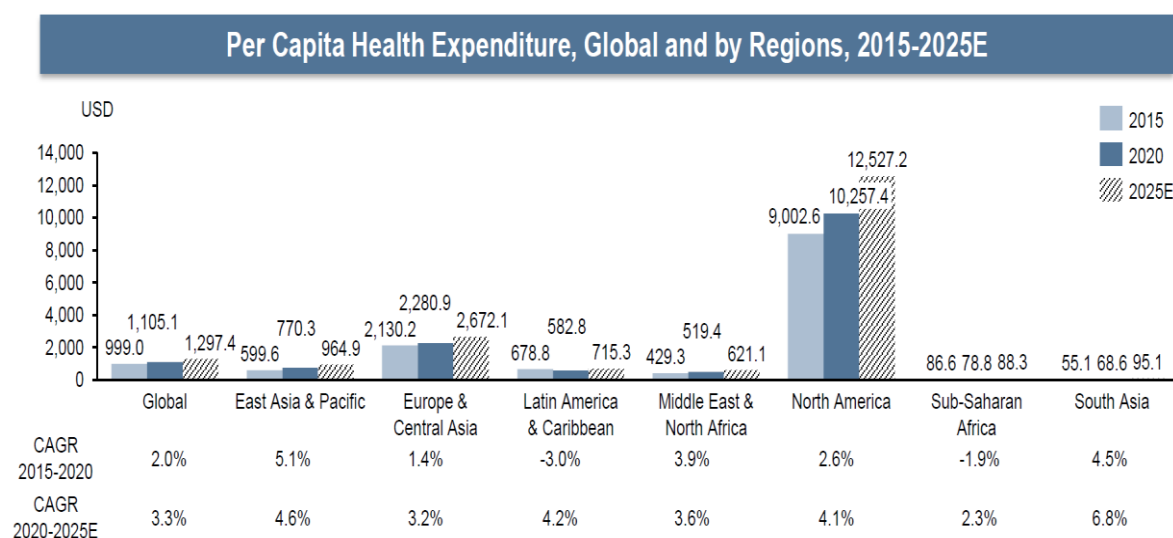
*(Source: BNM Quarterly Bulletin Vol. 36 No. 2, Second Quarter 2021)*

## 5.2 Overview and outlook of the global market for glove

Since late 2019, the COVID-19 pandemic has had an unprecedented impact on global health. As of October 2021, more than 240 million people have been infected, and more than 4.9 million deaths due to COVID-19 have been recorded, globally. According to the Frost & Sullivan, the ongoing COVID-19 pandemic has created greater health and hygiene awareness across the world, and has shifted the focus of health expenditure in most countries to combating this public health emergency.

According to Frost & Sullivan, global health expenditure has experienced accelerated growth in recent years, given the growing population in developing countries and the growing ageing population in developed countries. The increase in health expenditure can also be attributed to increasing household disposable income, a greater involvement of the private sector, and the development of national health insurance schemes. In 2020, global per capita health expenditure reached USD1,105.1, representing a Compound Annual Growth Rate (“CAGR”) of 2.0% from USD999.0 in 2015. The global sales value of Personal Protective Equipment (“PPE”) reached USD81.5 billion in 2020, representing a CAGR of approximately 22.9% from USD29.0 billion in 2015.

The following chart illustrates per capita health expenditure globally and by region from 2015 to 2025:



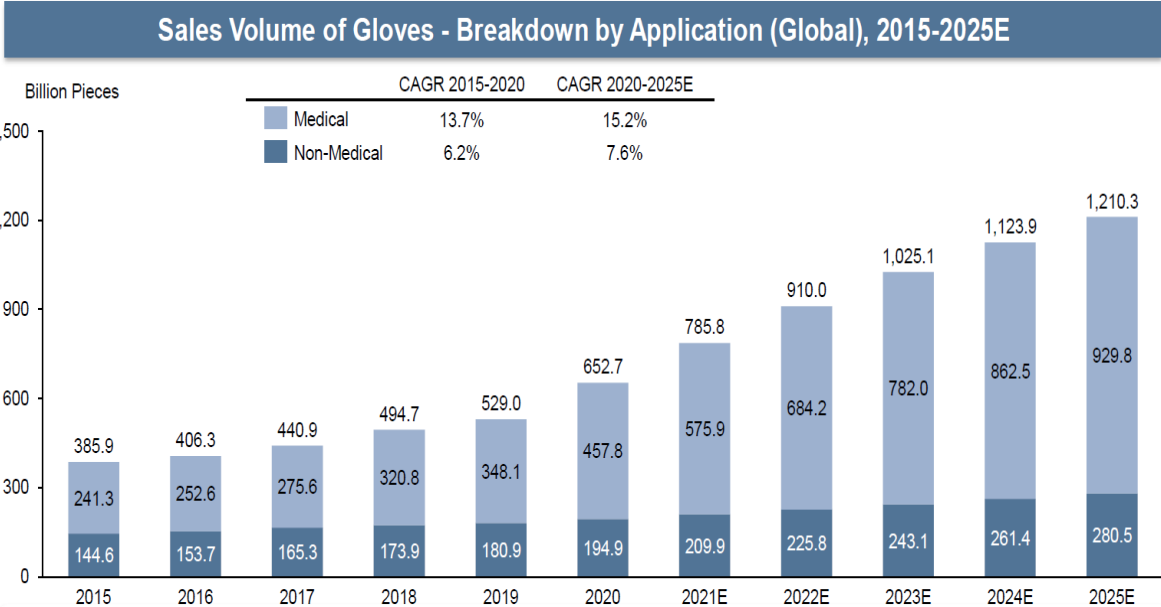
(Source: Frost & Sullivan Report)

Gloves are protective equipment used for medical applications, including surgical and general purpose examination uses, and in various other fields such as food handling, household and industrial uses. Gloves can be generally divided into two categories - rubber gloves and plastic gloves - and are made from a variety of materials, with rubber gloves being made of nitrile latex and natural rubber latex and plastic gloves being made of vinyl and other materials such as polyethylene. Natural rubber latex gloves have high tensile strength, durability and flexibility, and are used widely in developed and developing markets. Nitrile latex is the most common alternative to natural rubber latex, due to its greater strength, high resistance to oil and acids, and suitability for use by persons with skin allergies. Nitrile latex gloves are used widely in developed countries, especially for medical applications. Vinyl gloves are the most common plastic gloves in use and are popular in developing markets due to their price advantage. According to Frost & Sullivan, it is expected that there will be a growing shift of demand from natural rubber latex and vinyl gloves to nitrile latex gloves in developing markets, as those markets gain a better understanding of the advantages of nitrile latex gloves and become willing to pay the higher price. Several leading glove companies have adjusted their product portfolios to capture this growth opportunity.

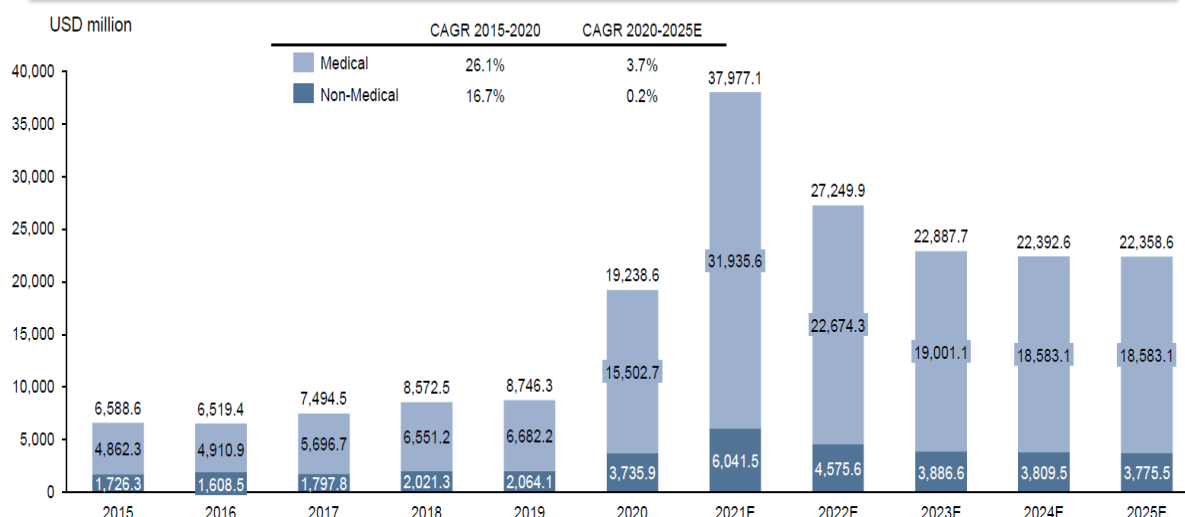
According to Frost & Sullivan, the global glove market is mainly fuelled by the demand for medical gloves worldwide. Gloves for medical use include examination gloves, which are used in non-surgical medical procedures and medical examinations, and surgical gloves, which are used in surgical procedures that require sterile conditions. Gloves for non-medical use can be used for household, gardening, janitorial, food handling, industrial, laboratory and other purposes. Demand for gloves has accelerated with the worldwide spread of the COVID-19 pandemic, which has resulted in unprecedented growth in global demand for personal protective equipment. Coupled with factors such as increasing hygiene awareness, heightened safety standards for workers in various countries and a growing global economy, it is expected that the global demand for gloves will be sustained at high levels in the near to medium term.

**By glove application**

The sales volume and revenue of medical gloves increased from 241.3 billion pieces and USD4,862.3 million in 2015 to 457.8 billion pieces and USD15,502.7 million in 2020, representing CAGRs of 13.7% and 26.1%. On the other hand, the sales volume and revenues of non-medical gloves increased from 144.6 billion pieces and USD1,726.3 million in 2015 to 194.9 billion pieces and USD3,735.9 million in 2020, representing CAGRs of 6.2% and 16.7%. The following charts illustrate the growth in sales volume and revenue of medical and non-medical gloves for the periods indicated:



## Sales Revenue of Gloves - Breakdown by Application (Global), 2015-2025E

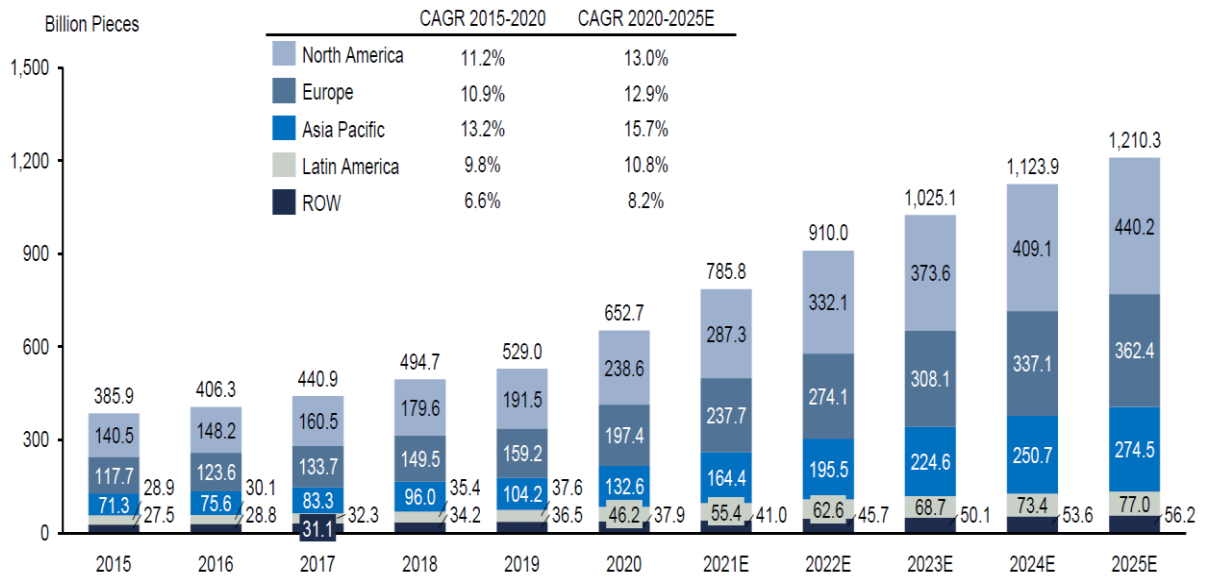


Going forward, according to Frost & Sullivan, due to the COVID-19 pandemic and increasing incidence of chronic communicable diseases and general hygiene, the demand for medical gloves rose sharply in 2020. Driven by the increase of raw materials and the substantial demand for gloves, it is estimated that the price of medical gloves will peak in 2021 and then gradually fall back. It is expected that the sales volume and revenue of medical gloves will reach 929.8 billion pieces and USD18,583.1 million by 2025, representing CAGRs of 15.2% and 3.7%, from 2020 to 2025. In contrast, the sales volume and revenue of non-medical gloves will grow at a lower rate, at CAGRs of 7.6% and 0.2%, from 2020 to 2025.

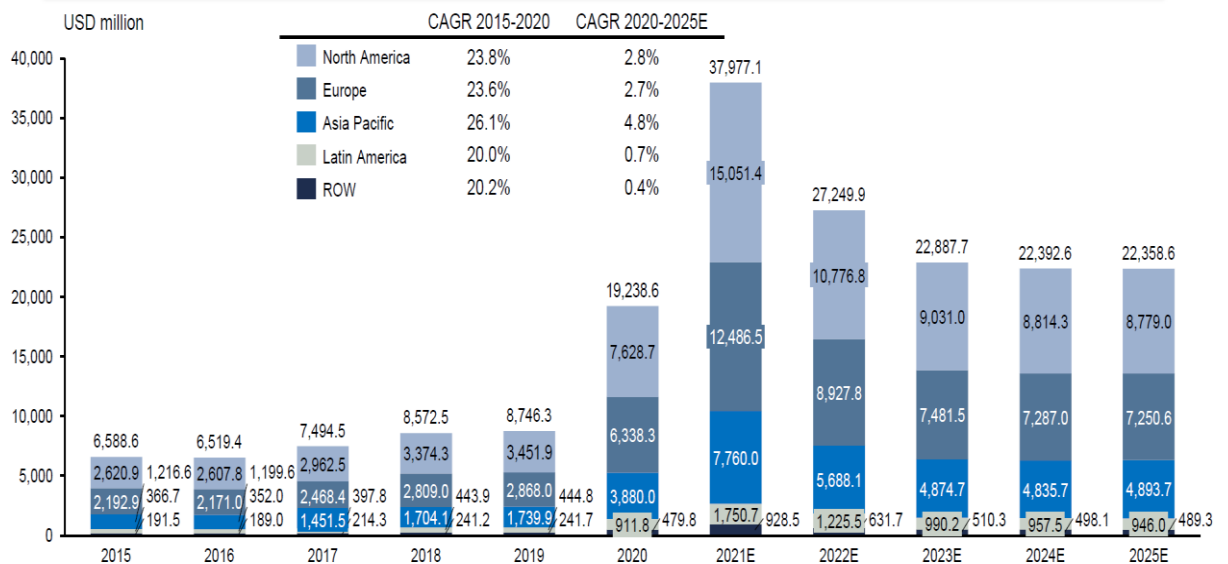
### By region

As illustrated in the charts below, the sales volume and revenue of gloves in the Asia-Pacific region increased from 71.3 billion pieces and USD1,216.6 million in 2015 to 132.6 billion pieces and USD3,880.0 million in 2020, representing CAGRs of 13.2% and 26.1%, respectively. Sales volume of gloves in North America, Europe, Latin America and the rest of the world registered lower CAGRs of 11.2%, 10.9%, 9.8% and 6.6%. Similarly, sales revenues of gloves in North America, Europe, Latin America and the rest of the world registered lower CAGRs of 23.8%, 23.6%, 20.0% and 20.2%.

## Sales Volume of Gloves - Breakdown by Region (Global), 2015-2025E



## Sales Revenue of Gloves - Breakdown by Region (Global), 2015-2025E



(Source: Frost & Sullivan Report)

Going forward, according to Frost & Sullivan, the Asia-Pacific region is expected to become the fastest-growing glove consumption market globally, with sales volume and revenue of gloves increasing at estimated CAGRs of 15.7% and 4.8%, respectively, from 2020 to 2025. The Asia-Pacific region is expected to account for 22.7% of global sales volume and 21.9% of global sales revenue of gloves by 2025. In contrast, for North America, Europe, Latin America and the rest of the world, the sales volume of gloves is expected to increase at CAGRs of 13.0%, 12.9%, 10.8% and 8.2%, while the sales revenue of gloves is expected to increase at CAGRs of 2.8%, 2.7%, 0.7% and 0.4%, during the same period.

According to Frost & Sullivan, the surging global market demand for rubber gloves due to the COVID-19 pandemic since late 2019 is expected to boost the global production volume and production capacity of rubber gloves in 2021 and beyond. It is estimated by Frost & Sullivan that the additional production capacities for rubber gloves will be available on a staggered basis from mid-2021. As such, a shortage in the global supply of rubber gloves is expected to continue in

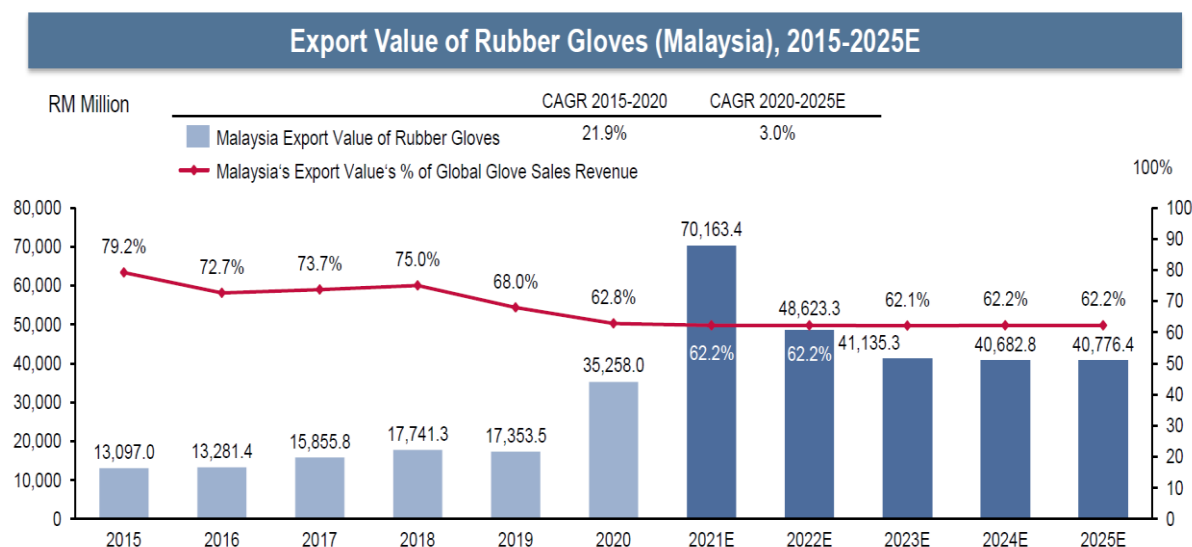


2021. Moreover, according to Frost & Sullivan, increased global awareness of hygiene will underpin the global demand for rubber gloves in the near to medium term, with global rubber glove production volume expected to reach 690.6 billion pieces by 2025, representing a CAGR of 14.0% from 2020 to 2025.

(Source: Frost & Sullivan Report)

### 5.3 Overview of the Malaysian rubber glove manufacturing industry

According to Frost & Sullivan, Malaysia is the world's largest rubber gloves producing country and exporter of gloves, accounting for more than 60% of the global glove market in 2020, with Thailand, China, Vietnam and Indonesia as other major producers. The following chart illustrates the export value of rubber gloves from Malaysia for the periods indicated:



(Source: Frost & Sullivan Report)

From 2015 to 2020, the export value of rubber gloves from Malaysia recorded an overall steady growth at a CAGR of 21.9%. The decrease in export value from RM17,741.3 million in 2018 to RM17,353.5 million in 2019 was mainly due to rising costs and heightened competition in the rubber glove industry, even as shipments increased to approximately 170 billion pieces. According to Frost & Sullivan, the export value of rubber gloves from Malaysia will experience a continuous growth with an expected CAGR of 3.0% from 2020 to 2025, given the expanding production capacity and increasing production volume of rubber gloves locally. The growth of export value of rubber gloves from Malaysia is attributable to strong government support, Malaysia's geographical advantage in terms of access to natural rubber and nitrile butadiene rubber latex, a suitable climate for rubber plantations and rubber product manufacturing, and relatively low labour costs. It is expected that Malaysia's export value will account for nearly 62.2% of the total sales revenue of the global rubber glove market by 2025.

In Malaysia, there are between 50 and 60 glove manufacturers which manufacture and export their products to markets around the world. Many of these manufacturers have taken advantage of the demand trends discussed above by developing large scale glove production capacity in recent years.

The Malaysian government has created a conducive policy environment for the glove industry through the introduction of favourable government policies and structured legislation. According to Frost & Sullivan, the Malaysian Rubber Board (Licensing and Permit) Regulations 2014 set out the requirements, procedures and guidelines for the purchase, storage, sale and export of rubber and rubber products in Malaysia. These regulations introduced a structure and oversight for businesses producing rubber, which is a major raw material of rubber gloves. In addition, the

Malaysian glove industry is expected to benefit from the Malaysian National Policy on Industry 4.0.

Effective since 2018, Industry 4.0 places an emphasis on automation and digitisation and is expected to bring in opportunities to transform and upgrade the rubber glove manufacturing industry in Malaysia. Separately, glove manufacturers have established organisations to promote and support the development of the local glove industry, which include the Malaysian Rubber Glove Manufacturers Association, the Malaysian Rubber Board and the Malaysian Rubber Council. These organisations facilitate the exchange of information between Malaysian glove manufacturers which enable them to gain access to raw materials in a cost-effective manner. The Malaysian Rubber Board also gives technical support to glove manufacturers in relation to the manufacturing of rubber gloves. According to Frost & Sullivan, the support of the Malaysian government and industry associations is critical to the future growth of the glove industry in Malaysia.

#### **Improvement of technological capabilities**

According to Frost & Sullivan, the improvement in the production and operation techniques of Malaysian glove manufacturers can mostly be attributed to their significant R&D and capacity expansion investments. The advancement in glove production technology not only increases production speed and enhances the safety of production, but also lowers the production costs of gloves, rendering Malaysian glove manufacturers more competitive in the global market. According to Frost & Sullivan, the enhancement of technological capabilities by Malaysian glove manufacturers will allow them to maintain cost efficiency, while extending their product pipelines to respond to increasingly stringent market requirements.

#### **Industry consolidation**

Rubber glove manufacturing started in Malaysia in the late 1980s with over 250 manufacturers. Currently, there are less than 60 glove manufacturers across the country, with the industry experiencing an acceleration in mergers and acquisitions over the past three decades. According to Frost & Sullivan, mergers of glove manufacturers result in an improvement in operational efficiency and the realisation of economies of scale by having access to larger production and sales networks, higher bargaining power, cost savings and R&D capability. According to Frost & Sullivan, the consolidation among players in the Malaysian glove industry will continue in the foreseeable future.

#### **Labour costs**

According to Frost & Sullivan, labour costs is a key component of operating costs for Malaysian glove manufacturers. From 2015 to 2020, the average monthly salaries of workers engaged in the Malaysian rubber glove manufacturing industry increased by CAGRs of 8.0%.

The Malaysian glove industry is facing increasing challenges of labour shortage and the rising labour costs. According to Frost & Sullivan, it is expected that with the increase in automation and digitalisation of the production process of gloves, the dependence on manual labour will be gradually reduced, thereby saving labour costs and improving productivity.

*(Source: Frost & Sullivan Report)*

### **5.4 Prospects of our Group**

The COVID-19 pandemic has increased the demand for PPE, including gloves, to extraordinarily high levels. The demand for gloves spiked in early 2020, especially in the U.S. and Europe, which had experienced periods of significant escalation in COVID-19 cases in 2020, beginning in the first half of the year. High infection rates and stockpiling of PPE inventory throughout 2020 resulted in a shortage of gloves globally, with a consequent sharp increase in industry average selling prices.



While our revenue and profitability have increased to unprecedented levels during the COVID-19 pandemic, we believe that prices for our glove products peaked in early 2021 and normalisation in demand for gloves have started in 2<sup>nd</sup> half of 2021.

Enhanced Movement Control Order (“**EMCO**”) was imposed by the Malaysian Ministry of Health from 17 November 2020 to 14 December 2020 due to an outbreak of COVID-19 in our workers’ dormitories. The EMCO affected approximately 5,700 of our workers in Meru, Klang, Malaysia and led us to halt work in stages at 28 of our manufacturing facilities in Meru, Klang, Malaysia to conduct COVID-19 screening on our affected workforce. The closures resulted in a two to four week delay in the deliveries of our products, as well as a longer lead time for fulfilling purchase orders. The EMCO was lifted on 14 December 2020 and our factories re-opened in stages subsequently. In addition, another EMCO was imposed on Selangor and Kuala Lumpur, and lasted for two weeks from 3 July 2021 to 16 July 2021. The utilisation of our production facilities in FY2021 was adversely impacted by the EMCO.

Following the modification of the findings by the U. S. Customs and Border Protection (“**CBP**”), our operations in Malaysia are allowed to resume exporting and selling gloves to United States of America (“**US**”) effective 10 September 2021. This indicates that we have addressed all indicators of forced labour identified at our facilities in Malaysia. This positive development is expected to boost our sales to US, which accounts for approximately 18% of our Group’s total sales in the FYE 2021.

With the health and safety of our employees as the foremost priority, we had on 19 July 2021, participated in Program Imunisasi Industri COVID-19 Kerjasama Awam Swasta (**PIKAS**), a partnership between the public and private sector aimed at accelerating the immunisation of our employees. As at 8 November 2021, approximately 99% of our employees worldwide have been fully vaccinated or completed their second dose of the COVID-19 vaccine.

As global glove demand is estimated to grow steadily even with the availability of vaccines, from a pre-pandemic 10% per annum to 15% per annum post-pandemic, our Group will continue to expand via a combination of organic expansion, inorganic expansion and strategic investments. By 31 December 2025, we projected to have a total of 46 glove factories, 1,486 single former glove production lines and total glove production capacity of 201 billion gloves per annum.

Notwithstanding the accelerating vaccination rate, which has sped up the moderating glove demand and tapering of average selling prices, we remain upbeat on the glove industry’s prospects

## **6. RISK FACTORS IN RELATION TO THE PROPOSED DUAL PRIMARY LISTING**

Shareholders should carefully consider the risk factors before voting on the resolutions pertaining to the Proposed Issuance of New Shares and Proposed Constitution Amendments to be tabled at the forthcoming of our EGM.

### **6.1 Non-completion of the Proposed Dual Primary Listing**

The Proposed Dual Primary Listing is conditional upon the fulfilment of all required approvals as set out in **Section 9** of this Circular. There can be no assurance that such approvals and/or conditions imposed by relevant authorities will be obtained and/or satisfied or that the Proposed Dual Primary Listing will proceed.

In the event the Proposed Dual Primary Listing does not proceed, the expenses incurred pursuant to the Proposed Dual Primary Listing are not recoverable. However, the monies paid in respect of any application for the offer shares under the Global Offering (if any) will be returned in full without interest and we will continue to remain primary listed on the Main Market of Bursa Securities and secondary listed on SGX-ST.

Notwithstanding the above, we will take all reasonable steps to ensure the completion of the Proposed Dual Primary Listing.

**6.2 There are differences between the Malaysia, Singapore and Hong Kong stock markets, and undue reliance should not be placed on prior Bursa Securities or SGX-ST trading data**

Our Shares have been listed and traded on Bursa Securities since 2001 and on the SGX-ST since 2016. Following the Global Offering, it is our current intention that our Shares will continue to be traded on Bursa Securities and SGX-ST. Our Shares traded on the HKEX will be registered by our Hong Kong branch share registrar. As there is no direct trading or settlement between the stock markets of Malaysia, Singapore and Hong Kong, the time required to move Shares between the principal register of members in Malaysia and the branch register of members in Hong Kong could vary and there is no certainty when Shares being moved will be available for trading or settlement. Bursa Securities, SGX-ST and HKEX have different trading hours, trading characteristics (including trading volume and liquidity), trading and listing rules and investor bases (including different levels of retail and institutional participation). As a result, the trading price of our Shares on Bursa Securities, SGX-ST and HKEX might not be the same.

Further, fluctuation in the price of our Shares on Bursa Securities and SGX-ST could adversely affect the price of our Shares on HKEX and vice versa. Moreover, fluctuations in the exchange rate between RM, SGD and HKD can also adversely affect the trading prices of our Shares on Bursa Securities, SGX-ST and HKEX. Due to the different characteristics of the stock markets of Malaysia, Singapore and Hong Kong, the historical prices of our Shares on Bursa Securities and SGX-ST might not be indicative of the performance of our Shares on HKEX after the Global Offering. You should therefore not place undue reliance on the prior Bursa Securities or SGX-ST trading information for indication of the performance of our Shares on HKEX after the Global Offering.

**6.3 We will be concurrently subject to Hong Kong, Bursa Securities and SGX-ST listing and regulatory requirement**

As we are primary listed on Bursa Securities and secondary listed on SGX-ST and will be primary listed on the HKEX, we will be required to comply with the applicable listing rules (where applicable) and other regulatory regimes of all of these jurisdictions, including disclosure requirements, unless otherwise agreed by the relevant regulators. We have internal audit and risk departments to ensure compliance with Bursa Securities and SGX-ST listing rules and may retain an advisor to assist us in our compliance with the Hong Kong listing rules. As we will be required to comply with all the listing rules applicable to our primary listings on Bursa Securities and HKEX and certain listing rules applicable to our secondary listing on SGX-ST, we may incur additional costs and resources in complying with the requirements of all of the three jurisdictions.

**6.4 The time lag in moving Shares between the Hong Kong and Malaysia or Singapore markets could be longer than expected, and our holders might not be able to settle or undertake any Share sales during this period**

There is no direct trading or settlement between HKEX and Bursa Securities or SGX-ST. To enable the movement of our Shares among the three stock exchanges, our shareholders are required to comply with specific procedures and bear the necessary costs. Under normal circumstances and assuming that there are no deviations from the usual cross-border share movement procedures, our shareholders can expect normal cross-border movement between the principal register of members in Malaysia and the branch register of members in Hong Kong, and vice versa, to complete within eight business days, and up to ten business days to deposit into or withdraw Shares from CCASS. Please refer to **Appendix I** of the Circular for the Listing, Registration, Dealings and Settlement. However, we cannot assure you that the transfer of our Shares will be completed in accordance with this timeline. There could be unforeseen market circumstances or other factors that could delay the movement, thereby preventing our shareholders from settling or effecting the sale of their Shares.

## 6.5 We are subject to the takeover rules in Malaysia and Hong Kong, and there are differences in the requirements of these rules

As a company incorporated in Malaysia with a primary listing on Bursa Securities, we are subject to the Malaysian Code on Take-Overs and Mergers 2016 and the Malaysian Rules on Take-Overs, Mergers and Compulsory Acquisitions (“**Malaysian Take-Overs Code**”). Upon the completion of the Proposed Dual Primary Listing, we are also subject to the Code on Takeovers and Mergers of Hong Kong (“**Hong Kong Takeovers Code**”). As we are incorporated outside Singapore and do not maintain a primary listing on SGX-ST, we are not subject to the provisions of the Singapore Take-over Code.

There are differences between the requirements under the Malaysian Take-Overs Code and the Hong Kong Takeovers Code, including, for example, the mandatory general offer threshold being 33% under the Malaysian Take-Overs Code and 30% under the Hong Kong Takeovers Code. Unless the SC disapplies the relevant provisions of the Malaysian Take-Overs Code or the SFC grants a waiver from strict compliance with the relevant provisions of the Hong Kong Takeovers Code, our shareholders will need to comply with the stricter of the requirements under both codes. Any dispensation under the Malaysian Take-Overs Code or the Hong Kong Takeovers Code will be granted only in exceptional cases and there is no assurance that any such dispensation will be granted.

## 7. EFFECTS OF THE PROPOSALS

The Proposed Dual Primary Listing, being the proposed dual primary listing of and quotation for the entire issued Shares on the Main Board of HKEX, and Proposed Constitution Amendments will not have any effect on our issued share capital, NA and gearing, substantial shareholders’ shareholdings, earnings and EPS.

For illustration purposes, the pro forma effects of the Proposed Issuance of New Shares are prepared based on the following assumptions:

- (i) an issuance of up to 793,500,000 new Top Glove Shares pursuant to the Global Offering, assuming the Over-allotment Option is exercised in full;
- (ii) an amount of up to HKD4.24 billion (equivalent of approximately up to RM2.27 billion) will be raised from the Global Offering, assuming the Over-allotment Option is exercised in full; and
- (iii) the outstanding 89,822,000 ESOS Options as at the LPD are not exercised into new Top Glove Shares.

This illustration does not represent the actual number of new Top Glove Shares and the actual amount to be raised from the Global Offering.

### 7.1 Issued share capital

For illustrative purposes, the pro forma effects of the Proposed Issuance of New Shares on our issued share capital are as follows:

	<b>No. of Top Glove Shares (million)</b>	<b>RM’million</b>
Existing issued share capital as at the LPD (including Treasury Shares)	8,207.01	1,842.01
New Top Glove Shares to be issued pursuant to the Proposed Issuance of New Shares	793.50	2,247.26
<b>Enlarged issued share capital after the Proposed Issuance of New Shares</b>	<b><u>9,000.51</u></b>	<b><u>4,089.27</u></b>

## 7.2 NA, NA per Top Glove Share and gearing

The pro forma effects of the Proposed Issuance of New Shares on the NA, NA per Top Glove Share and gearing of our Group based on our latest audited consolidated statement of financial position as at 31 August 2021 are as follows:

	Audited as at 31 August 2021	(1)After the Proposed Issuance of New Shares
	RM'million	RM'million
Share capital	1,841.65	(2)4,088.91
Treasury Shares	(1,413.27)	(1,413.27)
Other reserves	101.66	101.66
Retained earnings	5,342.36	(2)5,307.85
<b>NA attributable to the owners of our Company</b>	<b>5,872.40</b>	<b>8,085.15</b>
Perpetual Sukuk	1,295.26	1,295.26
Non-controlling interest	52.50	52.50
<b>NA</b>	<b>7,220.16</b>	<b>9,432.91</b>
Number of Top Glove Shares in issue (including Treasury Shares) ('million)	8,206.86	9,000.36
Number of Treasury Shares ('million)	199.91	199.91
Number of Top Glove Shares in issue (excluding Treasury Shares) ('million)	8,006.95	8,800.45
NA per Top Glove Share (RM) <sup>(3)</sup>	0.73	0.92
Total borrowings	458.71	458.71
Total cash and bank balances	878.45	3,091.20
Gearing (times) <sup>(4)</sup>	0.08	0.06
Net gearing (times) <sup>(5)</sup>	(0.07)	(0.33)

### Notes:

(1) The proforma effects on our NA and gearing of the Proposed Issuance of New Shares have not taken into consideration the following completed events:

- (i) the payment of final dividend of approximately RM432.45 million on 15 October 2021; and
- (ii) the exercise of approximately 147,000 ESOS Options into approximately 147,000 new Top Glove Shares from 1 September 2021 up to the LPD.

After taking into consideration the above completed events and the Proposed Issuance of New Shares:

- (i) the NA attributable to the owners of our Company would be approximately RM7.65 billion while the NA of our Group would be approximately RM9.00 billion;
- (ii) the NA per Share attributable to the owners of our Company would be RM0.87; and
- (iii) the gearing of our Group would be 0.06 times and our Group will remain in a net cash position.

The outstanding 89,822,000 ESOS options was not assumed to be exercised into new Top Glove Shares in the compilation of the pro forma effects of the NA and gearing as the exercise of these outstanding ESOS Options will not have a material effect on the NA per Share and gearing of our Group, which is negligible. In addition, the number of new Top

Glove Shares to be issued pursuant to the Proposed Issue of New Shares is not dependent on the outstanding number of ESOS Options that may be exercised.

- (2) After taking into consideration the total estimated listing expenses of approximately RM56.65 million, of which approximately RM22.15 million will be offset against the share capital as these estimated expenses are directly attributable to the offering and issuance of new Shares, while approximately RM34.50 million will be expensed to the profit and loss account.
- (3) Calculated based on the NA attributable to the owners of our Company divided by the total number of Top Glove Shares in issue (excluding Treasury Shares).
- (4) Calculated based on the total borrowings divided by NA attributable to the owners of our Company.
- (5) Calculated based on the total borrowings less total cash and bank balances divided by NA attributable to the owners of our Company.

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### 7.3 Substantial shareholders' shareholdings

The pro forma effects of the Proposed Issuance of New Shares on the shareholdings of our substantial shareholders are as follows:

Substantial shareholders	As at the LPD			After the Proposed Issuance of New Shares				
	Direct	Indirect		Direct	Indirect			
	No. of Shares (million)	(1)%	No. of Shares (million)	(1)%	No. of Shares (million)	(6)%		
Tan Sri Dr. Lim Wee Chai	2,159.03	26.96	(2)680.19	8.49	2,159.03	24.53	(2)680.19	7.73
Puan Sri Tong Siew Bee	22.56	0.28	(3)2,816.66	35.18	22.56	0.26	(3)2,816.66	32.01
Lim Hooi Sin	100.06	1.25	(4)2,738.96	34.21	100.06	1.14	(4)2,738.96	31.12
Lim Jin Feng	(5)-	(5)-	(4)2,738.96	34.21	(5)-	(5)-	(4)2,738.96	31.12
Firstway United Corp	554.97	6.93	-	-	554.97	6.31	-	-
Employees Provident Fund Board	498.82	6.23	-	-	498.82	5.67	-	-

#### Notes:

- (1) Calculated based on the issued Top Glove Shares of 8,007,097,234 excluding 199,913,800 Treasury Shares as at the LPD.
- (2) Deemed interested through the direct interests 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 our Company.
- (3) Deemed interested through the direct interests 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 our Company.
- (4) Deemed interested through the direct interests 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 our Company.
- (5) Negligible. Represents 200,000 Top Glove Shares.
- (6) Calculated based on the enlarged issued Top Glove Shares of 8,800,597,234 excluding 199,913,800 Treasury Shares as at the LPD, after the Proposed Issuance of New Top Glove Shares (assuming the Over-allotment Options is exercised in full).

#### 7.4 Earnings and EPS

The Proposed Issuance of New Shares is not expected to have any material effect on the earnings of our Group for the FYE 31 August 2022.

However, our Group's EPS will be proportionately diluted as a result of the increase in the number of Top Glove Shares in issue pursuant to the Proposed Issuance of New Shares. Notwithstanding this, based on the issuance of up to 793,500,000 new Top Glove Shares (which include an additional 103,500,000 new Top Glove Shares which may be issued under the over-allotment option, if exercised in full), this represents approximately 9.02% of the enlarged Top Glove Shares after the Proposed Issuance of New Shares.

The Proposed Issuance of New Shares may contribute positively to the earnings and EPS of our Group in the future through the use of proceeds as set out in **Section 4** of this Circular. We believe that our continuous expansion plan will further improve our earnings in the longer term and compensate for the short term dilution in the EPS in which we believe may be mitigated with better profits.

#### 7.5 Convertible securities

As at the LPD, save for the 89,822,000 outstanding ESOS Options, we do not have any other convertible securities.

### 8. HISTORICAL SHARE PRICES

The monthly high and low market prices of Top Glove Shares traded on the Main Market of Bursa Securities for the past 12 months preceding the date of this Circular are as follows:

	<u>High</u>	<u>Low</u>
	RM	RM
<b><u>2020</u></b>		
November	8.69	6.15
December	7.20	6.00
<b><u>2021</u></b>		
January	7.12	5.23
February	7.07	5.13
March	5.52	4.45
April	6.06	4.52
May	5.71	5.01
June	5.19	4.17
July	4.22	3.64
August	4.00	3.67
September	4.00	2.61
October	2.89	2.58
The last transacted market price of Top Glove Shares on 25 February 2021 (being the last trading day prior to the announcement of the Proposals on 26 February 2021)		RM5.30
The last transacted market price of Top Glove Shares as at the LPD		RM2.86

*(Source: Bloomberg)*



## 9. APPROVALS REQUIRED

The Proposals are conditional upon approvals being obtained from the following:

- (i) Bursa Securities, for the following:
  - (a) waivers from complying with Paragraphs 6.09, 6.12 and 6.13 of the Listing Requirements and variation of Paragraph 6.15 of the Listing Requirements (which was obtained on 26 January 2021); and
  - (b) listing of and quotation for up to 793,500,000 new Top Glove Shares (including up to 103,500,000 new Top Glove Shares which may be issued under the Over-allotment Option, if exercised in full) pursuant to the Proposed Issuance of New Shares in conjunction with the Global Offering;

The approval from Bursa Securities for the above was obtained vide its letter dated 10 November 2021, subject to the following conditions:

<b>No.</b>	<b>Conditions</b>	<b>Status of compliance</b>
1.	Top Glove and HLIB must fully comply with the relevant provisions under the Listing Requirements pertaining to the implementation of the Proposed Issuance of New Shares;	To be complied.
2.	Top Glove and HLIB are required to inform Bursa Securities upon the completion of the Proposed Issuance of New Shares;	To be complied.
3.	HLIB is required to furnish Bursa Securities with a certified true copy of the resolutions passed by the shareholders approving the Proposed Issuance of New Shares and Proposed Constitution Amendments prior to the listing and quotation of the new Top Glove Shares;	To be complied.
4.	HLIB is required to furnish Bursa Securities with all outstanding approval letters from the relevant authorities together with a confirmation letter confirming all approvals from the relevant authorities have been obtained, prior to the listing and quotation of the new Top Glove Shares; and	To be complied.
5.	HLIB is required to furnish Bursa Securities with a written confirmation of its compliance with the terms and conditions of Bursa Securities' approval once the Proposed Issuance of New Shares is completed.	To be complied.

- (ii) HKEX, for the acceptance of Malaysia as an acceptable jurisdiction of incorporation for companies to be eligible for listing in Hong Kong (which was re-submitted on 28 October 2021);
- (iii) HKEX, for the listing of, and permission to deal in, the entire issued Top Glove Shares on the Main Board of HKEX and certain waivers from strict compliance with HKEX Main Board Listing Rules;
- (iv) SFC on certain waivers pursuant to the Companies (Winding Up and Miscellaneous Provisions) Ordinance (which was re-submitted on 28 October 2021) in relation to (a) the appointment of an accountant not qualified under the Professional Accountants Ordinance (Chapter 50 of the Laws of Hong Kong) as our Company's reporting accountants to prepare an accountants' report in the prospectus and (b) disclosure in the prospectus of certain details of ESOS Options;
- (v) HKSCC, for acceptance of Top Glove Shares as eligible securities for deposit, clearance and settlement in the Central Clearing and Settlement System (which was re-submitted on 28 October 2021);



- (vi) our shareholders, for the Proposed Issuance of New Shares and the Proposed Constitution Amendments at our forthcoming EGM and there is no requirement to obtain shareholders' approval for the Proposed Dual Primary Listing; and
- (vii) other relevant authorities and/or parties, if required.

On 26 February 2021, China International Capital Corporation Hong Kong Securities Limited, on behalf of our Company, submitted the application Form A1 (Listing Application Form) to HKEX together with the application proof of the prospectus and supporting documents for the Global Offering.

On 26 August 2021, we announced that the application for the proposed listing of Top Glove on HKEX had lapsed on even date.

Thereafter, on 28 October 2021, China International Capital Corporation Hong Kong Securities Limited, on behalf of our Company, re-submitted the application Form A1 (Listing Application Form) to HKEX together with the application proof of the prospectus and supporting documents for the Global Offering, including the application to HKEX for the acceptance of Malaysia as an acceptable jurisdiction of incorporation for companies to be eligible for listing in Hong Kong, the draft application to SFC for certain exemptions pursuant to the Companies (Winding Up and Miscellaneous Provisions) Ordinance and the application to HKSCC for acceptance of Top Glove Shares as eligible securities for deposit, clearance and settlement in the Central Clearing and Settlement System.

For information purposes, under the Foreign Exchange Notices ("FEN") issued by BNM, our Company, being a resident company in Malaysia, is allowed to issue a security denominated in foreign currency to any person pursuant to Paragraph 1, Part A, Notice 5 of the FEN. Hence, the approval from BNM is not required for the Proposed Issuance of New Shares.

Should our shareholders wish to transfer their Shares from Bursa Depository to HKEX for trading on the Main Board of HKEX, our shareholders, who are Malaysian residents, are subject to the FEN rules in relation to their investments in foreign currency assets and accordingly, our shareholders may be required to seek prior approval from BNM.

As at 12 November 2021, the approval from HKEX, SFC and HKSCC have not been obtained.

#### **10. INTERESTS OF DIRECTORS, MAJOR SHAREHOLDERS, CHIEF EXECUTIVE AND/OR PERSONS CONNECTED TO THEM**

None of our Directors, major shareholders, chief executive and/or any persons connected to them have any interest, direct and/or indirect, in the Proposals.

#### **11. DIRECTORS' STATEMENT AND RECOMMENDATION**

Our Board, after having considered all relevant aspects of the Proposals, including the rationale and benefits, the financial effects of the Proposals and the prospects of our Group, is of the opinion that the Proposals are fair, reasonable, not detrimental to the interest of our non-interested shareholders, and in the best interests of our Company.

Accordingly, our Board recommends that you vote in favour of the ordinary resolution in relation to the Proposed Issuance of New Shares and the special resolution in relation to the Proposed Constitution Amendments to be tabled at our forthcoming EGM.

## **12. CONDITIONALITY OF THE PROPOSED ISSUANCE OF NEW SHARES AND PROPOSED CONSTITUTION AMENDMENTS**

As at the LPD, save for the Proposals, there is no outstanding corporate exercise which has been announced but pending completion.

The Proposed Issuance of New Shares and the Proposed Constitution Amendments are inter-conditional upon each other.

The Proposed Issuance of New Shares and the Proposed Constitution Amendments are not conditional upon any other corporate exercise undertaken or to be undertaken by our Company.

## **13. ESTIMATED TIME FRAME FOR COMPLETION**

Barring any unforeseen circumstances and subject to all relevant approvals being obtained, the Proposals are expected to be completed by the first quarter of 2022.

## **14. EGM**

We will hold a virtual EGM, the notice of which is enclosed in this Circular, 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 Wednesday, 8 December 2021, at 10:30 a.m. for the purpose of considering and if thought fit, passing with or without modifications, the resolutions set out in the Notice of EGM.

If you are unable to participate and vote at the virtual EGM and wish to appoint a person to participate and vote in your stead, please complete and deposit the enclosed Proxy Form to the office of the Share Registrar, Securities Services (Holdings) Sdn Bhd, at Level 7, Menara Milenium, Jalan Damanlela, Pusat Bandar Damansara, Damansara Heights, 50490 Kuala Lumpur, Wilayah Persekutuan, Malaysia not later than 48 hours before the time set for the EGM or at any adjournment thereof. The Proxy Form should be completed strictly in accordance with the instructions contained therein. The Proxy Form may also be lodged electronically via Securities Services ePortal at <https://www.sshsb.net.my/>. Please refer to the Administrative Details on the conduct of a virtual EGM for further details.

## **15. FURTHER INFORMATION**

We request that you refer to the appendices set out in this Circular for further information.

Yours faithfully,  
For and on behalf of the Board of  
**TOP GLOVE CORPORATION BHD**

**DATO' LEE KIM MEOW**  
Managing Director

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**LISTING, REGISTRATION, DEALINGS AND SETTLEMENT**

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**LISTING**

Currently, our Company is primary listed on Bursa Securities and secondary listed on SGX-ST, and we intend to maintain both of these listing status. Upon successful listing on HKEX, we expect to have a dual primary listing status on Bursa Securities and HKEX as well as a secondary listing status on SGX-ST.

An application has been made to HKEX for the listing of, and permission to deal in, our Shares in issue and to be issued pursuant to the Global Offering, the exercise of the ESOS Options and the vesting of awards under the ESGP on the Main Board of HKEX.

**REGISTRATION**

Our principal register of members in Malaysia (“**Malaysia Share Register**”) holding Shares which are traded on Bursa Securities and SGX-ST is maintained by Securities Services (Holdings) Sdn Bhd at Level 7, Menara Milenium, Jalan Damanela, Pusat Bandar Damansara, Damansara Heights, 50490 Kuala Lumpur, Malaysia (“**Malaysian Share Registrar**”). We do not maintain a branch register of members in Singapore.

We will establish a branch register of members in Hong Kong (“**Hong Kong Share Register**”) to hold Shares to be traded on the HKEX which is maintained by Computershare Hong Kong Investor Services Limited at Shops 1712-1716, 17/F, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong (the “**Hong Kong Share Registrar**”).

**SHARE CERTIFICATES**

Only share certificates issued by the Hong Kong Share Registrar on our behalf in respect of our Shares which are registered on the Hong Kong Share Register will be valid for delivery in respect of dealings effected on HKEX. Our Shares that are traded on Bursa Securities and SGX-ST are on a scripless basis.

**DEALINGS****Dealings in Hong Kong**

Dealings in Shares on the HKEX will be conducted in HKD and are traded in board lots of 1,000 Shares.

For dealings in our Shares on HKEX, the transaction costs include a HKEX trading fee of 0.005% of the transaction value, a SFC transaction levy of 0.0027% of the transaction value, Financial Reporting Council of Hong Kong transaction levy of 0.00015% of the transaction value, a fixed Hong Kong stamp duty of HKD5.00 per transfer instrument and ad valorem Hong Kong stamp duty on both the buyer and the seller charged at the rate of 0.13% each of the transaction value or, if higher, the fair value of our Shares transferred. The brokerage commission in respect of trades of our Shares on HKEX is freely negotiable. No Malaysian stamp duty is payable for dealings in our Shares on HKEX on the basis that the instrument of transfer (if any) is executed in Hong Kong.

**Dealings in Malaysia**

Dealings in our Shares on Bursa Securities are conducted in RM and are traded in board lots of 100 Shares.

For dealings in our Shares on Bursa Securities, the transaction costs comprise brokers’ commission, stamp duty and clearing fees. The brokerage commission in respect of trades of our Shares on Bursa Securities is negotiable, subject to the minimum and/or maximum commission where applicable. The stamp duty is RM1.00 for every RM1,000.00 (or fractional part) of the transaction value of Shares on Bursa Securities for contract notes. The stamp duty shall be remitted to the maximum of RM200.00 (i.e. the stamp duty is capped at RM200.00) for all instruments of contract notes relating to the sale of any shares, stock or marketable securities which are listed on Bursa Securities. The clearing fee is 0.03% of the transaction value with a maximum of RM1,000.00 per contract. The brokers’ commission is subject to sales and services tax in Malaysia (currently at 6.0%).

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**LISTING, REGISTRATION, DEALINGS AND SETTLEMENT (CONT'D)**

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**Dealings in Singapore**

Dealings in our Shares on SGX-ST are conducted in SGD and are traded in board lots of 100 Shares. Dealings in our Shares on SGX-ST will be effected for settlement in the CDP on a scripless basis.

For dealings in our Shares on SGX-ST, the transaction costs comprise a clearing fee of 0.0325% of the transaction value and a trading fee of 0.0075% of the transaction value. The clearing fee and the trading fee may be subject to goods and services (“**GST**”) tax in Singapore (currently at 7.0%). The brokerage commission in respect of trades of our Shares on SGX-ST is freely negotiable. No Singapore stamp duty is currently payable for dealings in our Shares on SGX-ST that are settled on a book-entry basis.

Dealings in our Shares on SGX-ST should be conducted with member companies of SGX-ST by investors who hold direct securities accounts with CDP or a sub-account with a CDP depository agent. Investors whose Shares are not held through CDP and who wish to trade their Shares on SGX-ST must first arrange to transfer their Shares into their own Singapore securities account maintained with CDP. Such Singapore securities account can be held by the investor either directly with CDP or indirectly through CDP depository agents in Singapore.

Dealings in, and transactions of, our Shares on SGX-ST will be due for settlement on the second market day following the date of transaction (T+2 or “**Settlement Date**”). Top Glove CDP depositors should ensure that there are sufficient Shares in their direct securities account with CDP or their sub-account with a CDP depository agent on the Settlement Date. Settlement of dealings through the CDP direct securities account or sub-account with a CDP depository agent shall be made in accordance with CDP’s “Terms and Conditions for Operation of Securities Accounts with CDP”, and the “Terms and Conditions for CDP to act as Depository for Foreign Securities”, as amended from time to time.

Shareholders and investors should be aware of the foreign exchange risks associated in dealings in our Shares on HKEX, Bursa Securities and SGX-ST.

**SETTLEMENT****Settlement of dealings in Hong Kong**

Investors in Hong Kong must settle their trades executed on the HKEX through their brokers directly or through custodians. For an investor in Hong Kong who has deposited his Shares in his designated CCASS participant’s stock account maintained with CCASS, settlement will be effected in CCASS in accordance with the General Rules of CCASS (the “**CCASS Rules**”). For an investor who holds the physical certificates, settlement certificates and the duly executed transfer forms must be delivered to his broker or custodian before the settlement date.

An investor may arrange with his broker or custodian on a settlement date in respect of his/her trades executed on HKEX. Under the Hong Kong Listing Rules and the CCASS Rules, the date of settlement is the second settlement day following the trade date on which the settlement services of CCASS are open for use by CCASS participants (T+2). For trades settled under CCASS, the CCASS Rules provide that a defaulting broker may be compelled to compulsorily buy-in by HKSCC the day after the date of settlement (T+3), or if it is not practicable to do so on T+3, at any time thereafter. HKSCC may also impose fines from T+2 onwards.

The CCASS stock settlement fee payable by each counterparty to the HKEX trade is currently 0.002% of the transaction value subject to a minimum fee of HKD2 and a maximum fee of HKD100 per trade.

**Settlement of dealings in Malaysia**

Our Shares that are traded on Bursa Securities are cleared and settled under the book-entry settlement system of CDS (which is operated by Bursa Depository, and all dealings in and transactions of our Shares through Bursa Securities will be effected in accordance with the rules of Bursa Depository and the provisions of Securities Industry (Central Depositories) Act 1991 as amended from time to time.

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**LISTING, REGISTRATION, DEALINGS AND SETTLEMENT (CONT'D)**

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Transactions on Bursa Securities in our Shares under the book-entry settlement system will be reflected by the seller's CDS account being debited with the number of Shares sold and the buyer's CDS Account being credited with the number of Shares acquired. Settlement of trades on a normal "ready" basis on Bursa Securities generally takes place on the second market day following the transaction date.

**Settlement of dealings in Singapore**

Our Shares that are traded on SGX-ST are cleared and settled under the book-entry settlement system of the CDP, and all dealings in and transactions of our Shares through SGX-ST will be effected in accordance with the terms and conditions for the operation of securities accounts with CDP and the terms and conditions for CDP to act as depository for foreign securities, as amended from time to time.

Our Shares that are traded on SGX-ST will be scripless shares held by CDP's exempt authorised nominee ("EAN") in Malaysia for and on behalf of persons who maintain, either directly or through CDP depository agents, securities accounts with CDP. Under the Malaysian law, CDP's EAN in Malaysia will be regarded as the shareholder in respect of the Shares registered in their name. For the avoidance of doubt, CDP or its nominees, as bare trustees, will not be regarded as having an interest in the Shares in respect of the Shares registered in their respective names. Transactions on SGX-ST in our Shares under the book-entry settlement system will be reflected by the seller's securities account being debited with the number of Shares sold and the buyer's securities account being credited with the number of Shares acquired and no transfer stamp duty is currently payable for the transfer of Shares that are settled on a book-entry basis.

Settlement of trades on a normal "ready" basis on SGX-ST generally takes place on the second market day following the transaction date.

**Dividends**

Cash dividends, if any, will be declared in RM and converted to HKD for payment in relation to Shares which are registered on the Hong Kong Share Register. We will make the necessary arrangements to convert the dividends in RM into HKD equivalent at the prevailing exchange rate on each relevant date. As a result, the equivalent of any dividends paid in HKD will also be affected by changes in the exchange rate between RM and HKD.

Cash dividends, if any, will be declared in RM and converted to SGD for payment in relation to Shares which are listed on SGX-ST. CDP depositors whose Shares are held through CDP will receive their dividends through CDP in SGD. We will make the necessary arrangements to convert the dividends in RM into SGD equivalent at the prevailing exchange rate on each relevant date for CDP's onward distribution to the entitled CDP depositors. As a result, the equivalent of any dividends paid in SGD will also be affected by changes in the exchange rate between the RM and SGD.

Neither our Company nor CDP will be liable for any loss whatsoever arising from the conversion of the dividend entitlement of CDP depositors holding their Shares through CDP from RM into SGD equivalent.

**REMOVAL AND TRANSMISSION OF SHARES**

Currently, all of our Shares are registered on the Malaysia Share Register. For the purpose of trading on HKEX following our listing on HKEX, our Shares must be registered on the Hong Kong Share Register, while for the purpose of trading on Bursa Securities or SGX-ST, the Shares must be registered on the Malaysia Share Register. Our Shares may be transferred between the Malaysia Share Register and the Hong Kong Share Register, the procedures for which are set out below. All duties, fees and expenses specified are subject to changes from time to time.

**From Bursa Securities to HKEX**

Following our listing on HKEX, if an investor whose Shares are traded on Bursa Securities wishes to trade his Shares on HKEX, he must effect a removal and transfer of Shares from the Malaysia Share Register to the Hong Kong Share Register.

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**LISTING, REGISTRATION, DEALINGS AND SETTLEMENT (CONT'D)**


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A removal and transfer of Shares from the Malaysia Share Register to the Hong Kong Share Register involves the following steps:

<b>No.</b>	<b>Steps</b>	<b>Timeline</b>
1.	<p><i>If the Shares have been deposited with the shareholder's CDS account with Bursa Depository</i></p> <p>The Shareholder must first withdraw his Shares from Bursa Depository and submit to the Malaysia Share Registrar (i) a duly completed Combined Removal and Transfer Form (in triplicate), (ii) a duly completed and executed Form of Transfer of Securities (Form s. 105) as prescribed by law, and (iii) the applicable fees and expenses payable to the Malaysia Share Registrar and the Hong Kong Share Registrar.</p> <p><i>If the Shares are held by an authorised nominee in an authorised nominee or EAN CDS account</i></p> <p>The Shareholder's authorised nominee must submit to the Malaysia Share Registrar (i) a duly completed Combined Removal and Transfer Form (in triplicate), (ii) a duly completed and executed Form of Transfer of Securities (Form s. 105) as prescribed by law, and (iii) the applicable fees and expenses payable to the Malaysia Share Registrar and the Hong Kong Share Registrar. If the authorised nominee is maintaining an omnibus CDS account with Bursa Depository, a confirmation is required from the authorised nominee stating that the shareholder is the beneficial owner of the Shares in that particular CDS account.</p>	
2.	<p>After verification of the documents, the Malaysia Share Registrar will transmit to the Hong Kong Share Registrar the relevant documents and take all actions necessary to effect the removal and transfer of Shares from the Malaysia Share Register to the Hong Kong Share Register.</p>	<p>Under normal circumstances, steps (1) to (4) generally require 8 business days to complete and step (5) requires up to 10 business days to complete.</p>
3.	<p>Upon receipt of the relevant documents from Malaysia Share Registrar, the Hong Kong Share Registrar will update the Hong Kong Share Register.</p>	
4.	<p>The Hong Kong Share Registrar will issue a new share certificate in the shareholder's name. The Hong Kong Share Registrar will deliver the share certificate to the shareholder by mail or make the share certificate available for collection at the offices of the Hong Kong Share Registrar. Despatch of the share certificate will be made at the risk and expense of the shareholder.</p>	
5.	<p><i>If a Shareholder wishes to hold or transfer Shares in CCASS</i></p> <p>After the Shares are registered on the Hong Kong Share Register, the shareholder will need to deposit his Shares into CCASS for credit to his CCASS investor participant stock account or his designated CCASS participant's stock account. For a deposit of Shares into CCASS or to effect a sale of Shares in Hong Kong, the investor should execute a transfer form which is in use in Hong Kong and which can be obtained from the offices of the Hong Kong Share Registrar or their brokers and deliver it together with his Share certificate issued by the Hong Kong Share Registrar to HKSCC directly if he intends to deposit the Shares into CCASS for credit to his/her CCASS investor participant stock account or via a CCASS participant if he would like the Shares to be credited to his/her designated CCASS participant's stock account.</p>	



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**LISTING, REGISTRATION, DEALINGS AND SETTLEMENT (CONT'D)**


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**From HKEX to Bursa Securities**

Following our listing on HKEX, if an investor whose Shares are traded on the HKEX wishes to trade his/her Shares on Bursa Securities, he must effect a removal and transfer of Shares from the Hong Kong Share Register to the Malaysia Share Register.

A removal and transfer of Shares from the Hong Kong Share Register to the Malaysia Share Register involves the following steps:

No.	Steps	Timeline
1.	<p><i>If the Shares are registered in the shareholder's own name on the Hong Kong Share Register</i></p> <p>The Shareholder will submit to the Hong Kong Share Registrar (i) a duly completed share removal, transfer and delivery form (the "<b>HK Removal Request Form</b>"), (ii) the share certificate(s) and (iii) the prescribed fees to the Hong Kong Share Registrar.</p> <p><i>If the Shares have been deposited into CCASS</i></p> <p>The Shareholder must first withdraw his Shares from his CCASS account and submit (i) the share transfer form from HKSCC Nominees and the shareholder, (ii) the share certificate(s), (iii) the HK Removal Request Form and (iv) the prescribed fees to the Hong Kong Share Registrar.</p> <p>If the shareholder would like to have the Shares credited directly into his CDS account with an ADA/ADM, he/she must indicate this on the Hong Kong Removal Request Form. In this case, the shareholder must have a CDS account with an ADA/ADM before he can complete and sign off on delivery instructions set out in the Hong Kong Removal Request Form.</p>	<p>Under normal circumstances, steps (1) to (6) generally require 8 business days to complete, once valid documents are provided to Hong Kong Share Registrar.</p>
2.	Upon receipt of the relevant documents, the Hong Kong Share Registrar will effect the removal and transfer of the Shares from the Hong Kong Share Register to the Malaysia Share Register.	
3.	The Hong Kong Share Registrar will then notify the Malaysia Share Registrar of the removal and transfer.	
4.	Upon receipt of the notification from Hong Kong Share Registrar, the Malaysia Share Registrar will update the Malaysia Share Register.	
5.	The Malaysia Share Registrar will issue the relevant share certificate(s) in the name of Bursa Depository and deliver the share certificate(s) to Bursa Depository.	
6.	Upon receipt of the relevant documents and prescribed payment from the Malaysia Share Registrar, Bursa Depository will credit the specified number of Shares into the shareholder's CDS account with ADA/ADM.	



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**LISTING, REGISTRATION, DEALINGS AND SETTLEMENT (CONT'D)**


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**From SGX-ST to HKEX**

If an investor whose Shares are traded on SGX-ST wishes to trade his Shares on HKEX, he must first effect a transfer of Shares from CDP in Singapore to Bursa Depository in Malaysia (which will be carried out on a scripless basis), and thereafter effect a removal and transfer of Shares from the Malaysian Share Register to the Hong Kong Share Register.

The transfer involves the following steps:

<b>No.</b>	<b>Steps</b>	<b>Timeline</b>
1.	The shareholder must ensure that he has opened a CDS account with a Malaysian ADA/ADM before he (or his CDP depository agent in Singapore, as the case may be) submits a transfer request to CDP.	
2.	The shareholder (whether directly or through his CDP depository agent in Singapore, as the case may be) must notify the Malaysian ADA/ADM with which he has a CDS account to receive the transfer of his Shares from the foreign omnibus account which CDP maintains with its EAN in Malaysia. The shareholder should check with his relevant Malaysian ADA/ADM on the documents (if any) that he is required to submit to them.	
3.	Concurrently, the shareholder must do the following: <ul style="list-style-type: none"> <li>(a) if his/her Shares are held through a direct securities account with CDP, then he must submit the following to CDP:               <ul style="list-style-type: none"> <li>(i) CDP prescribed cross border transaction form; and</li> <li>(ii) the applicable fees and expenses.</li> </ul> </li> <li>(b) if his Shares are held through a securities sub-account with a CDP depository agent, then he must instruct his/her CDP depository agent to submit the following to CDP:               <ul style="list-style-type: none"> <li>(i) CDP prescribed cross border transaction form; and</li> <li>(ii) the applicable fees and expenses.</li> </ul> </li> </ul>	Under normal circumstances, steps (4) to (5) above generally require at least 1 market day to complete.
4.	CDP will verify the documents submitted and in the event of any discrepancy, CDP is entitled to return the relevant documents to the shareholder (or his CDP depository agent in Singapore, as the case may be). CDP will instruct its EAN in Malaysia through Society for Worldwide Interbank Financial Telecommunication ( <b>SWIFT</b> ) messages to transfer the Shares, and CDP's EAN shall take all actions necessary to effect the transfer of Shares from the foreign omnibus account which CDP maintains with its EAN in Malaysia to the shareholder's CDS account.	
5.	After the transfer has been effected, a Notice of Debiting will be issued by CDP to the shareholder (or his CDP depository agent in Singapore, as the case may be). The shareholder will also receive a confirmation on the transfer of Shares into his/her CDS account either from Bursa Depository or his authorised nominee (" <b>CDS Authorised Nominee</b> ") who maintains his CDS account.	
6.	The shareholder will remove and transfer his Shares from the Malaysia Share Register to the Hong Kong Share Register in accordance with the steps set out in the description under " <b>From Bursa Securities to HKEX</b> " above.	

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**LISTING, REGISTRATION, DEALINGS AND SETTLEMENT (CONT'D)**


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**From HKEX to SGX-ST**

Following our listing on HKEX, if an investor whose Shares are traded on HKEX wishes to trade his Shares on SGX-ST, he must first effect a removal and transfer of Shares from the Hong Kong Share Register to the Malaysian Share Register, and thereafter effect a transfer of Shares from Bursa Depository in Malaysia to CDP in Singapore (which will be carried out on a scripless basis). There is no direct transfer of Shares between the Hong Kong Share Register and CDP in Singapore.

The transfer involves the following steps:

No.	Steps	Timeline
1.	The shareholder will remove and transfer his Shares from the Hong Kong Share Register to the Malaysia Share Register in accordance with the steps set out in the description under " <b><i>From the HKEX to Bursa Securities</i></b> " above.	
2.	The shareholder must ensure that he has opened a securities account with CDP or a sub-account with a CDP depository agent in Singapore before a transfer request is submitted.	
3.	The shareholder (whether directly or through his CDP depository agent, as the case may be) must provide instructions to the Malaysian ADA/ADM with which he has a CDS account to transfer his Shares from his/her CDS account to the foreign omnibus account which CDP maintains with its EAN in Malaysia. The shareholder should check with his relevant Malaysian ADA/ADM on the documents and fees that he/she is required to submit to them.	
4.	Concurrently, whether the shareholder's Shares are held in his CDS account or are held by a CDS authorised nominee in an authorised nominee or exempt authorised nominee CDS account, the shareholder (or his/her CDP depository agent in Singapore, as the case may be) must submit the following to CDP: <ul style="list-style-type: none"> <li>(a) CDP prescribed cross border transaction form; and</li> <li>(b) the applicable fees and expenses.</li> </ul> <p>In the event the shareholder's CDS authorised nominee is maintaining an omnibus CDS account with Bursa Depository, a confirmation is required from the CDS authorised nominee stating that the shareholder is the beneficial owner of the Shares in that particular CDS account.</p>	Under normal circumstances, steps (5) to (6) generally require at least 1 market day to complete.
5.	CDP will verify the documents submitted and in the event of any discrepancy, CDP is entitled to return the relevant documents to the shareholder (or his CDP depository agent in Singapore, as the case may be). If the transfer request forms and the relevant documents are in order, the Malaysian ADA/ADM with which the shareholder has opened a CDS account shall take all actions necessary to effect the transfer of Shares from the shareholder's CDS account to the foreign omnibus account which CDP maintains with its EAN in Malaysia.	
6.	After the transfer has been effected, a Notice of Crediting will be issued by CDP to the shareholder (or his CDP depository agent, as the case may be). The shareholder will also receive a confirmation on the transfer of Shares out of his CDS account either from Bursa Depository or the CDS authorised nominee with whom he maintains his/her CDS account.	

Please note that in all cases of transmissions referred to in the sections "***From SGX-ST to HKEX***" and "***From HKEX to SGX-ST***" above, there should not be any change or difference, or purported change or difference, in the beneficial owner of the Shares before and after transmission.

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**LISTING, REGISTRATION, DEALINGS AND SETTLEMENT (CONT'D)**

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Please note that the transmission process and/or fees payable are subject to change. For further information or copies of the relevant transmission forms, the shareholder should contact CDP (or his CDP depository agent in Singapore, as the case may be) and the Malaysian ADA/ADM with which he has opened a CDS account.

CDP holds all of its Shares in a foreign omnibus account through CDP's EAN in Malaysia. Hence, the transfer of Shares from a shareholder's CDS account to CDP's foreign omnibus account maintained by its EAN in Malaysia is regarded as an investment in foreign currency assets that would require the shareholder to also comply with the Foreign Exchange Notices issued by BNM. Shareholders who are residents of Malaysia for the purposes of the Foreign Exchange Notices and subject to the prevailing Foreign Exchange Notices in relation to the permitted thresholds for investment abroad may be required to seek the prior approval of BNM should they wish to transfer their Shares from Bursa Securities for trading on SGX-ST. There is no restriction for a non-resident of Malaysia (for the purpose of the Foreign Exchange Notices) to subscribe for or purchase securities in Malaysia. Shareholders are advised to seek further clarification from their professional advisers. Shareholders are advised to ensure that such transfers are completed before they trade in the Shares.

If a shareholder does not have a direct CDP account or a sub-account with any CDP depository agent, such Shareholder should:

- (a) contact CDP if he would like to open a direct CDP account; or
- (b) contact a CDP depository agent if he would like to open a sub-account with a CDP depository agent.

A shareholder may refer to CDP's website at <http://www.cdp.com.sg> should he requires CDP's contact details.

**COSTS INVOLVED****Costs of Removal and Transmission of Shares**

All costs and taxes (including stamp duties) relating to (i) any removal and transfer of Shares from the Hong Kong Share Register to the Malaysia Share Register, (ii) any removal and transfer of Shares from the Malaysia Share Register to the Hong Kong Share Register, (iii) any transfer of Shares from Bursa Depository to CDP (which will be carried out on a scripless basis) and (iv) any transfer of Shares from CDP to Bursa Depository (which will be carried out on a scripless basis) shall be borne by the shareholders requesting the removal and transfer.

In particular, shareholders should note that the Hong Kong Share Registrar will charge HKD350.00 for each removal of Shares from Hong Kong Share Register and a fee of HKD20.00 (or such higher fee as may from time to time be permitted under the Hong Kong Listing Rules) for each share certificate cancelled or issued by it and any applicable fee as stated in the removal request forms used in Hong Kong, Malaysia or Singapore. Shareholders should also note that the Malaysia Share Registrar will charge RM300.00 for each removal of Shares from Malaysia Share Register (or such higher fee as may from time to time be permitted under the Rules of Bursa Depository) in addition to the transaction fee payable to Bursa Depository. A shareholder should also check with his relevant Malaysian ADA/ADM on the documents and fees that he is required to submit to them. Shareholders should further note that CDP will charge SGD10.00 (SGD10.70 inclusive of GST) as well as out-of-pocket correspondent bank charges of SGD20.00 (SGD21.40 inclusive of GST) or any applicable amount for each request to transfer the Shares between CDP and Bursa Depository (which will be carried out on a scripless basis).

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**PROPOSED CONSTITUTION AMENDMENTS**


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Our Constitution shall be amended in the following manner:

Article no.	Existing Provisions	Proposed Amendments
6	<p>Subject always to the respective rights, terms and conditions mentioned in Article 5 hereof the Company shall have power to increase or reduce the capital, to consolidate or sub-divide the shares into shares of larger or smaller amounts and to issue all or any part of the original or any additional capital as fully paid or partly paid shares, and with any special or preferential rights or privileges, or subject to any special terms and conditions and either with or without any special designation, and also from time to time to alter, modify, commute, abrogate or deal with any such rights, privileges, terms, conditions or designations in accordance with the regulations for the time being of the Company.</p>	<p>Subject always to the respective rights, terms and conditions mentioned in Article <b>61</b> hereof the Company shall have power to increase or reduce the capital, to consolidate or sub-divide the shares into shares of larger or smaller amounts and to issue all or any part of the original or any additional capital as fully paid or partly paid shares, and with any special or preferential rights or privileges, or subject to any special terms and conditions and either with or without any special designation, and also from time to time to alter, modify, commute, abrogate or deal with any such rights, privileges, terms, conditions or designations in accordance with the regulations for the time being of the Company.</p>
7	<p>(New definition)</p> <p>(New definition)</p> <p>“Foreign Stock Exchange” - SGX-ST (for so long as the Securities of the Company are listed on the SGX-ST) and/or such other foreign stock exchange on which the Company is listed or approved to be listed.</p> <p>(New definition)</p> <p>(New definition)</p> <p>“Member/ Members” - Includes a Depositor who shall be treated as if he was a member pursuant to Section 35 of the Central Depositories Act but excludes the Depository or its nominees in its capacity as a bare trustee.</p>	<p><b>“Clearing House” - a clearing house recognised by the laws of the jurisdiction in which the Securities of the Company are listed or quoted on a stock exchange in such jurisdiction.</b></p> <p><b>“Close Associate” - shall have the meaning ascribed to it in the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.</b></p> <p>“Foreign Stock Exchange” - SGX-ST (for so long as the Securities of the Company are listed on the SGX-ST), <b>HKSE (for so long as the Securities of the Company are listed on the HKSE)</b> and/or such other foreign stock exchange on which the Company is listed or approved to be listed.</p> <p><b>“Hong Kong Companies Ordinance” - the Companies Ordinance (Chapter 622 of the Laws of Hong Kong) or any statutory modification, amendment or re-enactment thereof for the time being in force.</b></p> <p><b>“HKSE” - The Stock Exchange of Hong Kong Limited and its successor in title.</b></p> <p>“Member/ Members” - <del>Includes a Depositor who shall be treated as if he was a member pursuant to Section 35 of the Central Depositories Act</del> <b>Any person for the time being holding shares in the Company and whose name appears in the Register including Depositors, who may be authorised nominees, whose names appear on the Record of Depositors but excludes the Depository or its nominees in its capacity as a bare trustee.</b></p>

## PROPOSED CONSTITUTION AMENDMENTS (CONT'D)

Article no.	Existing Provisions	Proposed Amendments
	<p>“Relevant Regulations” - All relevant rules, regulations, guidelines, directives, practice notes, guidance notes passed or issued by any relevant authority for the time being in force applying to or affecting the Company and/or this Constitution which shall include where applicable, the Act, the Central Depositories Act, the Listing Requirements, the Rules of the Depository and the legislation, rules, regulations, guidelines, directives, practice notes, guidance notes and other requirements of such other Stock Exchange in respect of which the Securities of the Company are listed or traded or the Foreign Depository, as the case may be.</p>	<p>“Relevant Regulations” - All relevant rules, regulations, guidelines, directives, practice notes, guidance notes passed or issued by any relevant authority for the time being in force applying to or affecting the Company and/or this Constitution which shall include where applicable, the Act, the Central Depositories Act, the Listing Requirements, the Rules of the Depository and the legislation, rules, regulations, guidelines, directives, practice notes, guidance notes and other requirements of such other Stock Exchange in respect of which the Securities of the Company are listed or traded or the Foreign Depository, <b>including, but not limited to, the Hong Kong Companies Ordinance</b>, as the case may be.</p>
9A	(New provision)	<p><b>“Purchases for redemption a redeemable share”</b></p> <p><b>Where the Company purchases for redemption a redeemable share, purchases not made through the market or by tender shall be limited to a maximum price as may from time to time be determined by the Company in general meeting, either generally or with regard to specific purchases. If purchases are by tender, tenders shall be available to all Members alike.</b></p>
10	<p>Without prejudice to any special rights previously conferred on the holders of any existing shares or class of shares, but subject to the Act and to this Constitution, shares in the Company may be issued by the Directors and any such shares may be issued with such preferred, deferred or other special rights or such restrictions, whether in regard to dividend, voting, return of capital or otherwise as the Directors, subject to any ordinary resolution of the Company unless otherwise permitted by the Relevant Regulations.</p> <p>Provided that:</p> <p>(a) The rights attaching to shares of a class other than ordinary shares be expressed in the resolution creating the same.</p> <p>(b) Every issue of shares or options to employees and/or Directors shall be approved by shareholders in general meeting and such approval shall specifically detail the amount of shares or options to be issued to each Director.</p>	<p>Without prejudice to any special rights previously conferred on the holders of any existing shares or class of shares, but subject to the Act and to this Constitution, shares in the Company may be issued by the Directors and any such shares may be issued with such preferred, deferred or other special rights or such restrictions, whether in regard to dividend, voting, return of capital or otherwise as the Directors, subject to any ordinary resolution of the Company unless otherwise permitted by the Relevant Regulations.</p> <p>Provided that:</p> <p>(a) The rights attaching to shares of a class other than ordinary shares be expressed in the resolution creating the same.</p> <p>(b) Every issue of shares or options to employees and/or Directors shall be approved by shareholders in general meeting and such approval shall specifically detail the amount of shares or options to be issued to each Director.</p> <p><b>(c) Where the Company issues shares, except for preference shares, which do not carry voting rights, the words “non-voting” shall appear in the designation of such shares and where the equity capital of the Company includes shares with different voting rights, the designation of each class of shares, other than those with the most favourable voting rights, must include the words “restricted voting” or “limited voting”.</b></p>

## PROPOSED CONSTITUTION AMENDMENTS (CONT'D)

Article no.	Existing Provisions	Proposed Amendments
12	<p>If at any time the share capital is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class) may, whether or not the Company is being wound up, be varied with:</p> <p>(a) the consent in writing of the holders of not less than seventy-five per centum (75%) of the total voting rights of the shareholders in the class; or</p> <p>(b) with the sanction of a special resolution passed at a separate meeting of the holders of the shares of the class. To every such special resolution the provision of Section 292 of the Act shall, with such adaptations as are necessary, apply.</p>	<p>If at any time the share capital is divided into different classes of shares, the rights attached to any class <del>(unless otherwise provided by the terms of issue of the shares of that class)</del> may, whether or not the Company is being wound up, be varied <del>with:</del></p> <p><del>(a) the consent in writing of the holders of not less than seventy-five per centum (75%) of the total voting rights of the shareholders in the class; or</del></p> <p><del>(b) with the sanction of a special resolution passed at a separate meeting of the holders of the shares of the class. To every such special resolution the provision of Section 292 of the Act shall, with such adaptations as are necessary, apply.</del></p> <p><b>To every such separate meeting referred to above, all the provisions of this Constitution relating to general meetings of the Company and to the proceedings thereat shall mutatis mutandis apply, except that the necessary quorum shall be two persons at least holding or representing by proxy at least one-third of the total number of the issued shares of the class and that any holder of shares of the class present in person or by proxy may demand a poll and that every such holder shall on a poll have one vote for every share of the class held by him.</b></p>
15A	(New provision)	<p><b>“Failure to disclose interests”</b></p> <p><b>Except for the powers of the Malaysian courts with respect to the defaulting substantial shareholders stipulated under Section 145 of the Act, no powers shall be taken to freeze or otherwise impair any of the rights attaching to any share by reason only that the person or persons who are interested directly or indirectly therein have failed to disclose their interests to the Company.</b></p>
16	<p>Subject to Article 145(b), the certificates of title to shares shall be issued under the Seal and bear the signatures or the autographic signatures of one Director and the Secretary or another Director or such other person as may be authorised by the Directors, and shall specify the shares to which it relates, and the amount paid up thereon provided that the Directors may by resolution determine that such signature, or either of them, shall be affixed by such other person as may be authorised by the Directors or some method or system of mechanical signature.</p>	<p>Subject to Article 145(b), the certificates of title to shares <b>in the capital of the Company</b> shall be issued under the Seal <b>which may only be affixed with the authority of the Directors, in such form as the Directors shall from time to time prescribe</b> and bear the signatures or the autographic signatures of one Director and the Secretary or another Director or such other person as may be authorised by the Directors, and shall specify the shares to which it relates, and the amount paid up thereon provided that the Directors may by resolution determine that such signature, or either of them, shall be affixed by such other person as may be authorised by the Directors or some method or system of mechanical signature. <b>No share shall be issued to bearer.</b></p>



## PROPOSED CONSTITUTION AMENDMENTS (CONT'D)

Article no.	Existing Provisions	Proposed Amendments
19A	(New provision)	<p><b>“Application for new certificate”</b></p> <p>If a share certificate has been lost, an application may be made to the Company for a new certificate, accompanied by a statutory declaration stating the following -</p> <ul style="list-style-type: none"> <li>(a) that the original certificate has been lost;</li> <li>(b) when the original certificate was last in the person’s possession and how the person ceased to have possession of it;</li> <li>(c) whether the person has executed any transfer in respect of the shares, in blank or otherwise;</li> <li>(d) that no other person is entitled to have his/her name entered in the Register of the Company in respect of the shares; and</li> <li>(e) any other matters that are necessary to verify the grounds on which the application is made.</li> </ul> <p>The publication requirements under the Hong Kong Companies Ordinance shall be complied with if the Company intends to issue a new certificate pursuant to such application.</p>
20A	(New provision)	<p><b>“Joint holders”</b></p> <p>When two (2) or more persons are registered as the holders of any share, they shall be deemed to hold the same as joint holders with benefit of survivorship, except for in the case of a share registered jointly in the names of several persons, the Company shall not be bound to issue more than one certificate therefor and delivery of a certificate to any one of the registered joint holders shall be sufficient delivery to all.</p>
22	<p>The Company may sell any shares on which the Company has a lien at such time or times and in such manner as the Directors think fit, but no sale shall be made until such time as the sum in respect of which such lien exists is presently payable and the expiry of fourteen days from a written notice, stating and demanding payment of such part of the amount in respect of which the privilege or lien exists as is presently payable has been given to the registered holder for the time being of the share, or the person entitled to the share by reason of the death or bankruptcy of the registered holder.</p>	<p>The Company may sell any shares on which the Company has a lien at such time or times and in such manner as the Directors think fit, but no sale shall be made until such time as the sum in respect of which such lien exists is presently payable and the expiry of fourteen (14) days from a written notice, stating and demanding payment of such part of the amount in respect of which the privilege or lien exists as is presently payable has been given to the registered holder for the time being of the share, or the person entitled to the share by reason of the death or bankruptcy of the registered holder. <b>In order to give effect to any such sale, the Directors may in the case of non-Deposited Securities, authorise any person to transfer the shares sold to the purchaser or in the case of Deposited Securities, authorise its registrar to cause the Depository to credit the securities account of the purchaser or otherwise in accordance with the directions of the purchaser, and the Directors shall not be bound to see to the application of the purchase money.</b></p>



## PROPOSED CONSTITUTION AMENDMENTS (CONT'D)

Article no.	Existing Provisions	Proposed Amendments
33	<p>Subject to this Constitution and the Relevant Regulations with respect to transfer of Deposited Security, all transfers of Securities:</p> <p>(a) to the Depository, Foreign Depository or their nominee company which includes a Foreign Depository's Exempt Authorised Nominee; or</p> <p>(b) prior to the listing and quotation of such Securities on the Stock Exchange,</p> <p>may be effected by transfer in writing in the usual form conforming with the Act and/or approved by the relevant Stock Exchange, or such form as may from time to time, be prescribed under the Act or approved by the relevant Stock Exchange. Subject to this Constitution, there shall be no restriction on the transfer of fully paid-up Securities except where required by law.</p>	<p>Subject to this Constitution and the Relevant Regulations with respect to transfer of Deposited Security, all transfers of Securities:</p> <p>(a) to the Depository, Foreign Depository or their nominee company which includes a Foreign Depository's Exempt Authorised Nominee; or</p> <p>(b) prior to the listing and quotation of such Securities on the Stock Exchange,</p> <p>may be effected by transfer in writing in the usual form conforming with the Act and/or approved by the relevant Stock Exchange, or such form as may from time to time, be prescribed under the Act or approved by the relevant Stock Exchange. Subject to this Constitution, there shall be no restriction on the transfer of fully paid-up Securities except where required by law.</p> <p><b>With respect to the transfer of non-Deposited Securities, subject to the provisions of the Relevant Regulations and this Constitution, any member may transfer all or any of his securities by instrument in writing in the form specified by the Relevant Regulations from time to time. Subject to this Constitution, transfer of all or any of the shares shall be by an instrument of transfer in the usual or common form or in a form prescribed by the Stock Exchange or in any other form approved by the Board and may be under hand or, if the transferor or transferee is a Clearing House or its nominee(s), by hand or by machine imprinted signature or by such other manner of execution as the Board may approve from time to time.</b></p>
35	<p>(a) With the exception of transfer in favour of the Depository and Foreign Depository or their nominee company, including a Foreign Depository's Exempt Authorised Nominee, as the case may be, (save and except for the transfer of beneficial ownership of any Deposited Security held through an Omnibus Account) and subject to the provisions of the Relevant Regulations, the Directors may in their absolute discretion decline to register any transfer of shares where the registration of the transfer would result in a contravention of or failure to observe the provisions of any Relevant Regulations or the transfer is in respect of a partly paid share in respect of which a call has been made and is unpaid.</p> <p>(b)</p> <p>(i) In the case of Deposited Security, the Depository may refuse to register any transfer of Deposited Security that does not comply with the Central Depositories Act and Rules.</p> <p>(ii) The Foreign Depository may in its absolute discretion refuse to register any transfer of the beneficial ownership of any Deposited Security held through</p>	<p>(a) With the exception of transfer in favour of the Depository and Foreign Depository or their nominee company, including a Foreign Depository's Exempt Authorised Nominee, as the case may be, (save and except for the transfer of beneficial ownership of any Deposited Security held through an Omnibus Account) and subject to the provisions of the Relevant Regulations, the Directors may in their absolute discretion decline to register any transfer of shares where the registration of the transfer would result in a contravention of or failure to observe the provisions of any Relevant Regulations or the transfer is in respect of a partly paid share in respect of which a call has been made and is unpaid <b>or any transfer of shares to more than four (4) joint holders.</b></p> <p>(b)</p> <p>(i) In the case of Deposited Security, the Depository may refuse to register any transfer of Deposited Security that does not comply with the Central Depositories Act and Rules.</p> <p>(ii) The Foreign Depository may in its absolute discretion refuse to register any transfer of the beneficial ownership of any Deposited</p>

## PROPOSED CONSTITUTION AMENDMENTS (CONT'D)

Article no.	Existing Provisions	Proposed Amendments
	<p>an Omnibus Account that does not comply with its rules and regulations.</p> <p>(c) Neither the Company nor its Directors nor any of its officers shall incur any liability for registering or acting upon a transfer of shares apparently made by sufficient parties, although the same may, by reason of any fraud or other cause not known to the Company or its Directors or other officers, be legally inoperative or insufficient to pass the property in the shares proposed or professed to be transferred, and although the transfer may, as between the transferor and transferee, be liable to be set aside, and notwithstanding that the Company may have notice that such instrument or transfer was signed or executed and delivered by the transferor in blank as to the name of the transferee or the particulars of the shares transferred, or otherwise in defective manner. And in every such case, the person registered as transferee, his executors, administrators and assignees alone shall be entitled to be recognised as the holder of such shares and the previous holder shall, so far as the Company is concerned, be deemed to have transferred his whole title thereto.</p>	<p>Security held through an Omnibus Account that does not comply with its rules and regulations.</p> <p>(c) Neither the Company nor its Directors nor any of its officers shall incur any liability for registering or acting upon a transfer of shares apparently made by sufficient parties, although the same may, by reason of any fraud or other cause not known to the Company or its Directors or other officers, be legally inoperative or insufficient to pass the property in the shares proposed or professed to be transferred, and although the transfer may, as between the transferor and transferee, be liable to be set aside, and notwithstanding that the Company may have notice that such instrument or transfer was signed or executed and delivered by the transferor in blank as to the name of the transferee or the particulars of the shares transferred, or otherwise in defective manner. And in every such case, the person registered as transferee, his executors, administrators and assignees alone shall be entitled to be recognised as the holder of such shares and the previous holder shall, so far as the Company is concerned, be deemed to have transferred his whole title thereto.</p>
35A	(New provision)	<p><b>“Fee for registration of transfer”</b></p> <p><b>There shall be paid to the Company in respect of the registration of any instrument of transfer or probate or letters of administration or certificate of marriage or death or stop notice or power of attorney or other document relating to or affecting the title to any shares or otherwise for making any entry in the Register affecting the title to any shares such fee as the Directors may determine not exceeding the relevant maximum amount prescribed by the relevant Stock Exchange from time to time.</b></p>
42A	(New provision)	<p><b>“Untraceable members”</b></p> <p>(a) <b>Without prejudice to the rights of the Company under Article 42A(b), the Company may cease sending cheque for dividend entitlements or dividend warrants by post if such cheque or warrants have been left uncashed on two (2) consecutive occasions. However, the Company may exercise the power to cease sending cheques for dividend entitlements or dividend warrants after the first occasion on which such a cheque or warrant is returned undelivered.</b></p> <p>(b) <b>The Company shall have the power to sell, in such manner as the Directors think fit and in accordance with the Relevant Regulations, any shares of a member who is untraceable, but no such sale shall be</b></p>

## PROPOSED CONSTITUTION AMENDMENTS (CONT'D)

Article no.	Existing Provisions	Proposed Amendments
		<p>made unless:</p> <p>(i) all cheques or warrants in respect of dividends of the shares in question, being not less than three (3) in total number, for any sum payable in cash to the holder of such shares in respect of them sent during the relevant period in the manner authorised by this Constitution have remained uncashed;</p> <p>(ii) so far as it is aware at the end of the relevant period, the Company has not at any time during the relevant period received any indication of the existence of the member who is the holder of such shares or of a person entitled to such shares by death, bankruptcy or operation of law; and</p> <p>(iii) the Company, if so required by the rules and regulations of the relevant Stock Exchange, has given notice to the relevant Stock Exchange, and caused advertisement to be made in newspapers in accordance with the requirements of the relevant Stock Exchange, of its intention to sell such shares in the manner required by the relevant Stock Exchange, and a period of three (3) months or such shorter period as may be allowed by the relevant Stock Exchange has elapsed since the date of such advertisement.</p> <p>For the purpose of the foregoing, the "relevant period" means the period commencing twelve (12) years before the date of publication of the advertisement referred to in Article 42(b)(iii) and ending at the expiry of the period referred to in Article 42(b)(iii) above.</p> <p>(c) To give effect to any such sale the Directors may authorise some person to transfer the said shares and an instrument of transfer signed or otherwise executed by or on behalf of such person shall be as effective as if it had been executed by the registered holder or the person entitled by transmission to such shares, and the purchaser shall not be bound to see to the application of the purchase money nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings relating to the sale. The net proceeds of the sale will belong to the Company and upon receipt by the Company of such net proceeds it shall become indebted to the former member for an amount equal to such net proceeds. No trust shall be created in respect of such debt and no interest shall be payable in respect of it and the Company shall not be</p>

## PROPOSED CONSTITUTION AMENDMENTS (CONT'D)

Article no.	Existing Provisions	Proposed Amendments
		<p>required to account for any money earned from the net proceeds which may be employed in the business of the Company or as it thinks fit. Any sale under this Article shall be valid and effective notwithstanding that the member holding the shares sold is dead, bankrupt or otherwise under any legal disability or incapacity.</p>
80	<p>Subject to this Constitution and any rights or restrictions for the time being attached to any shares or classes of shares, at meetings of Members or classes of Members, each Member entitled to vote may vote in person or by proxy or by attorney or other duly authorised representative, and on a show of hands every Member present in person or proxy of a Member shall have one (1) vote and on a poll every Member voting in person or by proxy or by attorney or other duly authorised representative shall have one (1) vote for each share he holds.</p>	<p>Subject to this Constitution and any rights or restrictions for the time being attached to any shares or classes of shares, at meetings of Members or classes of Members, each Member entitled to vote may vote in person or by proxy or by attorney or other duly authorised representative, and on a show of hands every Member present in person or proxy of a Member shall have one (1) vote and on a poll every Member voting in person or by proxy or by attorney or other duly authorised representative shall have one (1) vote for each share he holds.</p> <p><b>A Member voting in person or by proxy or by attorney or other duly authorised representative, who is entitled to more than one (1) vote on a poll need not use all his votes or cast all the votes he uses in the same way.</b></p>
81	<p>A holder may appoint not more than two (2) proxies to attend the same meeting. Where a holder appoints two (2) proxies, he shall specify the proportion of his shareholding to be represented by each proxy. A proxy shall be entitled to vote on a show of hands on any question at any general meeting.</p>	<p><b>Save as otherwise provided in the Relevant Regulations,—A—</b>a holder including a Clearing House or its nominee(s) or Foreign Depository or their nominee company may appoint <del>not</del> more than <b>one (1) proxy</b> <del>two (2) proxies</del> to attend the same meeting.</p> <p>Where a holder appoints <b>more than one (1) proxy</b>, he shall specify the proportion of his shareholding to be represented by each proxy. A proxy (<b>including a proxy appointed by a Clearing House or its nominee(s) or Foreign Depository or their nominee company</b>) shall be entitled to vote on a show of hands on any question at any general meeting.</p>
84	<p>Subject to Article 68, a Member of the Company shall be entitled to be present and to vote at any general meeting in respect of any share or shares upon which all calls or other sums presently payable by him due to the Company have been paid.</p>	<p>Subject to Article 68, a Member of the Company shall be entitled to be present and to <b>speak and</b> vote at any general meeting in respect of any share or shares upon which all calls or other sums presently payable by him due to the Company have been paid. <b>However, where the Company has knowledge that any Member is, under the rules of the relevant Stock Exchange, required to abstain from voting on any particular resolution of the Company including to approve a transaction or arrangement where the Member has a material interest in the particular transaction or arrangement or restricted to voting only for or only against any particular resolution of the Company, any votes cast by or on behalf of such Member in contravention of such requirement or restriction shall not be counted.</b></p>

## PROPOSED CONSTITUTION AMENDMENTS (CONT'D)

Article no.	Existing Provisions	Proposed Amendments
85A	<p>“Appointment of proxies”</p> <p>Where a Member of the Company is an Exempt Authorised Nominee which holds Shares for multiple beneficial owners in an 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.</p>	<p>“Appointment of proxies <b>by Exempt Authorised Nominee</b>”</p> <p>Where a Member of the Company is an Exempt Authorised Nominee which holds Shares for multiple beneficial owners in an 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.</p>
87	<p>The instrument appointing a proxy shall subject always to the applicable laws, be in such form as the Directors may approve or, in any particular case, may accept, from time to time.</p>	<p>The instrument appointing a proxy shall subject always to the <b>Relevant Regulations applicable laws</b>, be in such form as the Directors may approve or, in any particular case, may accept, from time to time, <b>provided always that this shall not preclude the use of the two-way form and in the case of a corporation, may be executed under seal in accordance with its constitutional documents or under the hand of its duly authorised officer or in such manner as appropriate under the Relevant Regulations.</b></p>
91A	<p>(New provision)</p>	<p>“<b>Clearing House acting by representatives</b>”</p> <p><b>Where the Member and/or warrant holder is a Clearing House (or its nominee(s)), it may authorise such person or persons as it thinks fit to act as its representative(s) or proxy(ies) at any general meeting or at any meeting of any class of Members and/or warrant holders provided that, if more than one person is so authorised, the authorisation or proxy form must specify the number and class of shares and/or warrants in respect of which each such person is so authorised. The person so authorised under the provisions of this Article shall be deemed to have been duly authorised without further evidence of the facts and shall be entitled to exercise the same rights and power on behalf of the Clearing House to the extent the Clearing House or its nominee(s) could exercise as if it were an individual Member and/or warrant holder of the Company including, where a show of hands is allowed, the right to vote individually on a show of hands.</b></p>
93	<p>Until otherwise determined by general meeting, the number of Directors including a managing director shall not be less than two (2) nor more than fifteen (15) but in the event of any casual vacancy occurring and reducing the number of Directors below the aforesaid minimum number, the remaining Directors or Director may, except in an emergency, act only for the purpose of filling up such vacancy or vacancies or of summoning a meeting of the Company.</p>	<p>Until otherwise determined by general meeting, the number of Directors including a managing director shall not be less than two (2) <del>nor more than fifteen (15)</del> but in the event of any casual vacancy occurring and reducing the number of Directors below the aforesaid minimum number, the remaining Directors or Director may, except in an emergency, act only for the purpose of filling up such vacancy or vacancies or of summoning a meeting of the Company.</p>
100	<p>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</p>	<p>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 <del>but so that the total number of Directors shall not at any time exceed the maximum number fixed by</del></p>

## PROPOSED CONSTITUTION AMENDMENTS (CONT'D)

Article no.	Existing Provisions	Proposed Amendments
	this Constitution. Any Director so appointed shall hold office only until the next annual general meeting 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.	<del>this Constitution</del> . Any Director so appointed shall hold office only until the next annual general meeting 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.
112A	(New provision)	<p><b>“Inspection and closure of branch registers”</b></p> <p><b>(a) The branch registers shall be open for inspection by any Member without charge and to any other person on payment for each inspection of Ringgit Malaysia ten (RM10) or such lesser sum as the Company requires in accordance with the Relevant Regulations.</b></p> <p><b>(b) The branch registers may be closed for such period as the Directors may from time to time determine provided always that no part of such registers shall be closed for more than thirty (30) days in the aggregate in any calendar year and that the Company shall give at least fourteen (14) days’ prior notice of such closure to the Registrar.</b></p> <p><b>(c) Where the branch registers are kept and maintained in any place in Hong Kong, a notice for the purpose of Article 112A(b) shall be given in accordance with the Relevant Regulations of the HKSE.</b></p>
118	Unless otherwise determined by the Directors from time to time, at least seven (7) days’ notice of all Directors’ meeting shall be given by hand, post, facsimile or electronic communications to all Directors and their alternate Directors who have a registered address in Malaysia, except in the case of an emergency, where reasonable notice of every Directors’ meeting shall be given in writing. It shall not be necessary to give notice of a meeting of Directors to any Director for the time being absent from Malaysia. The notice of each Directors’ meeting shall be deemed to be served on a Director upon delivery if delivered by hand, or immediately if sent by facsimile, Electronic Form or other form of Electronic Communications of if sent by post, on the day on which a properly stamped letter containing the notice is posted.	Unless otherwise determined by the Directors from time to time, at least <b>fourteen (14)</b> days’ notice of all Directors’ meeting shall be given by hand, post, facsimile or electronic communications to all Directors and their alternate Directors who have a registered address in Malaysia, except in the case of an emergency, where reasonable notice of every Directors’ meeting shall be given in writing. It shall not be necessary to give notice of a meeting of Directors to any Director for the time being absent from Malaysia. The notice of each Directors’ meeting shall be deemed to be served on a Director upon delivery if delivered by hand, or immediately if sent by facsimile, Electronic Form or other form of Electronic Communications of if sent by post, on the day on which a properly stamped letter containing the notice is posted.
126	<p>A Director shall not vote in respect of any contract or arrangement in which he is interested, directly or indirectly, and if he shall do so his vote shall not be counted, but he may be counted in the quorum at any meeting, but subject to the Act, the Listing Requirements and this Constitution, neither of these prohibitions shall apply to:</p> <p>(a) Any contract or proposed contract of indemnity against any loss which any Director may suffer by reason of becoming or being a surety for the Company;</p>	<p>A Director shall not vote in respect of any contract or arrangement in which he <b>or any of his Close Associates</b> is interested, directly or indirectly, and if he shall do so his vote shall not be counted, but he may be counted in the quorum at any meeting <b>with the necessary quorum for such meeting to be increased correspondingly taking into account the number of interested Director(s)</b>, but subject to the Act, the Listing Requirements and this Constitution, neither of these prohibitions shall apply to:</p>



## PROPOSED CONSTITUTION AMENDMENTS (CONT'D)

Article no.	Existing Provisions	Proposed Amendments
	<p>(b) Any contract or proposed contract which relates to any loan to the Company that the Director has guaranteed or joined in guaranteeing the repayment of the loan or any part of the loan;</p> <p>(c) Any contract or proposed contract entered into by the Company or a subsidiary of the Company which is a private company with another company in which the Director consists solely in him having an interest of not more than five per centum (5%) of the issued and paid-up share capital of the Company; or</p> <p>(d) Any contract or proposed contract which has been or will be made with or for the benefit of or on behalf of a corporation which by virtue of Section 7 of the Act is deemed to be related to the Company that he is a director of that corporation.</p> <p>Provided that these prohibitions may at any time be suspended or relaxed to any extent and either generally or in respect of any particular contract, arrangement or transaction, by the Company in general meeting.</p>	<p>(a) Any contract or proposed contract of indemnity against any loss which any Director <b>or his Close Associate(s)</b> may suffer by reason of becoming or being a surety for the Company;</p> <p>(b) Any contract or proposed contract which relates to any loan to the Company that the Director <b>or his Close Associate(s)</b> has guaranteed or joined in guaranteeing the repayment of the loan or any part of the loan;</p> <p><del>(c) Any contract or proposed contract entered into by the Company or a subsidiary of the Company which is a private company with another company in which the Director consists solely in him having an interest of not more than five per centum (5%) of the issued and paid-up share capital of the Company; or</del></p> <p>(c) Any contract or proposed contract which has been or will be made with or for the benefit of or on behalf of a corporation which by virtue of Section 7 of the Act is deemed to be related to the Company that he is a director of that corporation.</p> <p>(d) <b>Any proposal concerning an offer of shares or debentures or other securities of or by the Company or any other company which the Company may promote or be interested in for subscription or purchase where the Director or his Close Associate(s) is/are or is/are to be interested as a participant in the underwriting or sub-underwriting of the offer.</b></p> <p>(e) <b>Any proposal or arrangement concerning the benefit of employees of the Company or its subsidiaries including:</b></p> <p>(i) <b>the adoption, modification or operation of any employees' share scheme or any share incentive or share option scheme under which the Director or his Close Associate(s) may benefit; or</b></p> <p>(ii) <b>the adoption, modification or operation of a pension fund or retirement, death or disability benefits scheme which relates both to Directors, his Close Associates and employees of the Company or any of its subsidiaries and does not provide in respect of any Director, or his Close Associate(s), as such any privilege or advantage not generally accorded to the class of persons to which such scheme or fund relates.</b></p> <p>Provided that these prohibitions may at any time be suspended or relaxed to any extent and either generally or in respect of any particular contract, arrangement or transaction, by the Company in general meeting.</p>



## PROPOSED CONSTITUTION AMENDMENTS (CONT'D)

Article no.	Existing Provisions	Proposed Amendments
130	<p>(a) Each Director shall have the power to appoint any person, who is not a director of the Company, approved for that purpose by a majority of the other Directors to act as his alternate ("Alternate Director") and on such appointment being so made and approved the Alternate Director shall in all respects be subject to the terms and conditions existing with reference to the other Directors and each Alternate Director, whilst acting in the place of the Director whom he represents, shall exercise and discharge all the duties and functions of such Director but shall look to such Director solely for his remuneration and shall not be entitled to claim remuneration from the Company.</p> <p>(b) Subject to the provisions of the Listing Requirements, an Alternate Director shall not be appointed as a Member of the Audit Committee of the Company or be appointed to act for more than one Director.</p> <p>(c) If a Director making any such appointment shall cease to be a Director (otherwise than by reason of vacating his office at a meeting of the Company at which he is re-elected), the person appointed by him shall thereupon cease to have any power or authority to act as an Alternate Director.</p> <p>An Alternate Director shall not be taken into account in reckoning the minimum or maximum number of Directors allowed for the time being but shall be counted for the purpose of reckoning whether a quorum is present at any meeting of the Directors attended by him at which he is entitled to vote.</p>	<p>(a) Each Director shall have the power to appoint any person, who is not a director of the Company, approved for that purpose by a majority of the other Directors to act as his alternate ("Alternate Director") and on such appointment being so made and approved the Alternate Director shall in all respects be subject to the terms and conditions existing with reference to the other Directors and each Alternate Director, whilst acting in the place of the Director whom he represents, shall exercise and discharge all the duties and functions of such Director but shall look to such Director solely for his remuneration and shall not be entitled to claim remuneration from the Company.</p> <p>(b) Subject to the provisions of the Listing Requirements, an Alternate Director shall not be appointed as a Member of the Audit Committee of the Company or be appointed to act for more than one Director.</p> <p>(c) If a Director making any such appointment shall cease to be a Director (otherwise than by reason of vacating his office at a meeting of the Company at which he is re-elected), the person appointed by him shall thereupon cease to have any power or authority to act as an Alternate Director.</p> <p>An Alternate Director shall not be taken into account in reckoning the minimum <del>or maximum</del> number of Directors allowed for the time being but shall be counted for the purpose of reckoning whether a quorum is present at any meeting of the Directors attended by him at which he is entitled to vote</p>
151A	(New provision)	<p><b>"Resolution to remove Auditor"</b></p> <p><b>The Auditor may not be removed from office before the expiration of his term of office except by ordinary resolution at a general meeting and in accordance with Article 151B. This Article shall not be taken as depriving the person removed of the compensation or damages payable to him in respect of the termination of his appointment as an Auditor.</b></p>
151B	(New provision)	<p><b>"Special notice"</b></p> <p><b>A special notice shall be required for a resolution to remove an Auditor from office at a general meeting of the Company. Upon receipt of the special notice of such an intended resolution, the Company shall immediately send a copy of the notice to the Auditor proposed to be removed and the Registrar. The Auditor may make a representation in writing not exceeding a reasonable length to the Company within seven (7) days from the receipt of the special notice and upon request of the Auditor, the Company shall send a copy of the</b></p>

## PROPOSED CONSTITUTION AMENDMENTS (CONT'D)

Article no.	Existing Provisions	Proposed Amendments
		<b>representation to every Member to whom notice of the meeting is sent, failing which the Auditor may, without prejudice to his right to be heard orally, require that the representation be read out at the meeting.</b>
155	Subject to the rights of persons, if any, entitled to share with special preferential or special rights as to dividend, all dividends shall be declared and paid according to the amounts paid or credited as paid on the shares in respect whereof the dividend is paid, but no amount paid or credited as paid on a share in advance of calls shall be treated for the purposes of this Article as paid on the share. All dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the shares during any portions of the period in respect of which the dividend is paid, but if any shares is issued on terms providing that it shall rank for dividend as from a particular date that share shall rank for dividend accordingly.	Subject to the rights of persons, if any, entitled to share with special preferential or special rights as to dividend, all dividends shall be declared and paid according to the amounts paid or credited as paid on the shares in respect whereof the dividend is paid, but no amount paid or credited as paid on a share in advance of calls shall be treated for the purposes of this Article as paid on the share <b>and shall not entitle the holder of the share to participate in respect thereof in a dividend subsequently declared.</b> All dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the shares during any portions of the period in respect of which the dividend is paid, but if any shares is issued on terms providing that it shall rank for dividend as from a particular date that share shall rank for dividend accordingly.
159A	(New provision)	<b>“Transfer does not affect right to dividends declared before registration”</b>  <b>A transfer of shares shall not pass the right to any dividend declared on such shares before the registration of the transfer provided that any dividend declared on Deposited Securities shall accrue to the Depositors whose names appear on the Record of Depositors issued to the Company or the Registrar pursuant to the Rules for the purpose of determining the Depositors who are entitled to the dividends declared and for non-Deposited Securities, shall accrue to the Members whose names appear on the Register.</b>
163	Notices of general meetings and of meetings of the Board and any other communication between the Company and the Members and/or its Directors, including matters relating to resolutions, supply of information or documents or otherwise whether for the purposes of complying with the Act, the Listing Requirements or otherwise may be:  (a) in hard copy;  (b) in Electronic Form; or  (c) partly in hard copy and partly in Electronic Form.  A communication in hard copy shall be valid if:  (a) sent to the Company through the post at the Office; or  (b) served on the Member or Director personally, or, by sending it through post at the last known address; or  (c) sent to the Company or Member or Director	Notices of general meetings and of meetings of the Board and any other communication between the Company and the Members and/or its Directors, including matters relating to resolutions, supply of information or documents or otherwise whether for the purposes of complying with the Act, the Listing Requirements or otherwise may be:  (a) in hard copy;  (b) in Electronic Form; or  (c) partly in hard copy and partly in Electronic Form.  A communication in hard copy shall be valid if:  (a) sent to the Company through the post at the Office; or  (b) served on the Member or Director personally, or, by sending it through post at the last known address; or  (c) sent to the Company or Member or Director by facsimile; or  (d) advertised in the daily press.

PROPOSED CONSTITUTION AMENDMENTS (CONT'D)

Article no.	Existing Provisions	Proposed Amendments
	<p>by facsimile; or</p> <p>(d) advertised in the daily press.</p> <p>A communication in Electronic Form shall be valid if:</p> <p>(a) sent to the Company at an electronic address provided for that purpose;</p> <p>(b) sent to the Member or Director by Electronic Communication at the last known Electronic Address provided;</p> <p>(c) served on a Member by means of publication on the Company's website provided that a notification of the publication of such item or material being communicated on the website has been given to the Members in hard copy and/or Electronic Form in accordance with the Act and the Listing Requirements; or</p> <p>(d) served on a Member using any other electronic platform maintained by the Company or third parties that can host the information in a secure manner for access by Members provided that a notification of the publication of such item or material being communicated on the electronic platform has been given to the Members in hard copy and/or Electronic Form in accordance with the Act and the Listing Requirements.</p> <p>A communication partly in hard copy and partly in Electronic Form shall include the sending of any communication by any means while in Electronic Form. This shall include:</p> <p>(a) the sending to the Company through post at the registered office; or</p> <p>(b) the service on the Member or Director either personally or through the post at the last known address,</p> <p>of any notice or communication contained in Electronic Form such as CDROM, USB drive or any other equipment or device used for the storage of data.</p> <p>The address (including Electronic Address):</p> <p>(a) of a Member appearing in the Record of Depositors or Register of Members;</p> <p>(b) of a Director appearing in the Register of Directors; or</p> <p>(c) provided by the Member or the Director to the Company for purposes of communication with him,</p> <p>shall be deemed as the last known address of the Member or Director for purposes of communication including but not limited to service of notices and/or documents to the Member or Director respectively.</p>	<p>A communication in Electronic Form shall be valid if:</p> <p>(a) sent to the Company at an electronic address provided for that purpose;</p> <p>(b) sent to the Member or Director by Electronic Communication at the last known Electronic Address provided;</p> <p><b>(c) it complies with the requirements of the Act, the Listing Requirements or Relevant Regulations;</b></p> <p>(d) served on a Member by means of publication on the Company's website provided that a notification of the publication of such item or material being communicated on the website has been given to the Members in hard copy and/or Electronic Form in accordance with the Act, the Listing Requirements <b>or Relevant Regulations;</b> or</p> <p><b>(e) served on a Member using any other electronic platform maintained by the Company or third parties that can host the information in a secure manner for access by Members provided that a notification of the publication of such item or material being communicated on the electronic platform has been given to the Members in hard copy and/or Electronic Form in accordance with the Act, the Listing Requirements or Relevant Regulations.</b></p> <p>A communication partly in hard copy and partly in Electronic Form shall include the sending of any communication by any means while in Electronic Form. This shall include:</p> <p>(a) the sending to the Company through post at the registered office; or</p> <p>(b) the service on the Member or Director either personally or through the post at the last known address,</p> <p>of any notice or communication contained in Electronic Form such as CDROM, USB drive or any other equipment or device used for the storage of data.</p> <p>The address (including Electronic Address):</p> <p>(a) of a Member appearing in the Record of Depositors or Register of Members;</p> <p>(b) of a Director appearing in the Register of Directors; or</p> <p>(c) provided by the Member or the Director to the Company for purposes of communication with him,</p> <p>shall be deemed as the last known address of the Member or Director for purposes of communication including but not limited to service of notices and/or documents to the Member or Director respectively.</p>

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**PROPOSED CONSTITUTION AMENDMENTS (CONT'D)**


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Article no.	Existing Provisions	Proposed Amendments
167	<p>If the Company is wound up (whether the liquidation is voluntary, under supervision, or by the Court) the liquidator may after the payment or satisfaction of all liabilities of the Company including preferred payments under the Act, with the sanction of a special resolution of the Company, divide amongst the Members in kind the whole or any part of the assets of the Company (whether they consist of property of the same kind or not) and may for that purpose set such value as he deems fair upon any property to be divided as aforesaid and may determine how the division shall be carried out as between the Members or different classes of Members. The liquidator may, with the like sanction, vest the whole or any part of any such assets in trustees upon such trusts for the benefit of the contributories as the liquidator, with the like sanction, thinks fit, but so that no Member shall be compelled to accept any shares or other securities whereon there is any liability.</p>	<p><b>A Special Resolution is required to approve the voluntary winding up of the Company.</b> If the Company is wound up (whether the liquidation is voluntary, under supervision, or by the Court) the liquidator may after the payment or satisfaction of all liabilities of the Company including preferred payments under the Act, with the sanction of a special resolution of the Company, divide amongst the Members in kind the whole or any part of the assets of the Company (whether they consist of property of the same kind or not) and may for that purpose set such value as he deems fair upon any property to be divided as aforesaid and may determine how the division shall be carried out as between the Members or different classes of Members. The liquidator may, with the like sanction, vest the whole or any part of any such assets in trustees upon such trusts for the benefit of the contributories as the liquidator, with the like sanction, thinks fit, but so that no Member shall be compelled to accept any shares or other securities whereon there is any liability.</p>

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**ADDITIONAL INFORMATION**


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**1. DIRECTORS' RESPONSIBILITY STATEMENT**

Our Directors have seen and approved this Circular and they collectively and individually accept full responsibility for the accuracy of the information given in this Circular. They confirm that after making all reasonable enquiries and to the best of their knowledge and belief, there are no false or misleading statements or other facts, the omission of which would make any statement in this Circular misleading.

**2. CONSENTS****2.1 HLIB**

HLIB, being our Principal Adviser for the Proposals, has given and has not subsequently withdrawn its consent to the inclusion in this Circular of its name and all references to it, in the form and context in which they appear.

**2.2 Frost & Sullivan**

Frost & Sullivan, being our Independent Market Researcher for the Global Offering, has given and has not subsequently withdrawn its consent to the inclusion in this Circular of its name and all references to it, in the form and context in which they appear.

**3. CONFLICT OF INTERESTS****3.1 HLIB**

HLIB, its subsidiaries and associated companies as well as its penultimate holding company, namely Hong Leong Financial Group Berhad, and the subsidiaries and associated companies of Hong Leong Financial Group Berhad (collectively, the "**Hong Leong Group**") form a diversified financial group and are engaged in a wide range of investment and commercial banking, brokerage, securities trading, assets and funds management and credit transaction services businesses.

The Hong Leong Group has engaged, and may in the future, engage in transactions with and perform services for our Group, in addition to the roles undertaken in respect of the Proposals. In addition, in the ordinary course of business, any member of the Hong Leong Group may at any time offer or provide its services to or engage in any transaction (on its own account or otherwise) with our Group, hold long or short positions, and may trade or otherwise effect transactions for its own account or the account of its customers in debt or equity securities or senior loans of our Group.

As at the LPD, the Hong Leong Group holds 16,207,000 Top Glove Shares which is held under its insurance and asset management entities. In addition, Hong Leong Bank Berhad, a subsidiary of Hong Leong Financial Group Berhad, has extended the following credit facilities to the Top Glove Group:

- (i) USD120.22 million (equivalent to approximately RM500.30 million<sup>1</sup>), with an outstanding amount utilised of approximately USD54.44 million (equivalent to approximately RM226.56 million);
- (ii) Euro 9.0 million (equivalent to approximately RM43.55 million<sup>2</sup>), all of which are outstanding and have been utilised; and

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<sup>1</sup> Based on the exchange rate of USD1.00:RM4.1615, being the middle rate at 5:00 p.m. published by Bank Negara Malaysia on the LPD.

<sup>2</sup> Based on the exchange rate of Euro1.00:RM4.8384, being the middle rate at 5:00 p.m. published by Bank Negara Malaysia on the LPD.

**ADDITIONAL INFORMATION (CONT'D)**

- (iii) RM354.3 million, with an outstanding amount utilised of approximately RM174.28 million.

Notwithstanding the foregoing, HLIB is of the view that the aforesaid lending relationship would not give rise to a conflict of interest situation in its capacity as a Principal Adviser for the Proposals as:

- (i) the extension of credit facilities arose in the ordinary course of business of the Hong Leong Group;
- (ii) the conduct of the Hong Leong Group in its banking business is strictly regulated by the Financial Services Act 2013, Islamic Financial Services Act 2013 and, where applicable, the Capital Market and Services Act 2007, as well as the Hong Leong Group's own internal controls and checks;
- (iii) the said credit facilities, when compared to the latest audited consolidated net assets of the Hong Leong Group as at 30 June 2021 of approximately RM22,818.4 million (representing approximately 4.0% of the latest audited consolidated net assets of the Hong Leong Group), is not material; and
- (iv) HLIB is a licensed investment bank and the appointment as a Principal Adviser for the Proposals is in its ordinary course of business.

**3.2 Frost & Sullivan**

Frost & Sullivan confirms that it is not aware of any conflict of interest which exists or is likely to exist in its capacity as our Independent Market Researcher for the Global Offering.

**4. MATERIAL LITIGATION**

As at the LPD, we are not engaged in any material litigation, claims or arbitration, either as plaintiff or defendant, and our Board is not aware of any proceedings, pending or threatened against our Group, or of any facts likely to give rise to any proceedings which might materially and adversely affect our financial position or business.

**5. MATERIAL COMMITMENTS AND CONTINGENT LIABILITIES****5.1 Material commitments**

Save as disclosed below, based on our latest audited consolidated accounts as at 31 August 2021, our Board is not aware of any other material commitments incurred or known to be incurred by our Group which may have a material impact on the financial position of our Group:

	<u>RM'million</u>
Approved and contracted for capital expenditures	1,041.8

**5.2 Contingent Liabilities**

Save as disclosed below, based on our latest audited consolidated accounts as at 31 August 2021, our Board is not aware of any other contingent liabilities incurred or known to be incurred by our Group, which upon becoming enforceable, may have a material impact on the financial position of our Group:

	<u>RM'million</u>
Corporate guarantees provided by our Company to banks for our subsidiaries' loans and borrowings	459.0

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**ADDITIONAL INFORMATION (CONT'D)**

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**6. DOCUMENTS AVAILABLE FOR INSPECTION**

Copies of the following documents are available for inspection during normal business hours at our registered office at Level 21, Top Glove Tower, 16, Persiaran Setia Dagang, Setia Alam, Seksyen U13, 40170 Shah Alam, Selangor Darul Ehsan, Malaysia, from Monday to Friday (except for public holidays) from the date of this Circular up to and including the date of the EGM:

- (i) our Constitution;
- (ii) Frost & Sullivan report dated October 2021;
- (iii) our audited consolidated financial statements for the FYE 31 August 2020 and FYE 31 August 2021; and
- (iv) the letters of consent referred to in **Section 2** of this Appendix.





## TOP GLOVE CORPORATION BHD

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

### NOTICE OF EXTRAORDINARY GENERAL MEETING

**NOTICE IS HEREBY GIVEN THAT** an Extraordinary General Meeting (“EGM”) 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 modifications, the resolutions set out in this notice:

- Day and Date** : Wednesday, 8 December 2021
- 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](mailto:topglovecosec@topglove.com.my) prior to the EGM

### ORDINARY RESOLUTION

**PROPOSED ISSUANCE OF UP TO 793,500,000 NEW ORDINARY SHARES IN TOP GLOVE (“TOP GLOVE SHARES”) RAISING UP TO HKD4.24 BILLION (EQUIVALENT OF APPROXIMATELY UP TO RM2.27 BILLION), THROUGH A GLOBAL OFFERING (INCLUDING AN OVER-ALLOTMENT OPTION, IF EXERCISED IN FULL) IN CONNECTION WITH THE LISTING OF TOP GLOVE ON THE MAIN BOARD OF THE STOCK EXCHANGE OF HONG KONG LIMITED (“HKEX”) (“PROPOSED ISSUANCE OF NEW SHARES”)**

“**THAT** subject to the passing of the Special Resolution and the approvals of all relevant authorities and/or parties being obtained (where required) in respect of the Proposed Issuance of New Shares, approval be and is hereby given to the Company to allot and issue up to 793,500,000 new Top Glove Shares raising up to HKD4.24 billion (equivalent of approximately RM2.27 billion) through a global offering of new Top Glove Shares (“**Global Offering**”) (including up to 103,500,000 new Top Glove Shares which may be issued pursuant to any exercise of the Over-allotment Option (as defined herein), in connection with the listing of Top Glove on the Main Board of HKEX.

**THAT** the over-allotment option comprises up to 103,500,000 additional new Top Glove Shares, representing not more than 15% of the total number of new Top Glove Shares to be initially offered under the Global Offering of up to 690,000,000 new Top Glove Shares (“**Over-allotment Option**”).

**THAT** the new Top Glove Shares to be issued pursuant to the Proposed Issuance of New Shares shall, upon issuance and allotment, rank equally in all respects with the existing issued Top Glove Shares. However, the new Top Glove Shares will not be entitled to any dividends, rights, allotments and/or other distributions unless such new Top Glove Shares were issued on or prior to the entitlement date of such dividends, rights, allotments and/or other distributions.

**THAT** the Board of Directors of Top Glove ("**Board**") be and is hereby authorised to use the proceeds to be raised from the Proposed Issuance of New Shares for the purposes set out in the circular to the shareholders dated 16 November 2021 ("**Circular**"), and the Board be authorised with full powers to vary the manner and/or purpose of the utilisation of such proceeds in such manner as the Board shall in its absolute discretion deem fit, necessary, expedient and/or appropriate and in the best interest of Top Glove, subject to the approvals of relevant authorities (where required) being obtained.

**AND THAT** the Board be and is hereby empowered and authorised to do all acts, deeds and things and execute, sign, deliver and cause to be delivered on behalf of Top Glove all such documents and/or arrangement (including, without limitations, the affixing of Top Glove's share seal) as may be necessary to give effect and complete the Proposed Issuance of New Shares and to assent to any conditions, modifications, variations and/or amendments in any manner as may be required by the relevant authorities or as the Board may deem necessary in the best interest of Top Glove and to take such steps as they may deem necessary or expedient in order to implement, finalise, and give full effect and to complete the Proposed Issuance of New Shares."

## **SPECIAL RESOLUTION**

### **PROPOSED AMENDMENTS TO THE CONSTITUTION OF THE COMPANY TO FACILITATE THE IMPLEMENTATION OF THE DUAL PRIMARY LISTING OF AND QUOTATION FOR THE ENTIRE TOP GLOVE SHARES ON THE MAIN BOARD OF HKEX ("PROPOSED CONSTITUTION AMENDMENTS")**

"**THAT**, subject to the passing of Ordinary Resolution and the approvals of all relevant authorities and/or parties being obtained (where required) in respect of the Proposed Issuance of New Shares, approval be and is hereby given to the Company to amend the Constitution of the Company in the manner set out in the **Appendix II** of the Circular dated 16 November 2021 in order to align the Constitution with the provisions of the relevant laws, listing rules and regulations in Hong Kong.

**AND THAT** the Board be and is hereby authorised to give effect to the Proposed Constitution Amendments with full power to assent to any conditions, modifications, variations and/or amendments as may be required by the relevant authorities and to do all such acts as it may consider necessary or expedient in the best interest of the Company to give effect to the Proposed Constitution Amendments."

By Order of the Board

**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

16 November 2021

#### **Notes:**

1. *The EGM 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 EGM 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 require 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 2 December 2021 (General Meeting Record of Depositors) shall be eligible to participate in the EGM.*
4. *A member of the Company entitled to participate and vote at the EGM is entitled to appoint not more than two (2) proxies 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 EGM. The members or their proxies or their corporate representatives may submit questions to the Company at [topglovecosec@topglove.com.my](mailto:topglovecosec@topglove.com.my) prior to the EGM or via real time submission of typed texts through a text box within Securities Services ePortal's platform during live streaming of the EGM 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@sshshb.com.my](mailto:eservices@sshshb.com.my) during the EGM.

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 EGM 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://sshshb.net.my/> or by fax to +603 2094 9940 or by email to [eservices@sshshb.com.my](mailto:eservices@sshshb.com.my).

**Personal Data Privacy:**

By submitting an instrument appointing a proxy(ies) and/or representative(s) to participate and vote at the EGM 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 EGM (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the EGM (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.



## TOP GLOVE CORPORATION BHD

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

(Incorporated in Malaysia)

### ADMINISTRATIVE DETAILS FOR THE EXTRAORDINARY GENERAL MEETING

In light of the recent COVID-19 pandemic and as a precautionary measure, Top Glove Corporation Bhd (“**Top Glove**”) will conduct its Extraordinary General Meeting (“**EGM**”) 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** : Wednesday, 8 December 2021
- 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](mailto:topglovecosec@topglove.com.my) prior to the EGM

### Remote Participation and Voting

1. Only shareholders whose names appear on the General Meeting Record of Depositors as at 2 December 2021 shall be eligible to participate in the EGM or appoint proxy(ies) or corporate representative(s) to participate and/or vote on his/her behalf.
2. Since the EGM will be conducted virtually, shareholders/proxies/corporate representatives will not be allowed to be physically present at the Broadcast Venue.
3. Shareholders who wish to participate at the EGM are required to (i) register as a user of the Securities Services ePortal no later than 12:30 p.m. on Tuesday, 7 December 2021; AND (ii) register for the remote participation via <https://sshbsb.net.my/> no later than the ‘Questions and Answer’ session or when the Chairman announces that the EGM registration is closed, whichever is the earlier. *Please refer to the Securities Services ePortal User Guide in Appendix I.*
4. Securities Services ePortal allows individual and body corporate shareholders, through their appointed representatives to:
  - (a) Submit proxy forms electronically;
  - (b) Register for RPV at meeting;
  - (c) Attend and participate in meeting via live streaming; and
  - (d) Vote online on resolutions tabled at meeting.
5. Please note that no recording or photography of the EGM proceedings is allowed and must ensure that you are connected to the internet at all times in order to participate and vote when the EGM has commenced. Therefore, it is your responsibility to ensure that connectivity for the duration of the EGM is maintained.

## Appointment of Proxy

1. If a shareholder is unable to participate at the EGM via the RPV facilities, he/she may appoint not more than two (2) proxies 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.
2. **If you wish to participate at the EGM yourself, please do not submit any proxy form.** A shareholder will not be allowed to participate at the EGM if his/her proxy/proxies has/have been appointed to participate at the EGM, unless he revokes the proxy appointment and registers for the EGM.
3. 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 **Monday, 6 December 2021**.

### **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](mailto:eservices@sshsb.com.my) no later than **10:30 a.m.** on **Monday, 6 December 2021**. Please refer to the Securities Services ePortal User Guide in Appendix I.

4. 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 **Friday, 3 December 2021**.
5. If you have submitted your proxy form and subsequently decide to appoint another person or wish to participate personally in the EGM, please write in to [eservices@sshsb.com.my](mailto:eservices@sshsb.com.my) no later than **10:30 a.m.** on **Monday, 6 December 2021** to revoke the earlier appointed proxy.

<b>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.</b>
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## Submission of Questions

1. Shareholders that wish to post questions to the Chairman/Board/Management can email their questions to [topglovecosec@topglove.com.my](mailto:topglovecosec@topglove.com.my) no later than **10:30 a.m.** on **Tuesday, 7 December 2021**.
2. 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 EGM.
3. The Chairman/Board/Management will endeavour to respond to relevant questions during the EGM or by email after the EGM.

## Poll Voting

1. The voting at the EGM 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 will be appointed to conduct the polling process and verify the results of the poll, respectively.

2. Access to eVoting will be opened from the commencement of the EGM until the end of the voting session which will be announced by the Chairman of the EGM. *Please refer to the Securities Services ePortal User Guide in Appendix I.*

#### **Door Gift**

1. Shareholders/proxies who had (i) logged in to Securities Services ePortal on 8 December 2021; **AND** (ii) casted their vote during the EGM are entitled for a TGeBuy EGM eVoucher (“**EGM eVoucher**”) worth RM50 when purchasing Top Glove products via its online platform at <https://tgebuy.com/>.
2. An individual who is a shareholder or a proxy or a corporate representative is only entitled to ONE EGM eVoucher worth RM50. No additional EGM eVoucher will be given in the event that a shareholder is also an appointed proxy(ies)/corporate representative(s).
3. Shipping fees will be waived if the purchase value is above RM120 (only applicable to addresses in Malaysia). No self-collection of purchase is allowed.
4. The EGM eVoucher code will be emailed to eligible shareholders/proxies/corporate representatives on 11 December 2021 and the EGM eVoucher will remain valid until 11 February 2022. The said eVoucher can only be redeemed once.

#### **Enquiries for EGM**

1. If you have any enquiry relating to the Securities Services ePortal or proxy appointment prior to the EGM, 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 holidays):

**Poll Administrator** : **SS E Solutions Sdn. Bhd.**

**Contact Person** : 1. Mr. Wong Piang Yoong: +603 2084 9168  
2. Mr. Jerry Tan Hor Seng: +603 2084 9165  
3. Puan Nurhayati Ang: +603 2084 9162  
4. Ms. Lee Pei Yeng: +603 2084 9169  
5. Ms. Rachel Ou: +603 2084 9161  
6. Ms. Evangeline Yeoh: +603 2084 9007

**Email** : [eservices@sshsb.com.my](mailto:eservices@sshsb.com.my)

2. If you have any enquiry relating to the EGM Administrative Details prior to the EGM, 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 holidays):

**Company** : **Top Glove Corporation Bhd**

**Contact Person** : 1. Ms. Kassy Lim Keat See  
2. Ms. Sarah Heng Kawai

**Contact No.** : +6016 737 7113

**Email** : [topglovecosec@topglove.com.my](mailto:topglovecosec@topglove.com.my)

## Securities Services ePortal User Guide

Before the EGM	
<b>A) Sign up for a user at Securities Services ePortal</b>	
<p><b>Step 1:</b> Visit <a href="https://sshsb.net.my/">https://sshsb.net.my/</a> to sign up 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><b>Step 2:</b> 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><b>Notes:</b></p> <ol style="list-style-type: none"> <li>1. This is a <b>ONE-TIME Registration</b>. If you already have a user account of Securities Services ePortal, you <u>need not</u> register again.</li> <li>2. To register for the meeting under (B) below, please sign up for a user account <b>no later than 12:30 p.m. on Tuesday, 7 December 2021</b>.</li> </ol>
<b>B) Registration for Remote Participation</b>	
<b>MUST DO THIS STEP FOR SHAREHOLDER WHO WISHES TO PARTICIPATE AND VOTE AT OUR EGM</b>	
<p><b>Step 1:</b> Log on to <a href="https://sshsb.net.my/">https://sshsb.net.my/</a> with your registered User ID (email address) and password.</p> <p><b>Step 2:</b> Look for "Top Glove Corporation Bhd" under Company Name and "EGM on 8 December 2021 at 10:30 a.m.: Registration for Remote Participation" under the Corporate Exercise/Event tab and Click "&gt;".</p> <p><b>Step 3:</b> Select whether you are participating as <b>(1) Individual Shareholder</b>; or <b>(2) Corporate or Authorised Representative of a body corporate<sup>1</sup></b>, and click "Submit".</p>	<p><b>Notes:</b></p> <ol style="list-style-type: none"> <li>1. All shareholders must register for remote participation at the meeting and are <b>highly encouraged to register as early as possible and before the EGM date and time</b> 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 2 December 2021.</li> <li>2. If you wish to participate remotely at the EGM, please register no later than the 'Questions and Answer' session or when the Chairman announces that the meeting registration is closed, whichever is the earlier.</li> <li>3. A copy of your eRegistration for remote participation can be accessed via My Records.</li> <li>4. Your registration will apply to all the <b>CDS account(s)</b> of each individual shareholder/body corporate shareholder that you represent. If you are both an individual shareholder and representative of body corporate(s), you need to register as an individual and also as a representative for each body corporate.</li> <li>5. 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 proxy or your own proxy(ies) to represent you.</li> </ol>



	<p><b>For shareholder whose shares are traded on Singapore Exchange Securities Trading Limited</b>, 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.</p>
<p><b>C) Submission of eProxy Form</b></p>	<p><b>PLEASE DO NOT SUBMIT PROXY FORM IF YOU ARE REGISTERING TO PARTICIPATE IN THE MEETING</b></p>
<p><b>Step 1:</b> Log on to <a href="https://sshbsb.net.my/">https://sshbsb.net.my/</a> with your registered User ID (email address) and password.</p> <p><b>Step 2:</b> Look for “<b>Top Glove Corporation Bhd</b>” under Company Name and “<b>EGM on 8 December 2021 at 10:30 a.m.: Submission of Proxy Form</b>” under Corporate Exercise/Event and Click “&gt;”.</p> <p><b>Step 3:</b> Select whether you are submitting the proxy form as <b>(1) Individual Shareholder</b>; or <b>(2) Corporate or Authorised Representative of a body corporate<sup>1</sup></b></p> <p><b>Step 4:</b> Enter your <b>CDS account number</b> or the body corporate’s CDS account number.</p> <p><b>Step 5:</b> Enter the information of your proxy(ies) and the proportion of securities (in %) to be represented by your proxy(ies).</p> <p><b>Step 6:</b> Proceed to indicate how your votes are to be casted against each resolution.</p> <p><b>Step 7:</b> Review and confirm your proxy form details before submission.</p>	<p><b>Notes:</b></p> <ol style="list-style-type: none"> <li><i>1. Please submit your proxy form no later than <b>10:30 a.m. on Monday, 6 December 2021</b> if you wish to appoint proxy(ies) to participate on behalf.</i></li> <li><i>2. A copy of your submitted eProxy Form can be accessed via My Records.</i></li> <li><i>3. You need to submit your eProxy Form for every CDS account(s) you have or represent.</i></li> <li><i>4. <b>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 a user account under (A) above no later than 12:30 p.m. on Friday, 3 December 2021.</b></i></li> <li><i>5. 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 of the ePortal, failing which, the proxy will not be able to participate at the EGM.</i></li> <li><i>6. Upon verification by the Poll Administrator with the General Meeting Record of Depositors as at 2 December 2021, you will receive an email advising you if you or your proxy is eligible to participate at the EGM.</i></li> </ol> <p><b>For shareholder whose shares are traded on Singapore Exchange Securities Trading Limited</b>, please also refer to the instructions on the Voting Instruction Form (Form A or Form B).</p>
<p><b>On the EGM Day (Wednesday, 8 December 2021 @ 10:30 a.m.)</b></p>	
<p><b>A) Joining the Live Stream Meeting</b></p>	
<p><b>Step 1:</b> Log on to <a href="https://sshbsb.net.my/">https://sshbsb.net.my/</a> with your registered User ID (email address) and password.</p> <p><b>Step 2:</b> Look for “<b>Top Glove Corporation Bhd</b>” under Company Name and “<b>EGM on 8 December 2021 at 10:30 a.m.: Live Stream Meeting</b>” under the Corporate Exercise/Event and click “&gt;” to join the EGM.</p>	<p><b>Notes:</b></p> <ol style="list-style-type: none"> <li><i>1. You can start to log in 1 hour before the commencement of the EGM.</i></li> <li><i>2. 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 EGM.</i></li> <li><i>3. Quality of the live streaming is dependent on the stability of the internet connection at</i></li> </ol>

	<i>the location of the user.</i>
<b>B) Remote Online Voting during the EGM</b>	
<p><b>Step 1:</b> If you are logged on to the ePortal and already accessing the Live Stream Meeting, click on “<b>Proceed to Vote</b>” displayed below the Live Stream player to begin voting on the resolutions.</p> <p>OR</p> <p>If you are not logged on yet, log on to <a href="https://sshsb.net.my/">https://sshsb.net.my/</a> with your registered User ID (email address) and password.</p> <p>Look for “<b>Top Glove Corporation Bhd</b>” under Company Name and “<b>EGM on 8 December 2021 at 10:30 a.m.: Remote Voting</b>” under the Corporate Exercise/Event and click “&gt;” to remotely cast and submit your votes online for the resolutions tabled at the EGM.</p> <p><b>Step 2:</b> 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.</p> <p><b>Step 3:</b> Upon casting your votes, you will be redirected back to the Live Stream. The message “Voted” will be displayed below the Live Stream.</p>	<p><b>Notes:</b></p> <ol style="list-style-type: none"> <li>1. Access to eVoting will be opened on the aforementioned date and time.</li> <li>2. Your votes casted will apply throughout <b>ALL</b> the CDS accounts you represent as an individual shareholder, corporate/ authorised representative and proxy.</li> <li>3. Where you are attending as a proxy, and the shareholder who appointed you has indicated how the votes are to be casted, we will take the shareholder’s indicated votes in the proxy form.</li> <li>4. Access to eVoting will be closed as directed by the Chairman. A copy of your submitted eVoting can be accessed via My Records.</li> </ol>
<b>C) End of Remote Participation</b>	
The live streaming will end upon the announcement by the Chairman on the closure of the EGM.	

<sup>1</sup> 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 are 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, 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)]** hereby appoint:

1) Name of Proxy: \_\_\_\_\_ NRIC/Passport No.: \_\_\_\_\_  
Address: \_\_\_\_\_  
Email: \_\_\_\_\_ Tel: \_\_\_\_\_ Percentage of Shares Represented: \_\_\_\_\_ %

2) Name of Proxy: \_\_\_\_\_ NRIC/Passport No.: \_\_\_\_\_  
Address: \_\_\_\_\_  
Email: \_\_\_\_\_ Tel: \_\_\_\_\_ Percentage of Shares Represented: \_\_\_\_\_ %

or failing him/her, the CHAIRMAN OF THE MEETING, as my/our proxy to vote for me/us, and on my/our behalf at the Extraordinary General Meeting (“**EGM**”) 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 Wednesday, 8 December 2021 at 10:30 a.m.

Please indicate with “X” how you wish your vote to be casted. In the absence of specific instruction, your proxy will vote or abstain from voting at his/her discretion.

ORDINARY RESOLUTION	FOR	AGAINST	ABSTAINED
Proposed Issuance of New Shares.			
SPECIAL RESOLUTION	FOR	AGAINST	ABSTAINED
Proposed Constitution Amendments.			

Signed on this \_\_\_\_\_ day of \_\_\_\_\_ 2021

Signature of Member / Common Seal

## Notes:

- The EGM 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 EGM in order to register, participate and vote remotely via the RPV facilities.
- 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 require 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.
- In respect of deposited securities, only members whose names appear in the Record of Depositors on 2 December 2021 (General Meeting Record of Depositors) shall be eligible to participate in the EGM.
- A member of the Company entitled to participate and vote at the EGM is entitled to appoint not more than two (2) proxies 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 EGM. The members or their proxies or their corporate representatives may submit questions to the Company at [topglovecosec@topglove.com.my](mailto:topglovecosec@topglove.com.my) prior to the EGM or via real time submission of typed texts through a text box within Securities Services ePortal’s platform during live streaming of the EGM 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](mailto:eservices@sshsb.com.my) during the EGM.
- 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.
- 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.
- 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.
- 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 EGM or at any adjournment thereof.
  - 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.
  - 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](mailto:eservices@sshsb.com.my).



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STAMP

**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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