Top Glove Corporation Bhd.
199801018294 (474423-X)
(Incorporated in Malaysia)

Directors' Report and Audited Financial Statements
31 August 2025

199801018294 (474423-X)

Top Glove Corporation Bhd.
(Incorporated in Malaysia)

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Directors' report

The directors hereby submit their report together with the audited financial statements of the Group and of the Company for the financial year ended 31 August 2025.

Principal activities

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

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

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

Results

	Group RM'000	Company RM'000
Profit net of tax	122,846	509,208
Profit/(loss) attributable to:		
Owners of the parent	105,330	509,208
Holders of Perpetual Sukuk	23,113	-
Non-controlling interests	(5,597)	-
	122,846	509,208

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

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

Dividends

A tax exempt final dividend in respect of the financial year ended 31 August 2025, of 0.48 sen per share on 8,017,841,000 ordinary shares amounting to RM38,486,000 had been declared on 9 October 2025. The final dividend will be paid on 15 December 2025. The financial statements for the current financial year do not reflect this proposed dividend. Such dividend will be accounted for in equity as an appropriation of retained earnings in the financial year ending 31 August 2026.

Directors

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

Tan Sri Dr Lim Wee Chai*	
Lim Hooi Sin*	
Lim Cheong Guan*	
Ng Yong Lin*	
Datuk Dr. Norma Binti Mansor	
Azrina Binti Arshad	
Gan Mei Mei	
Lee Ah Too	
Emelia Binti Matrahah	(Appointed on 28 February 2025)
Dr. Ngo Get Ping	(Stepped down on 28 February 2025)

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

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Directors (cont'd)

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

Chen Feng
Chia Hock Yi
Choh Ai Ying
Chong Fei Meng
Chookiad Usaha
Dato' Dr. Sharifah Fauziah Alhabshi
Dato' Ir Haji Ahmad Bin Hassan
Dato' Julie Wong Seng Choo
Dato' Yeo Kok Sing
Dr. Navindra A/L Nageswaran
Galuh Faradisa
Ho Chee Meng Edmund
Ho Kim Nam
Lam Yat Hing
Law Eng Lim
Leong Chew Mun
Liew Say Keong
Lim Hwa Chuan
Lim Jin Feng
Lim Keuw Wei
Ling Siew Szen
Low Lee Lee
Lee Sow Theng
Mao Li Fei
Masato Katayama
Ng Seow Wei
Norhazlin Binti Hamzah
Oh Teik Chye
Ong Ah Chye
Phattaraporn Fueangthong
Puah Kean Seng
Puon Tuck Seng
Ravi A/L Supramaniam
Saw Eng Kooi
Svami Utama Batang Taris
Tan Chee Hoong
Wilawan Sakulsongboonsiri
Yap Rueh Yinn
Yorck Von Kries

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Directors (cont'd)

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

Cheng Thian Foong	(Appointed on 12 November 2024)
Loy Joo Ling	(Appointed on 17 December 2024)
Lim Sze Jim	(Appointed on 10 April 2025)
Liang Donald Chu	(Appointed on 2 May 2025)
Zhou Wei	(Appointed on 2 May 2025)
Suib Bin Ahmad	(Appointed on 21 July 2025)
Siow Chun Min	(Resigned on 19 September 2024)
Hue Kon Fah	(Resigned on 31 December 2024)
Tee Sui Ling	(Resigned on 10 April 2025)

Directors' benefits

Neither at the end of the financial year, nor at any time during that year, did there subsist any arrangement to which the Company was a party, whereby the directors might acquire benefits by means of the acquisition of shares in or debentures of the Company or any other body corporate, other than those arising from the Warrants 2025/2023 and the share options granted under the employees share options scheme ("ESOS") and the employees share grant plan ("ESGP").

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

The directors' benefits are as follows:

	Group RM'000	**Company RM'000**
Salaries and other emoluments	7,929	3,208
Fees	1,158	1,088
Pension costs - defined contribution plan	646	345
Social security contributions	82	1
Share options granted under ESOS	63	53
Benefits-in-kind	56	47
	9,934	4,742

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

Directors' interests

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

	<---------------------- Number of ordinary shares --------------------->			
	At 1.9.2024	**Acquired**	**Sold**	**At 31.8.2025**
Tan Sri Dr Lim Wee Chai				
- direct	2,235,628,856	24,055,400	-	2,259,684,256
- indirect	705,608,248	1,500,000	-	707,108,248
Lim Hooi Sin				
- direct	112,978,044	1,500,000	-	114,478,044
- indirect	2,828,059,060	24,055,400	-	2,852,114,460
Lim Cheong Guan				
- direct	518,000	-	-	518,000
Ng Yong Lin				
- direct	-	410,200	-	410,200
Datuk Dr. Norma Binti Mansor				
- indirect	42,900	-	-	42,900
Azrina Binti Arshad				
- direct	30,487	-	-	30,487
Gan Mei Mei				
- direct	8,000	-	-	8,000

	<-------------- Number of options over ordinary shares -------------->			
	At 1.9.2024	**Granted**	**Exercised**	**At 31.8.2025**
Tan Sri Dr Lim Wee Chai	5,697,100	64,300	1,755,400	4,006,000
Lim Hooi Sin	1,253,900	86,000	-	1,339,900
Lim Cheong Guan	1,039,000	-	-	1,039,000
Ng Yong Lin	1,075,200	-	410,200	665,000

Directors' interests (cont'd)

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

	<---- Number of warrants ---->			
	At 1.9.2024	**Entitled/ Bought**	**Converted/ Sold**	**At 31.8.2025**
Tan Sri Dr Lim Wee Chai				
- direct	-	111,909,212	-	111,909,212
- indirect	-	35,355,411	-	35,355,411
Lim Hooi Sin				
- direct	-	5,723,902	-	5,723,902
- indirect	-	141,530,721	-	141,530,721
Lim Cheong Guan				
- direct	-	25,900	-	25,900
Ng Yong Lin				
- direct	-	20,510	-	20,510
Datuk Dr. Norma Binti Mansor				
- indirect	-	2,145	-	2,145
Azrina Binti Arshad				
- direct	-	1,524	-	1,524
Gan Mei Mei				
- direct	-	400	-	400

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

Issue of shares

During the financial year, the Company increased its issued and paid-up ordinary share capital from RM1,846,990,000 to RM1,855,941,000 by way of:

(i) issuance of 6,816,800 (2024: 2,853,300) ordinary shares pursuant to the Company's ESOS at an exercise price between RM0.88 to RM0.99 (2024: between RM0.88 to RM3.30) per ordinary share.

(ii) issuance of 10,025 ordinary shares pursuant to the conversion of Warrants 2025/2030 at the issued price of RM1.27 per ordinary share in accordance with the Deed Poll dated 15 January 2025.

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

Employees share options scheme ("ESOS")

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

The committee administering the ESOS comprise three executive directors, Tan Sri Dr Lim Wee Chai, Lim Cheong Guan and Ng Yong Lin; three independent non-executive directors, Azrina Binti Arshad, Lee Ah Too and Datuk Dr. Norma Binti Mansor and one management staff, Lim Jin Feng.

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

Details of the options exercised to subscribe for ordinary shares of the Company pursuant to the ESOS as at 31 August 2025 are as follows:

Expiry date	**Exercise price RM**	**Number of options '000**
31 May 2028	0.99	5,513.4
31 May 2028	0.89	279.9
31 May 2028	0.88	684.4
31 May 2028	0.92	339.1
		6,816.8

During the financial year, the Company granted 726,800 share options under ESOS. These options will expire on 31 May 2028 and are exercisable if the employee has not served a notice of resignation or receive a notice of termination from the date of grant and certain conditions as detailed in Note 38(i) to the financial statements are met.

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

Employees share grant plan ("ESGP")

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

The committee administering the ESGP comprise three executive directors, Tan Sri Dr Lim Wee Chai, Lim Cheong Guan and Ng Yong Lin; three independent non-executive directors, Azrina Binti Arshad, Lee Ah Too and Datuk Dr. Norma Binti Mansor and one management staff, Lim Jin Feng.

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

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

Warrants 2025/2030

The Company had completed the bonus issue of 400,883,626 warrants on the basis of 1 warrant for every 20 existing ordinary shares held in the Company on the Main Market of Bursa Securities on 14 February 2025 and on the Mainboard of the Singapore Exchange Securities on 20 February 2025 (“Warrants 2025/2030”).

The Warrants are valid for exercise for a period of 5 years from its issue date and will expire on 9 February 2030. During this period, each Warrant entitles the registered holder to subscribe for 1 new ordinary share in the Company at any time on or after 14 February 2025 to 9 February 2030, at an exercise price of RM1.27 per Warrant in accordance with the Deed Poll dated 15 January 2025. Any Warrants not exercised by its expiry date will lapse thereafter and cease to be valid for all purposes.

For the Warrants listed and traded on Singapore Exchange Securities Trading Limited ("SGX-ST"), the exercise price in Singapore Dollars ("SGD") per Warrant will be determined by way of translating the exercise price of RM1.27 using the middle rate quoted by Bank Negara Malaysia preceding the date of announcement of the translated exercise price in SGD on Bursa Malaysia Securities. The announcement will be made on the last trading day of each calendar quarter during the tenure of the Warrants. This translated exercise price shall apply to the Warrants to be exercised during the calendar quarter immediately following the date of the announcement on Bursa Securities.

During the financial year, 10,025 Warrants 2025/2030 were exercised and converted into 10,025 ordinary shares at an issue price of RM1.27 per ordinary share. As at 31 August 2025, 400,873,601 Warrants 2025/2030 remained unexercised.

Treasury shares

As at 31 August 2025, the Company held as treasury shares a total of 199,764,300 of its 8,217,605,000 issued ordinary shares. Such treasury shares are held at a carrying amount of RM1,412,270,000 and further relevant details are disclosed in Note 34 to the financial statement.

Other statutory information

(a) Before the statements of comprehensive income and statements of financial position of the Group and of the Company were made out, the directors took reasonable steps:

   (i) to ascertain that proper action had been taken in relation to the writing off of bad debts and the making of allowance for expected credit loss and satisfied themselves that all known bad debts had been written off and that no allowance for expected credit loss was necessary; and

   (ii) to ensure that any current assets which were unlikely to realise their values as shown in the accounting records in the ordinary course of business had been written down to an amount which they might be expected so to realise.

(b) At the date of this report, the directors are not aware of any circumstances which would render:

   (i) the amount written off for bad debts in the financial statements of the Group and of the Company inadequate to any substantial extent and to make any allowance for expected credit loss in respect of the financial statement of the Group and of the Company; and

   (ii) the values attributed to the current assets in the financial statements of the Group and of the Company misleading.

(c) At the date of this report, the directors are not aware of any circumstances which have arisen which would render adherence to the existing method of valuation of assets or liabilities of the Group and of the Company misleading or inappropriate.

(d) At the date of this report, the directors are not aware of any circumstances not otherwise dealt with in this report or financial statements of the Group and of the Company which would render any amount stated in the financial statements misleading.

(e) At the date of this report, there does not exist:

   (i) any charge on the assets of the Group or of the Company which has arisen since the end of the financial year which secures the liabilities of any other person; or

   (ii) any contingent liability of the Group or of the Company which has arisen since the end of the financial year.

(f) In the opinion of the directors:

   (i) no contingent or other liability has become enforceable or is likely to become enforceable within the period of twelve months after the end of the financial year which will or may affect the ability of the Group or of the Company to meet their obligations when they fall due; and

   (ii) no item, transaction or event of a material and unusual nature has arisen in the interval between the end of the financial year and the date of this report which is likely to affect substantially the results of the operations of the Group or of the Company for the financial year in which this report is made.

Auditors

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

Auditors' remuneration is as follows:

	Group RM'000	Company RM'000
Ernst & Young PLT	1,050	318
Other auditors	522	-
	1,572	318

To the extent permitted by law, the Company has agreed to indemnify its auditors, Ernst & Young PLT, as part of the terms of its audit engagement against claims by third parties arising from the audit for an unspecified amount. No payment has been made to indemnify Ernst & Young PLT for the financial year ended 31 August 2025.

Signed on behalf of the Board in accordance with a resolution of the directors dated 25 November 2025.

Lim Cheong Guan

Lee Ah Too

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

We, Lim Cheong Guan and Lee Ah Too, being two of the directors of Top Glove Corporation Bhd., do hereby state that, in the opinion of the directors, the accompanying financial statements set out on pages 19 to 157 are drawn up in accordance with MFRS Accounting Standards, IFRS Accounting Standards and the requirements of the Companies Act 2016 in Malaysia so as to give a true and fair view of the financial position of the Group and of the Company as at 31 August 2025 and of their financial performance and cash flows for the year then ended.

Signed on behalf of the Board in accordance with a resolution of the directors dated 25 November 2025.

Lim Cheong Guan

Lee Ah Too

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

I, Lim Cheong Guan, being the director primarily responsible for the financial management of Top Glove Corporation Bhd., do solemnly and sincerely declare that the accompanying financial statements set out on pages 19 to 157 are to the best of my knowledge and belief, correct and I make this solemn declaration conscientiously believing the same to be true and by virtue of the provisions of the Statutory Declarations Act, 1960.

Subscribed and solemnly declared by the
above named, Lim Cheong Guan
at Shah Alam
on 25 November 2025.

Lim Cheong Guan

Before me,

Commissioner for Oaths

Independent auditors' report to the members of Top Glove Corporation Bhd.
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Report on the audit of the financial statements

Opinion

We have audited the financial statements of Top Glove Corporation Bhd., which comprise the statements of financial position as at 31 August 2025 of the Group and of the Company, and statements of profit or loss and other comprehensive income, statements of changes in equity and statements of cash flows of the Group and of the Company for the year then ended, and notes to the financial statements, including material accounting policy information, as set out on pages 19 to 157.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Group and of the Company as at 31 August 2025, and of their financial performance and their cash flows for the year then ended in accordance with MFRS Accounting Standards, IFRS Accounting Standards and the requirements of the Companies Act 2016 in Malaysia.

Basis for opinion

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

Independence and other ethical responsibilities

We are independent of the Group and of the Company in accordance with the By-Laws (on Professional Ethics, Conduct and Practice) of the Malaysian Institute of Accountants ("By-Laws") and the International Code of Ethics for Professional Accountants (including International Independence Standards) ("IESBA Code"), as applicable to audits of financial statements of public interest entities and we have fulfilled our other ethical responsibilities in accordance with the By-Laws and the IESBA Code.

Key audit matters

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

Key audit matters (cont'd)

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

Impairment assessment of non-financial assets

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

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

a) Annual impairment test of goodwill arising from the acquisition of Aspion Sdn. Bhd. ("Aspion")

   (Refer to Note 4.1, Note 7.2(b) and Note 22 to the financial statements)

   As at 31 August 2025, the Group recorded a goodwill of RM796 million arising from the past acquisition of Aspion, which represented 13% of the Group's total assets. The goodwill amount has been allocated to cash generating unit ("CGU") for impairment testing purposes. The Group estimated the recoverable amount of the CGU to which the goodwill is allocated to based on value-in-use ("VIU").

b) Impairment assessment of property, plant and equipment ("PPE") and rights-of-use assets ("RoU")

   (Refer to Note 4.13, Note 4.15, Note 7.2(c), Note 15 and Note 16 to the financial statements)

   As at 31 August 2025, the carrying amounts of the property, plant and equipment ("PPE") and right of-use assets ("RoU") of the Group are RM3,304 million and RM165 million respectively, which represented 55% of the Group's total assets.

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

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

Key audit matters (cont'd)

Impairment assessment of non-financial assets (cont'd)

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

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

a) Evaluated management's key assumptions on projected revenue, profit margins and terminal growth rates, by considering the current and expected future economic conditions. We compared the projected revenue to the past trends and compared expected revenue growth rates to relevant future market demand. We also evaluated management's estimates of replacement of capital expenditure included in the terminal cash flow by considering the historical replacement cycle and costs incurred, as well as the expected cost escalation.

b) Together with EY valuation specialists, we evaluated the discount rate used to determine the present value of the cash flows and assessed whether the rate used reflects the current market assessment of the time value of money and the risk specific to the asset is the return that the investors would require if they were to choose an investment that would generate cash flows of amounts, timing and risk profile equivalent to those that the entity expects to derive from the asset.

c) Assessed the sensitivity of the cash flows to changes in the key assumptions to understand the impact that reasonable alternative assumptions would have on the overall recoverable amount.

d) Evaluated the adequacy of the Group's disclosures in the financial statements concerning those key assumptions to which the outcome of the impairment assessment is most sensitive.

e) To the extent that management relied on valuation reports provided by independent professional valuers, we have considered the competence, capabilities and objectivity of the professional valuers. We have also assessed the key assumptions and methodology used by independent professional valuers. This would include comparisons with recent transactions involving other similar assets and where applicable, the age, size and tenure.

Key audit matters (cont'd)

Review of costing of finished goods inventories
(Refer to Note 4.16, Note 7.2(a) and Note 23 to the financial statements)

As at 31 August 2025, the Group held RM196 million of finished goods inventories. This represented 3% of total assets of the Group. Total cost of inventories relating to finished goods charged to the consolidated income statement for the year ended 31 August 2025 amounted to RM2,996 million, accounting for 86% of total expenditure (comprises of cost of sales, distribution and selling costs and administrative and general expenses) of the Group.

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

Our audit procedures include, amongst others, the following:

a) Obtained an understanding of the Group's current inventories costing policy, production processes and the types of costs included in the valuation of finished goods inventories.

b) Evaluated the general and logical access controls surrounding the IT system by involving our IT audit professionals.

c) Agreed, on a sampling basis, the costs of purchase of raw materials to suppliers' invoices and tested other components of costs of production to the underlying supporting documentation.

d) Assessed the appropriateness of the basis used by management in allocating the costs of production to the products produced by the Group and tested the relevant application controls surrounding the allocation.

Information other than the financial statements and auditors' report thereon

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

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

Information other than the financial statements and auditors' report thereon (cont'd)

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

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

Responsibilities of the directors for the financial statements

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

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

Auditors' responsibilities for the audit of the financial statements

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

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

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

- Identify and assess the risks of material misstatement of the financial statements of the Group and of the Company, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's and of the Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's or the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements of the Group and of the Company or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group or the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements of the Group and of the Company, including the disclosures, and whether the financial statements of the Group and of the Company represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the financial statements of the Group. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

Independent auditors' report to the members of
Top Glove Corporation Bhd. (cont'd)
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Auditors' responsibilities for the audit of the financial statements (cont'd)

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

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

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

Report on other legal and regulatory requirements

In accordance with the requirements of the Companies Act 2016 in Malaysia, we report that the subsidiaries of which we have not acted as auditors are disclosed in Note 18 to the financial statements.

Other matters

This report is made solely to the members of the Company, as a body, in accordance with Section 266 of the Companies Act 2016 in Malaysia and for no other purpose. We do not assume responsibility to any other person for the content of this report.

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

Lai Nai Ting
No. 03677/07/2026 J
Chartered Accountant

Kuala Lumpur, Malaysia
25 November 2025

199801018294 (474423-X)

Top Glove Corporation Bhd.
(Incorporated in Malaysia)

Statements of profit or loss
For the financial year ended 31 August 2025

		Group		Company	
		2025	**2024**	**2025**	**2024**
	Note	**RM'000**	**RM'000**	**RM'000**	**RM'000**
Revenue	8	3,493,355	2,514,408	518,523	4,277
Cost of sales		(2,996,480)	(2,249,085)	-	-
Gross profit		496,875	265,323	518,523	4,277
Other items of income					
Interest income	9	28,516	12,773	6,492	4,622
Other income	10	127,635	164,870	8,019	13,628
Other items of expense					
Distribution and selling costs		(92,850)	(76,190)	-	-
Administrative and general expenses		(388,175)	(389,898)	(21,266)	(10,116)
Finance costs		(22,207)	(9,941)	(14)	(8)
Share of results of an associate		(1,595)	1,722	-	-
Profit/(loss) before tax	11	148,199	(31,341)	511,754	12,403
Income tax (expense)/credit	13	(25,353)	9,929	(2,546)	(737)
Profit/(loss) net of tax		122,846	(21,412)	509,208	11,666
Profit/(loss) attributable to:					
Owners of the parent		105,330	(64,876)	509,208	11,666
Holders of Perpetual Sukuk		23,113	46,610	-	-
Non-controlling interests		(5,597)	(3,146)	-	-
		122,846	(21,412)	509,208	11,666
Earnings/(loss) per share attributable to owners of the parent (sen):					
- Basic	14	1.31	(0.81)		
- Diluted	14	1.31	(0.81)		

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

199801018294 (474423-X)

Top Glove Corporation Bhd.
(Incorporated in Malaysia)

Statements of comprehensive income
For the financial year ended 31 August 2025

	Group		Company	
	2025	**2024**	**2025**	**2024**
	RM'000	**RM'000**	**RM'000**	**RM'000**
Profit/(loss) net of tax	122,846	(21,412)	509,208	11,666
Other comprehensive income/(loss):				
Items that may be reclassified subsequently to profit or loss:				
Net movement on debt securities at fair value through other comprehensive income (Note 35)	10,073	4,263	10,073	4,263
Foreign currency translation differences of foreign operations	5,516	(46,201)	-	-
Revaluation of property, plant and equipment upon transfer of properties to investment properties	-	19,517	-	-
Income tax effect relating to the components of other comprehensive income	-	(1,952)	-	-
Foreign currency translation differences of foreign operations reclassified to profit or loss	(958)	-	-	-
Other comprehensive income/(loss) for the year, net of tax	14,631	(24,373)	10,073	4,263
Total comprehensive income/(loss) for the year	137,477	(45,785)	519,281	15,929
Total comprehensive income/(loss) attributable to:				
Owners of the parent	119,366	(88,481)	519,281	15,929
Holders of Perpetual Sukuk	23,113	46,610	-	-
Non-controlling interests	(5,002)	(3,914)	-	-
	137,477	(45,785)	519,281	15,929

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

199801018294 (474423-X)

Top Glove Corporation Bhd.
(Incorporated in Malaysia)

Statements of financial position (Group)
As at 31 August 2025

	Note	2025 RM'000	2024 RM'000
Assets			
Non-current assets			
Property, plant and equipment	15	3,303,590	3,605,167
Right-of-use assets	16	165,064	173,689
Investment properties	17	472,136	468,316
Investments in an associate and a joint venture	19	3,706	5,301
Deferred tax assets	20	19,867	11,751
Biological assets		339	888
Investment securities: Unquoted investments	21	392	392
Intangible assets	22	857,777	861,182
		4,822,871	5,126,686
Current assets			
Inventories	23	344,921	376,298
Trade and other receivables	24	465,936	359,048
Other current assets	25	77,971	74,716
Tax recoverable		4,528	8,010
Investment securities: Money market funds	21	262,510	618,173
Investment securities: Debt securities	21	-	32,213
Derivative financial instruments	26	205	245
Cash and bank balances	27	298,394	351,187
		1,454,465	1,819,890
Assets held for sale	28	-	11,517
		1,454,465	1,831,407
Total assets		6,277,336	6,958,093
Equity and liabilities			
Current liabilities			
Loans and borrowings	29	29,363	397,986
Trade and other payables	30	401,666	433,009
Contract liabilities	31	93,010	108,203
Lease liabilities	32	2,200	2,161
Income tax payable		11,976	8,444
Derivative financial instruments	26	83	-
		538,298	949,803
Net current assets		916,167	881,604

Top Glove Corporation Bhd.
(Incorporated in Malaysia)

Statements of financial position (Group)
As at 31 August 2025 (cont'd)

	Note	2025 RM'000	2024 RM'000
Non-current liabilities			
Loans and borrowings	29	798,391	-
Lease liabilities	32	19,908	21,945
Deferred tax liabilities	20	140,674	142,057
Provisions		2,530	8,792
		961,503	172,794
Total liabilities		1,499,801	1,122,597
Net assets		4,777,535	5,835,496
Equity attributable to owners of the parent			
Share capital	33	1,855,941	1,846,990
Treasury shares	34	(1,412,270)	(1,412,270)
Other reserves	35	102,110	114,433
Retained earnings	37	4,206,204	4,080,821
		4,751,985	4,629,974
Perpetual Sukuk	36	-	1,175,694
Non-controlling interests		25,550	29,828
Total equity		4,777,535	5,835,496
Total equity and liabilities		6,277,336	6,958,093

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

199801018294 (474423-X)

Top Glove Corporation Bhd.
(Incorporated in Malaysia)

Statements of financial position (Company)
As at 31 August 2025

	Note	2025 RM'000	2024 RM'000
Assets			
Non-current assets			
Investment in subsidiaries	18	3,092,427	2,339,365
Right-of-use assets	16	46	124
		3,092,473	2,339,489
Current assets			
Other receivables	24	120,233	103,727
Other current assets	25	-	95
Tax recoverable		-	429
Investment securities: Money market funds	21	141,079	345,834
Investment securities: Debt securities	21	-	32,213
Cash and bank balances	27	615	5,996
		261,927	488,294
Total assets		3,354,400	2,827,783
Equity and liabilities			
Current liabilities			
Other payables	30	1,413	1,588
Lease liabilities	32	50	84
Income tax payable		684	-
		2,147	1,672
Net current assets		259,780	486,622
Non-current liability			
Lease liabilities	32	-	50
Total liabilities		2,147	1,722
Net assets		3,352,253	2,826,061

199801018294 (474423-X)

Top Glove Corporation Bhd.
(Incorporated in Malaysia)

Statements of financial position (Company)
As at 31 August 2025 (cont'd)

	Note	2025 RM'000	2024 RM'000
Equity attributable to owners of the Company			
Share capital	33	1,855,941	1,846,990
Treasury shares	34	(1,412,270)	(1,412,270)
Other reserves	35	34,003	30,481
Retained earnings	37	2,874,579	2,360,860
Total equity		3,352,253	2,826,061
Total equity and liabilities		3,354,400	2,827,783

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

199801018294 (474423-X)

Top Glove Corporation Bhd.
(Incorporated in Malaysia)

Statements of changes in equity
For the financial year ended 31 August 2025

		<--------------- Attributable to owners of the parent --------------->						
		Total equity	<-------- Non-distributable -------->			Distributable		
2025 **Group**	**Total equity RM'000**	**attributable to owners of the of parent RM'000**	**Share capital RM'000**	**Treasury shares RM'000**	**Other reserves RM'000**	**Retained earnings RM'000**	**Perpetual Sukuk RM'000**	**Non-controlling interests ("NCI") RM'000**
Opening balance at 1 September 2024	5,835,496	4,629,974	1,846,990	(1,412,270)	114,433	4,080,821	1,175,694	29,828
Profit/(loss) net of tax	122,846	105,330	-	-	-	105,330	23,113	(5,597)
Other comprehensive income	14,631	14,036	-	-	14,036	-	-	595
Total comprehensive income/(loss)	137,477	119,366	-	-	14,036	105,330	23,113	(5,002)
Transactions with owners								
Issuance of ordinary shares pursuant to Employees Share Options Scheme ("ESOS") (Note 33 and Note 38)	6,644	6,644	6,644	-	-	-	-	-
Issuance of ordinary shares pursuant to conversion of warrants (Note 33)	13	13	13	-	-	-	-	-
Share options granted under ESOS (Note 35)	257	257	-	-	257	-	-	-
Transfer from share option reserve (Note 33 and Note 35)	-	-	2,297	-	(6,808)	4,511	-	-
Reclassification to retained earnings upon derecognition of a subsidiary	-	-	-	-	(19,192)	19,192	-	-
Transfer to retained earnings (Note 35)	-	-	-	-	(616)	616	-	-
Distribution to holders of Perpetual Sukuk	(23,113)	-	-	-	-	-	(23,113)	-
Redemption of Perpetual Sukuk (Note 36)	(1,179,970)	-	-	-	-	-	(1,179,970)	-
Transaction cost (Note 33 and Note 36)	(3)	(4,279)	(3)	-	-	(4,276)	4,276	-
Dividends on NCI	(568)	-	-	-	-	-	-	(568)
Issuance of shares to NCI	1,302	-	-	-	-	-	-	1,302
Changes in ownership interest in subsidiaries	-	10	-	-	-	10	-	(10)
Total transactions with owners	(1,195,438)	2,645	8,951	-	(26,359)	20,053	(1,198,807)	724
Closing balance at 31 August 2025	4,777,535	4,751,985	1,855,941	(1,412,270)	102,110	4,206,204	-	25,550

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Top Glove Corporation Bhd.
(Incorporated in Malaysia)

Statements of changes in equity
For the financial year ended 31 August 2025 (cont'd)

		<--------------- Attributable to owners of the parent --------------->						
		Total equity	<-------- Non-distributable -------->			Distributable		
2024 **Group**	**Total equity RM'000**	**attributable to owners of the of parent RM'000**	**Share capital RM'000**	**Treasury shares RM'000**	**Other reserves RM'000**	**Retained earnings RM'000**	**Perpetual Sukuk RM'000**	**Non-controlling interests ("NCI") RM'000**
Opening balance at 1 September 2023	5,926,115	4,714,534	1,843,271	(1,412,270)	149,304	4,134,229	1,175,694	35,887
(Loss)/profit net of tax	(21,412)	(64,876)	-	-	-	(64,876)	46,610	(3,146)
Other comprehensive loss	(24,373)	(23,605)	-	-	(23,605)	-	-	(768)
Total comprehensive (loss)/income	(45,785)	(88,481)	-	-	(23,605)	(64,876)	46,610	(3,914)
Transactions with owners								
Issuance of ordinary shares pursuant to Employees Share Options Scheme ("ESOS") (Note 33 and Note 38)	2,725	2,725	2,725	-	-	-	-	-
Share options granted under ESOS (Note 35)	1,199	1,199	-	-	1,199	-	-	-
Transfer from share option reserve (Note 33 and Note 35)	-	-	997	-	(12,507)	11,510	-	-
Transfer from retained earnings (Note 35)	-	-	-	-	42	(42)	-	-
Transaction cost (Note 33)	(3)	(3)	(3)	-	-	-	-	-
Distribution to holders of Perpetual Sukuk	(46,610)	-	-	-	-	-	(46,610)	-
Dividends on NCI	(2,145)	-	-	-	-	-	-	(2,145)
Total transactions with owners	(44,834)	3,921	3,719	-	(11,266)	11,468	(46,610)	(2,145)
Closing balance at 31 August 2024	5,835,496	4,629,974	1,846,990	(1,412,270)	114,433	4,080,821	1,175,694	29,828

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

199801018294 (474423-X)

Top Glove Corporation Bhd.
(Incorporated in Malaysia)

Statements of changes in equity
For the financial year ended 31 August 2025

		<--------------- Non-distributable		--------------->	Distributable
2025	**Total equity**	**Share capital**	**Treasury shares**	**Other reserves**	**Retained earnings**
Company	**RM'000**	**RM'000**	**RM'000**	**RM'000**	**RM'000**
Opening balance at 1 September 2024	2,826,061	1,846,990	(1,412,270)	30,481	2,360,860
Profit net of tax	509,208	-	-	-	509,208
Other comprehensive income	10,073	-	-	10,073	-
Total comprehensive income	519,281	-	-	10,073	509,208
Transactions with owners					
Issuance of ordinary shares pursuant to ESOS (Note 33 and Note 38)	6,644	6,644	-	-	-
Issuance of ordinary shares pursuant to conversion of warrants (Note 33)	13	13	-	-	-
Share options granted under ESOS (Note 35)	257	-	-	257	-
Transfer from share option reserve (Note 33 and Note 35)	-	2,297	-	(6,808)	4,511
Transaction cost (Note 33)	(3)	(3)	-	-	-
Total transactions with owners	6,911	8,951	-	(6,551)	4,511
Closing balance at 31 August 2025	3,352,253	1,855,941	(1,412,270)	34,003	2,874,579

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Top Glove Corporation Bhd.
(Incorporated in Malaysia)

Statements of changes in equity
For the financial year ended 31 August 2025 (cont'd)

2024 Company	Total equity RM'000	<--- Non-distributable ---> Share capital RM'000	Treasury shares RM'000	Other reserves RM'000	Distributable Retained earnings RM'000
Opening balance at 1 September 2023	2,806,211	1,843,271	(1,412,270)	37,526	2,337,684
Profit net of tax	11,666	-	-	-	11,666
Other comprehensive income	4,263	-	-	4,263	-
Total comprehensive income	15,929	-	-	4,263	11,666
Transactions with owners					
Issuance of ordinary shares pursuant to ESOS (Note 33 and Note 38)	2,725	2,725	-	-	-
Share options granted under ESOS (Note 35)	1,199	-	-	1,199	-
Transfer from share option reserve (Note 33 and Note 35)	-	997	-	(12,507)	11,510
Transaction cost (Note 33)	(3)	(3)	-	-	-
Total transactions with owners	3,921	3,719	-	(11,308)	11,510
Closing balance at 31 August 2024	2,826,061	1,846,990	(1,412,270)	30,481	2,360,860

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

199801018294 (474423-X)

Top Glove Corporation Bhd.
(Incorporated in Malaysia)

Statements of cash flows
For the financial year ended 31 August 2025

	Group		Company	
	2025	**2024**	**2025**	**2024**
	RM'000	**RM'000**	**RM'000**	**RM'000**
Operating activities				
Profit/(loss) before tax	148,199	(31,341)	511,754	12,403
Adjustments for:				
Gross dividends	-	-	(514,126)	-
Unrealised foreign exchange loss/(gain)	35,613	(3,116)	1,071	2,229
Net fair value loss/(gain) on derivative financial instruments	123	(752)	-	-
Net fair value gain on investment securities at fair value through profit or loss	(8,474)	(12,169)	(6,341)	(10,948)
Net gain from fair value remeasurement on investment properties (Note 17)	-	(4,653)	-	-
Gain on disposal of property, plant and equipment	(48,022)	(14,239)	-	-
Gain on disposal of right-of-use assets	-	(24,776)	-	-
Gain on lease modifications	-	(865)	-	-
Gain on lease termination	(16)	-	-	-
Gain on disposal of investment property	(791)	(90)	-	-
Gain on disposal of assets held for sale	(3,746)	(56,890)	-	-
Gain on disposal of money market funds	(4,296)	(5,945)	(1,184)	(2,616)
Net (reversal of)/allowance for expected credit loss (Note 24)	(57)	280	-	-
Depreciation of property, plant and equipment (Note 15)	296,364	277,764	-	-
Depreciation of right-of-use assets (Note 16)	6,037	5,953	78	78
Amortisation of intangible assets (Note 22)	3,804	3,775	-	-
Loss/(gain) on disposal of debt securities	12,019	(7)	12,019	(7)
Impairment loss on investment in subsidiaries (Note 18)	-	-	-	606
Impairment loss on property, plant and equipment (Note 15)	12,754	-	-	-
Biological assets written off	477	-	-	-
Property, plant and equipment written off	9,992	10,212	-	-
Inventories written off	-	198	-	-

199801018294 (474423-X)

Top Glove Corporation Bhd.
(Incorporated in Malaysia)

Statements of cash flows
For the financial year ended 31 August 2025 (cont'd)

	Group		Company	
	2025	**2024**	**2025**	**2024**
	RM'000	**RM'000**	**RM'000**	**RM'000**
Adjustments for: (cont'd)				
Reversal of allowance for inventories written down on unsold goods	(32,049)	(50,617)	-	-
Bad debts written off	738	17	-	-
Share options granted under ESOS	257	1,199	132	-
Share of results of an associate	1,595	(1,722)	-	-
Finance costs	22,207	9,941	14	8
Interest income	(28,516)	(12,773)	(6,492)	(4,622)
Total adjustments	276,013	120,725	(514,829)	(15,272)
Operating cash flows before changes in working capital	424,212	89,384	(3,075)	(2,869)
Changes in working capital				
Inventories	63,426	(24,383)	-	-
Receivables	(80,785)	(185,236)	128	(762)
Other current assets	(3,255)	10,539	95	(95)
Payables	(37,918)	156,127	(175)	(38)
Contract liabilities	(15,193)	5,208	-	-
Total changes in working capital	(73,725)	(37,745)	48	(895)
Cash flows generated from/ (used in) operations	350,487	51,639	(3,027)	(3,764)
Interest paid	(22,007)	(9,941)	(14)	(8)
Income taxes paid	(28,308)	(22,459)	(796)	(98)
Income taxes refund	571	1,463	-	-
Net cash flows generated from/ (used in) operating activities	300,743	20,702	(3,837)	(3,870)
Investing activities				
Purchase of property, plant and equipment	(138,516)	(142,511)	-	-
Additions to investment properties	(2,353)	(2,090)	-	-
Purchase of intangible assets	(399)	(492)	-	-
Proceeds from disposal/ (purchase) of biological assets	72	(241)	-	-
Placement of money market funds	(178,192)	(123,928)	(165,259)	(207)
Withdrawal of money market funds	546,625	154,055	377,539	92,529
Proceeds from disposal of debt securities	30,033	2,805	30,033	2,805
Proceeds from disposal of property, plant and equipment	151,778	95,989	-	-
Proceeds from disposal of right-of-use assets	1,477	29,615	-	-

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Top Glove Corporation Bhd.
(Incorporated in Malaysia)

Statements of cash flows
For the financial year ended 31 August 2025 (cont'd)

	Group		Company	
	2025	**2024**	**2025**	**2024**
	RM'000	**RM'000**	**RM'000**	**RM'000**
Investing activities (cont'd)				
Proceeds from disposal of investment property	15,925	740	-	-
Proceeds from disposal of assets held for sale	15,263	216,874	-	-
Interest received	11,887	12,773	6,492	4,622
Net decrease in bank balances pledged with banks	91	3,867	-	-
Dividends from subsidiaries	-	-	514,126	-
Additions to investment in subsidiaries	-	-	(753,062)	-
Advance to subsidiaries	-	-	(17,042)	(93,074)
Net cash flows generated from/ (used in) investing activities	453,691	247,456	(7,173)	6,675
Financing activities				
Proceeds from issuance of ordinary shares pursuant to ESOS	6,644	2,725	6,644	2,725
Proceeds from issuance of ordinary shares pursuant to conversion of warrants	13	-	13	-
Transaction cost	(3)	(3)	(3)	(3)
Dividends paid on NCI	(568)	(2,145)	-	-
Issuance of shares to NCI	1,302	-	-	-
Repayment of loans and borrowings	(796,857)	(361,689)	-	-
Drawdown of loans and borrowings	1,192,549	228,040	-	-
Redemption of Perpetual Sukuk	(1,179,970)	-	-	-
Distribution paid to holders of Perpetual Sukuk	(23,113)	(46,610)	-	-
Payment of principal portion of lease liabilities	(2,152)	(1,977)	(84)	(80)
Net cash flows (used in)/ generated from financing activities	(802,155)	(181,659)	6,570	2,642
Net (decrease)/increase in cash and cash equivalents	(47,721)	86,499	(4,440)	5,447
Effect of changes in foreign exchange rate	(4,981)	(16,861)	(941)	65
Cash and cash equivalents at 1 September 2024/2023	349,653	280,015	5,996	484
Cash and cash equivalents at 31 August (Note 27)	296,951	349,653	615	5,996

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Top Glove Corporation Bhd.
(Incorporated in Malaysia)

Statements of cash flows
For the financial year ended 31 August 2025 (cont'd)

(a) Reconciliation of liabilities arising from financing activities

		Movements							
		Cash flows		Non-cash changes					
	1 September 2024 RM'000	Principal movement RM'000	Interest paid RM'000	Interest cost RM'000	Adjustment for lease modification RM'000	New leases RM'000	Termination RM'000	Foreign exchange movement RM'000	31 August 2025 RM'000
2025									
Group									
Loans and borrowings (Note 29)	397,986	395,692	(21,023)	21,223	-	-	-	33,876	827,754
Lease liabilities (Note 32)	24,106	(2,152)	(984)	984	33	-	(183)	304	22,108
Company									
Lease liabilities (Note 32)	134	(84)	(4)	4	-	-	-	-	50

Top Glove Corporation Bhd.
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Statements of cash flows
For the financial year ended 31 August 2025 (cont'd)

(a) Reconciliation of liabilities arising from financing activities (cont'd)

		Movements							
		Cash flows		Non-cash changes					
	1 September 2023 RM'000	Principal movement RM'000	Interest paid RM'000	Interest cost RM'000	Adjustment for lease modification RM'000	New leases RM'000	Termination RM'000	Foreign exchange movement RM'000	31 August 2024 RM'000
2024									
Group									
Loans and borrowings (Note 29)	554,505	(133,649)	(8,743)	8,743	-	-	-	(22,870)	397,986
Lease liabilities (Note 32)	27,340	(1,977)	(1,198)	1,198	(3,604)	2,819	-	(472)	24,106
Company									
Lease liabilities (Note 32)	214	(80)	(8)	8	-	-	-	-	134

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

1. Corporate information

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

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

2. Basis of preparation

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

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

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

3. Basis of consolidation

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries as at 31 August 2025. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if, and only if, the Group has:

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

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

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

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

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

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

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

4. Material accounting policy information

4.1 Business combinations and goodwill

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

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

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

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

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

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

4. Material accounting policy information (cont'd)

4.1 Business combinations and goodwill (cont'd)

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

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

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

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

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

4. Material accounting policy information (cont'd)

4.2 Transactions with non-controlling interests

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

Changes in the Company's interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions. In such circumstances, the carrying amounts of the controlling and non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiary. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to owners of the parent.

4.3 Investment in subsidiaries

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

(i) Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee);

(ii) Exposure, or rights, to variable returns from its involvement with the investee; and

(iii) The ability to use its power over the investee to affect its returns.

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

4.4 Investments in an associate and a joint venture

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

4. Material accounting policy information (cont'd)

4.4 Investments in an associate and a joint venture (cont'd)

A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint arrangement. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require the unanimous consent of the parties sharing control.

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

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

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

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

4. Material accounting policy information (cont'd)

4.5 Intangible assets

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

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

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

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

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

(a) Customer relationships

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

The customer relationships are amortised on a straight line basis over its estimated economic useful lives of eleven years and assessed for impairment whenever there is an indication that the customer relationships may be impaired.

4. Material accounting policy information (cont'd)

4.5 Intangible assets (cont'd)

(b) Patents

The Group does not recognise internally generated brands, licenses and other similar intellectual property which cannot be distinguished from the cost of developing the Group's business as a whole.

Acquired patents are recognised as an asset and initially measured at cost, which is the fair value of the consideration paid. After initial recognition, patents are measured at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised in profit or loss on a straight line basis over the estimated economic useful lives of the patents.

4.6 Current versus non-current classification

The Group and the Company present assets and liabilities in the statements of financial position based on a current/non-current classification. An asset is current when it is:

- Expected to be realised or intended to be sold or consumed in the normal operating cycle;
- Held primarily for the purpose of trading;
- Expected to be realised within twelve months after the reporting period; or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in the normal operating cycle;
- It is held primarily for the purpose of trading;
- It is due to be settled within twelve months after the reporting period; or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Group and the Company classify all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

4. Material accounting policy information (cont'd)

4.7 Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability; or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible to by the Group.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available, are used to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities

Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

4. Material accounting policy information (cont'd)

4.7 Fair value measurement (cont'd)

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

Policies and procedures are determined by senior management for both recurring fair value measurement and for non-recurring measurement.

External valuers are involved for valuation of significant assets and significant liabilities. Involvement of external valuers is decided by senior management. Selection criteria include market knowledge, reputation, independence and whether professional standards are maintained. The senior management decides, after discussions with the external valuers, which valuation techniques and inputs to use for each case.

At each reporting date, the senior management analyses the movements in the values of assets and liabilities which are required to be re-measured or re-assessed as per the Group's accounting policies. For this analysis, the senior management verifies the major inputs applied in the latest valuation by agreeing the information in the valuation computation to contracts and other relevant documents.

The senior management, in conjunction with the external valuers, also compares the changes in the fair value of each asset and liability with relevant external sources to determine whether the change is reasonable.

For the purpose of fair value disclosures, the Group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

4. Material accounting policy information (cont'd)

4.8 Foreign currencies

(a) Functional and presentation currency

The Group's consolidated financial statements are presented in RM which is also the parent company's functional currency. For each entity, the Group determines the functional currency and items included in the financial statements of each entity are measured using that functional currency.

(b) Transactions and balances

Transactions in foreign currencies are initially recorded by the Group entities at the functional currency spot rates at the date the transaction first qualifies for recognition. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates at the reporting date.

Differences arising on settlement or translation of monetary items are recognised in profit or loss with the exception of monetary items that are designated as part of the hedge of the Group's net investment of a foreign operation. These are recognised in foreign exchange reserve OCI until the net investment is disposed of, at which time, the cumulative amount is reclassified to profit or loss. Tax charges and credits attributable to exchange differences on those monetary items are also recorded in OCI.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of gain or loss on change in fair value of the item (i.e. translation differences on items whose fair value gain or loss is recognised in OCI or profit or loss are also recognised in OCI or profit or loss, respectively).

In determining the spot exchange rate to use on initial recognition of the related asset, expense or income (or part of it) on the derecognition of a non-monetary asset or non-monetary liability arising from the advance consideration. If there are multiple payments or receipts in advance, the Group determines the transaction date for each payment or receipt of advance consideration.

4. Material accounting policy information (cont'd)

4.8 Foreign currencies (cont'd)

(c) Group companies

On consolidation, the assets and liabilities of foreign operations are translated into RM at the rate of exchange prevailing at the reporting date and their statements of profit or loss are translated at exchange rates prevailing at the dates of the transactions. The exchange differences arising on translation for consolidation are recognised in OCI. On disposal of a foreign operation, the component of OCI relating to that particular foreign operation is recognised in profit or loss.

Any goodwill arising on the acquisition of a foreign operation and any fair value adjustments to the carrying amounts of assets and liabilities arising on the acquisition are treated as assets and liabilities of the foreign operation and translated at the spot rate of exchange at the reporting date.

4.9 Revenue and other income recognition

Revenue is recognised when the Group satisfies a performance obligation by transferring a promised good or service to the customer, which is when the customer obtains control of the good or service. A performance obligation may be satisfied at a point in time or over time. The amount of revenue recognised is the amount allocated to the satisfied performance obligation.

(a) Sale of goods

The Group is involved in manufacturing and trading of gloves and healthcare related products.

Revenue is recognised at a point in time upon transfer of control of the goods to the customers. Revenue is not recognised to the extent where there are significant uncertainties regarding recovery of the consideration due, associated costs or the possible return of goods.

The amount of revenue recognised is based on the estimated transaction price, which comprises the contractual price, net of the estimated volume rebates. Based on the Group's experience with similar types of contracts, variable consideration is typically constrained and is included in the transaction only to the extent that it is a highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur when the uncertainty associated with the variable consideration is subsequently resolved.

4. Material accounting policy information (cont'd)

4.9 Revenue and other income recognition (cont'd)

(b) Dividend income

Dividend income is recognised when the Group's and the Company's right to receive payment is established.

(c) Management fees

Management fees are recognised when services are rendered.

(d) Interest income

Interest income is recognised on an accrual basis using the effective interest rate method.

(e) Rental income

Rental income is accounted for on a straight-line basis over the lease terms. The aggregate costs of incentives provided to lessees are recognised as a reduction of rental income over the lease term on a straight-line basis.

4.10 Employee benefits

(a) Short term benefits

Wages, salaries, bonuses and social security contributions are recognised as expenses in the year in which the associated services are rendered by employees. Short term accumulated compensated absences such as paid annual leave are recognised when services are rendered by employees that increase their entitlement to future compensated absences. Short term non-accumulating compensated absences such as sick leave are recognised when the absences occur.

(b) Defined contribution plans

Defined contribution plans are post-employment benefit plans under which the Group and the Company pay fixed contributions into separate entities or funds and will have no legal or constructive obligation to pay further contributions if any of the funds do not hold sufficient assets to pay all employee benefits relating to employee services in the current and preceding financial years. Such contributions are recognised as an expense in profit or loss as incurred. As required by law, companies in Malaysia make such contributions to the Employees Provident Fund ("EPF"). All contributions to pension plans are fully and immediately vested and the Group had no unvested benefits available to reduce its future contributions.

4. Material accounting policy information (cont'd)

4.10 Employee benefits (cont'd)

(c) Employees Share Options Scheme ("ESOS")

Employees of the Group and of the Company receive remuneration in the form of share options as consideration for services rendered. The cost of these equity-settled transactions with employees is measured by reference to the fair value of the options at the date on which the options are granted. This cost is recognised in profit or loss. The cumulative expense recognised at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Group's and the Company's best estimate of the number of options that will ultimately vest. The charge or credit to profit or loss for a period represents the movement in cumulative expense recognised at the beginning and end of that period.

No expense is recognised for options that do not ultimately vest, except for options where vesting is conditional upon a market or non-vesting condition, which are treated as vested irrespective of whether or not the market or non-vesting condition is satisfied, provided that all other performance and/or service conditions are satisfied.

When the options are exercised, the employees share option reserve is transferred to share capital if new shares are issued.

The employees share option reserve is transferred to retained earnings upon forfeiture or expiry of the share options.

(d) Employees Share Grant Plan ("ESGP")

Employees of the Group and of the Company are entitled to performance based shares as consideration for services rendered. The ESGP may be settled by way of issuance or transfer of shares of the Company or by cash at the discretion of the ESGP Committee. Trusts have been set up and are administered by an appointed trustee (“ESGP Trusts”). The trustee will be entitled from time to time, to accept advances from the Company, upon such terms and conditions as the Company and the trustee may agree to purchase the ordinary shares of the Company (“Trust Shares”) from the open market for the ESGP Trusts. The value of the ESGP Awards granted to Eligible Employees is recognised as an employee cost.

The ESGP Trusts' asset is consolidated into the Group's consolidated financial statements. Dividends received by the ESGP Trusts are eliminated against the Company's dividend payment.

4. Material accounting policy information (cont'd)

4.11 Taxes

(a) Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in the countries where the Group and the Company operate and generate taxable income.

Current income tax relating to items recognised directly in equity is recognised in equity and not in statement of profit or loss. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

(b) Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

(i) when the deferred tax liability arises from the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and

(ii) in respect of taxable temporary differences associated with investments in subsidiaries and associate, where the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

4. Material accounting policy information (cont'd)

4.11 Taxes (cont'd)

(b) Deferred tax (cont'd)

Deferred tax assets are recognised for all deductible temporary differences, carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except:

(i) when the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and

(ii) in respect of deductible temporary differences associated with investments in subsidiaries and associate, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax assets to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss. Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

The Group offsets deferred tax assets and deferred tax liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to the same taxable entity and the same taxation authority.

4. Material accounting policy information (cont'd)

4.11 Taxes (cont'd)

(c) Sales and services tax ("SST")

Revenue, expenses and assets are recognised net of the amount of SST, except:

(i) when the SST incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case, the SST is recognised as part of the cost of acquisition of the assets or as part of the expense item as applicable; and

(ii) when receivables and payables are stated with the amount of SST included.

The payable amount of SST to the taxation authority is included as part of payables in the statements of financial position.

4.12 Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

4.13 Property, plant and equipment

Capital work-in-progress is stated at cost, net of accumulated impairment losses, if any. Property, plant and equipment is stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Such cost includes the cost of replacing component parts of the property, plant and equipment and borrowing costs for long-term construction projects if the recognition criteria are met.

When significant parts of property, plant and equipment are required to be replaced at intervals, the Group derecognises the replaced part, and recognises the new part with its own associated useful life and depreciation. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in the profit or loss as incurred. The present value of the expected cost for the decommissioning of the asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met.

4. Material accounting policy information (cont'd)

4.13 Property, plant and equipment (cont'd)

Freehold land has an unlimited useful life and therefore is not depreciated. Capital work-in-progress are not depreciated as these assets are not available for use. Depreciation is computed on a straight-line basis over the estimated useful lives of the assets as follows:

Buildings	20 to 50 years
Plant and equipment	3 to 20 years
Other assets	5 to 10 years

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal (i.e. at the date the recipient obtains control) or when no future economic benefits are expected from its use or disposal. Any gain or loss on derecognition of the asset is included in the statement of profit or loss when the asset is derecognised.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

4.14 Investment properties

Investment properties are properties which are held either to earn rental income or for capital appreciation or for both. Investment properties are initially measured at cost, including transaction costs. Subsequent to initial recognition, investment properties are measured at fair value which reflects market conditions at the reporting date. Fair value is arrived at using the investment method that makes reference to estimated market rental values and equivalent yields, or comparison method that makes reference to recent transaction prices of similar properties. Valuation is performed by accredited independent valuer having an appropriate recognised professional qualification and recent experience in the location and category of the properties being valued. Gains or losses arising from changes in the fair values of investment properties are included in profit or loss in the year in which they arise, including the corresponding tax effect.

Investment properties are derecognised either when they have been disposed of (i.e. at the date the recipient obtains control) or when the investment property is permanently withdrawn from use and no future economic benefit is expected from its disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognised in the profit or loss in the period of derecognition.

Transfers are made to (or from) investment properties only when there is a change in use. For a transfer from investment property to owner-occupied property, the deemed cost for subsequent accounting is the fair value at the date of change in use. If owner-occupied property becomes an investment property, the Group accounts for such property in accordance with the accounting policy for property, plant and equipment set out in Note 4.13 up to the date of change in use.

4. Material accounting policy information (cont'd)

4.15 Leases

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

(a) Group as a lessee

The Group and the Company apply a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group and the Company recognise lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

(i) Right-of-use assets

The Group and the Company recognise right-of-use assets at the commencement date of the lease (i.e. the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets, as follows:

Leasehold land	50 to 99 years
Buildings	20 to 50 years
Plant and equipment	4 to 20 years
Other assets	5 to 10 years

If ownership of the leased asset transfers to the Group and the Company by the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

The right-of-use assets are also subject to impairment in accordance with the accounting policy set out in Note 4.17.

4. Material accounting policy information (cont'd)

4.15 Leases (cont'd)

(a) Group as a lessee (cont'd)

(ii) Lease liabilities

At the commencement date of the lease, the Group and the Company recognise lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and the Company and payments of penalties for terminating the lease, if the lease term reflects the Group and the Company exercising the option to terminate.

In calculating the present value of lease payments, the Group and the Company use its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

(iii) Short-term leases and leases of low-value assets

The Group and the Company apply the short-term lease recognition exemption to its short-term leases of hostels, automated teller machine ("ATM") and forklift (i.e. those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of photocopiers that are considered to be low value. Lease payments on short-term leases and leases of low value assets are recognised as expense on a straight-line basis over the lease term.

4. Material accounting policy information (cont'd)

4.15 Leases (cont'd)

(b) Group as a lessor

Leases in which the Group and the Company do not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Rental income arising is accounted for on a straight-line basis over the lease terms and is included in other income in the statement of profit or loss due to its operating nature. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as other income in the period in which they are earned.

4.16 Inventories

Inventories are valued at the lower of cost and net realisable value. Costs incurred in bringing the inventories to their present location and condition are accounted for as follows:

- Raw materials, consumables and hardware: purchase costs on a weighted average basis.

- Finished goods and work-in-progress: costs of direct materials and labour and a proportion of manufacturing overheads based on normal operating capacity, excluding borrowing costs.

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

4.17 Impairment of non-financial assets

The Group and the Company assess, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Group and the Company estimate the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit’s (“CGU”) fair value less costs of disposal and its value-in-use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

4. Material accounting policy information (cont'd)

4.17 Impairment of non-financial assets (cont'd)

In assessing value-in-use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

The Group and the Company base their impairment calculation on most recent budgets and forecast calculations, which are prepared separately for each of the Group's and the Company's CGUs to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of five years. A long-term growth rate is calculated and applied to project future cash flows after the fifth year.

Impairment losses of continuing operations, including impairment on inventories, are recognised in profit or loss in expense categories consistent with the function of the impaired asset.

Goodwill is tested for impairment annually at each reporting date and when circumstances indicate that the carrying value may be impaired. Impairment is determined for goodwill by assessing the recoverable amount of each CGU (or group of CGUs) to which the goodwill relates. When the recoverable amount of the CGU is less than its carrying amount, an impairment loss is recognised. Impairment losses relating to goodwill cannot be reversed in future periods.

For assets other than goodwill, an assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the recoverable amount of the asset or CGU is estimated. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in profit or loss.

4. Material accounting policy information (cont'd)

4.18 Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

(a) Financial assets

Initial recognition and measurement

Financial assets are classified, at initial recognition, as subsequently measured at amortised cost, fair value through OCI, or fair value through profit or loss.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Group's and the Company's business model for managing them. With the exception of trade receivables that do not contain a significant financing component or for which the Group and the Company have applied the practical expedient, the Group and the Company initially measure a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs. Trade receivables that do not contain a significant financing component or for which the Group and the Company have applied the practical expedient are measured at the transaction price determined under MFRS 15.

In order for a financial asset to be classified and measured at amortised cost or fair value through OCI, it needs to give rise to cash flows that are solely payments of principal and interest ("SPPI") on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level.

The Group's and the Company's business model for managing financial assets refers to how they manage their financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both.

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e. the date that the Group and the Company commit to purchase or sell the asset.

4. Material accounting policy information (cont'd)

4.18 Financial instruments (cont'd)

(a) Financial assets (cont'd)

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories:

- Financial assets at amortised cost (debt instruments);
- Financial assets at fair value through OCI with recycling of cumulative gains and losses (debt instruments);
- Financial assets designated at fair value through OCI with no recycling of cumulative gains and losses upon derecognition (equity instruments); and
- Financial assets at fair value through profit or loss.

The Group and the Company have no financial assets carried at fair value through OCI for equity instruments.

(i) Financial assets at amortised cost (debt instruments)

The Group and the Company measure financial assets at amortised cost if both of the following conditions are met:

- The financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows; and

- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at amortised cost are subsequently measured using the effective interest rate ("EIR") method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired.

The Group's and the Company's financial assets at amortised cost include cash and bank balances, trade and other receivables and other non-current financial assets.

4. Material accounting policy information (cont'd)

4.18 Financial instruments (cont'd)

(a) Financial assets (cont'd)

Subsequent measurement (cont'd)

(ii) Financial assets at fair value through OCI (debt instruments)

The Group and the Company measure debt instruments at fair value through OCI if both of the following conditions are met:

- The financial asset is held within a business model with the objective of both holding to collect contractual cash flows and selling; and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

For debt instruments at fair value through OCI, interest income, foreign exchange revaluation and impairment losses or reversals are recognised in the statement of profit or loss and computed in the same manner as for financial assets measured at amortised cost. The remaining fair value changes are recognised in OCI. Upon derecognition, the cumulative fair value change recognised in OCI is recycled to profit or loss.

The Group's and the Company's debt instruments at fair value through OCI include investments in quoted debt securities included under other current financial assets.

(iii) Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss include financial assets held for trading, financial assets designated upon initial recognition at fair value through profit or loss, or financial assets mandatorily required to be measured at fair value. Financial assets are classified as held for trading if they are acquired for the purpose of selling or repurchasing in the near term. Derivatives, including separated embedded derivatives, are also classified as held for trading unless they are designated as effective hedging instruments. Financial assets with cash flows that are not solely payments of principal and interest are classified and measured at fair value through profit or loss, irrespective of the business model. Notwithstanding the criteria for debt instruments to be classified at amortised cost or at fair value through OCI, as described above, debt instruments may be designated at fair value through profit or loss on initial recognition if doing so eliminates, or significantly reduces, an accounting mismatch.

4. Material accounting policy information (cont'd)

4.18 Financial instruments (cont'd)

(a) Financial assets (cont'd)

Subsequent measurement (cont'd)

(iii) Financial assets at fair value through profit or loss (cont'd)

Financial assets at fair value through profit or loss are carried in the statement of financial position at fair value with net changes in fair value recognised in the statement of profit or loss.

This category includes derivative instruments which the Group had not irrevocably elected to classify at fair value through OCI.

A derivative embedded in a hybrid contract, with a financial liability or non-financial host, is separated from the host and accounted for as a separate derivative if: the economic characteristics and risks are not closely related to the host; a separate instrument with the same terms as the embedded derivative would meet the definition of a derivative; and the hybrid contract is not measured at fair value through profit or loss. Embedded derivatives are measured at fair value with changes in fair value recognised in profit or loss. Reassessment only occurs if there is either a change in the terms of the contract that significantly modifies the cash flows that would otherwise be required or a reclassification of a financial asset out of the fair value through profit or loss category.

A derivative embedded within a hybrid contract containing a financial asset host is not accounted for separately. The financial asset host together with the embedded derivative is required to be classified in its entirety as a financial asset at fair value through profit or loss.

The Group has designated derivatives that do not qualify for hedge accounting, money market funds, debt securities and unquoted investments at fair value through profit or loss.

4. Material accounting policy information (cont'd)

4.18 Financial instruments (cont'd)

(a) Financial assets (cont'd)

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e. removed from the Group's and the Company's statements of financial position) when:

- The rights to receive cash flows from the asset have expired; or

- The Group and the Company have transferred their rights to receive cash flows from the asset or have assumed an obligation to pay the received cash flows in full without material delay to a third party under a ‘pass-through’ arrangement; and either (a) the Group and the Company have transferred substantially all the risks and rewards of the asset, or (b) the Group and the Company have neither transferred nor retained substantially all the risks and rewards of the asset, but have transferred control of the asset.

When the Group and the Company have transferred their rights to receive cash flows from an asset or have entered into a pass-through arrangement, they evaluate if, and to what extent, they have retained the risks and rewards of ownership. When they have neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Group and the Company continue to recognise the transferred asset to the extent of their continuing involvement. In that case, the Group and the Company also recognise an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group and the Company have retained.

Impairment of financial assets

The Group and the Company recognise an allowance for expected credit losses ("ECLs") for all debts instruments not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group and the Company expect to receive, discounted at an approximation of the original EIR. The expected cash flows will include cash flows from the sales of collateral held or other credit enhancements that are integral to the contractual terms.

4. Material accounting policy information (cont'd)

4.18 Financial instruments (cont'd)

(a) Financial assets (cont'd)

Impairment of financial assets (cont'd)

ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12 months ("12-month ECL"). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default ("lifetime ECL").

For trade receivables, the Group applies simplified approach in calculating ECLs. Therefore, the Group does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECL at each reporting date. The Group has established a provision matrix that is based on historical credit experience. The Group considers forward looking factors do not have significant impact to credit risk given the nature of its industry and the amount of ECLs is insensitive to changes to forecast economic conditions.

For debt instruments at fair value through OCI, the Group and the Company apply the low credit risk simplification. At every reporting date, the Group and the Company evaluate whether the debt instrument is considered to have low credit risk using all reasonable and supportable information that is available without undue cost or effort. In making that evaluation, the Group and the Company reassess the internal credit rating of the debt instrument. In addition, the Group and the Company consider that there has been a significant increase in credit risk when contractual payments are more than 30 days past due.

The Group's and the Company's debt instruments at fair value through OCI comprise solely of quoted bonds that are graded in the top investment category (Very Good and Good) by the Good Credit Rating Agency and, therefore, are considered to be low credit risk investments. It is the Group's and the Company's policy to measure ECLs on such instruments on a 12-month basis. However, when there has been a significant increase in credit risk since origination, the allowance will be based on the lifetime ECL. The Group and the Company use the ratings from the Good Credit Rating Agency both to determine whether the debt instrument has significantly increased in credit risk and to estimate ECLs.

4. Material accounting policy information (cont'd)

4.18 Financial instruments (cont'd)

(a) Financial assets (cont'd)

Impairment of financial assets (cont'd)

The Group and the Company generally consider a financial asset to be in default when contractual payments are 120 days past due, except for certain major or specific customers where the period may extend beyond 120 days. In certain cases, the Group and the Company may also consider a financial asset to be in default when internal and external information indicates that the Group and the Company are unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Group and the Company. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

(b) Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, lease liabilities or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Group and the Company's financial liabilities include trade and other payables, lease liabilities, derivative financial instruments, and loans and borrowings.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

(i) Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss.

4. Material accounting policy information (cont'd)

4.18 Financial instruments (cont'd)

(b) Financial liabilities (cont'd)

Subsequent measurement (cont'd)

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

(i) Financial liabilities at fair value through profit or loss (cont'd)

Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Group that are not designated as hedging instruments in hedge relationships as defined by MFRS 9. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

Gains or losses on liabilities held for trading are recognised in the statement of profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated at the initial date of recognition, and only if the criteria in MFRS 9 are satisfied. The Group has designated derivative financial instruments as financial liability at fair value through profit or loss.

(ii) Financial liabilities at amortised cost

This is the category most relevant to the Group and the Company. After initial recognition, trade and other payables, and interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit or loss.

This category generally applies to trade and other payables, interest-bearing loans and borrowings and lease liabilities.

4. Material accounting policy information (cont'd)

4.18 Financial instruments (cont'd)

(b) Financial liabilities (cont'd)

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

(c) Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the consolidated and separate statement of financial position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

4.19 Derivative financial instruments and hedging activities

Initial recognition and subsequent measurement

The Group uses derivative financial instruments, such as forward currency contracts to hedge its foreign currency risks. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently remeasured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

For the purpose of hedge accounting, hedges are classified as:

- Fair value hedges when hedging the exposure to changes in the fair value of a recognised asset or liability or an unrecognised firm commitment;

- Cash flow hedges when hedging the exposure to variability in cash flows is either attributable to a particular risk associated with a recognised asset or liability or a highly probable forecast transaction or the foreign currency risk in an unrecognised firm commitment; and

- Hedges of a net investment in a foreign operation.

4. Material accounting policy information (cont'd)

4.19 Derivative financial instruments and hedging activities (cont'd)

Initial recognition and subsequent measurement (cont'd)

At the inception of a hedge relationship, the Group formally designates and documents the hedge relationship to which it wishes to apply hedge accounting and the risk management objective and strategy for undertaking the hedge.

The documentation includes identification of the hedging instrument, the hedged item, the nature of the risk being hedged and how the Group will assess whether the hedging relationship meets the hedge effectiveness requirements (including the analysis of sources of hedge ineffectiveness and how the hedge ratio is determined). A hedging relationship qualifies for hedge accounting if it meets all of the following effectiveness requirements:

- There is 'an economic relationship' between the hedged item and the hedging instrument.
- The effect of credit risk does not 'dominate the value changes' that result from that economic relationship.
- The hedge ratio of the hedging relationship is the same as that resulting from the quantity of the hedged item that the Group actually hedges and the quantity of the hedging instrument that the Group actually uses to hedge that quantity of hedged item.

4.20 Cash and bank balances

Cash and bank balances in the statements of financial position comprise cash at banks and on hand and short-term deposits.

For the purpose of the statements of cash flows, cash and cash equivalents consist of cash and short-term deposits with a maturity of three months or less excluding deposits pledged with banks that are not available for use.

4. Material accounting policy information (cont'd)

4.21 Equity instruments and related expenses

An equity instrument is any contract that evidences a residual interest in the assets of the Group and the Company after deducting all of its liabilities. Ordinary shares, Perpetual Sukuk and warrants are classified as equity instruments.

Dividends on ordinary shares and distribution on Perpetual Sukuk are recognised in equity in the period in which they are declared.

The transaction costs of an equity transaction are accounted for as a deduction from equity, net of tax. Equity transaction costs comprise only those incremental external costs directly attributable to the equity transaction which would otherwise have been avoided.

Warrants are classified as equity instrument and its value is allocated based on the market prices on their first day of quotation in the stock exchange. The issuance of the ordinary shares upon exercise of the warrants is treated as new subscription of ordinary shares for the consideration equivalent to the exercise price of the warrants. Upon exercise of warrants, the proceeds are credited to share capital.

4.22 Treasury shares

Own equity instruments that are reacquired (treasury shares) are recognised at cost and deducted from equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Group's and the Company's own equity instruments. Any difference between the carrying amount and the consideration, if reissued, is recognised in the retained earnings.

4.23 Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Group expects that some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit or loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, where appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

4. Material accounting policy information (cont'd)

4.24 Contract liabilities

A contract liability is recognised if a payment is received or a payment is due (whichever is earlier) from a customer before the Group transfers the related goods or services. Contract liabilities are recognised as revenue when the Group performs under the contract (i.e. transfers control of the related goods or services to the customer).

4.25 Contingencies

A contingent liability or asset is a possible obligation or asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of uncertain future event(s) not wholly within the control of the Group and of the Company.

Contingent liabilities and assets are not recognised in the statements of financial position of the Group and of the Company.

4.26 Segment reporting

For management purposes, the Group is organised into operating segments based on their geographical location which are independently managed by the respective segment managers responsible for the performance of the respective segments under their charge. The segment managers report directly to the management of the Group who regularly review the segment results in order to allocate resources to the segments and to assess the segment performance. Additional disclosures on each of these segments are shown in Note 46, including the factors used to identify the reportable segments and the measurement basis of segment information.

4. Material accounting policy information (cont'd)

4.27 Assets held for sale

The Group classifies non-current assets as held for sale if their carrying amounts will be recovered principally through a sale transaction rather than through continuing use. Non-current assets classified as held for sale are measured at the lower of their carrying amount and fair value less costs to sell. Costs to sell are the incremental costs directly attributable to the disposal of an asset, excluding finance costs and income tax expense.

The criteria for held for sale classification is regarded as met only when the sale is highly probable, and the asset is available for immediate sale in its present condition. Actions required to complete the sale should indicate that it is unlikely that significant changes to the sale will be made or that the decision to sell will be withdrawn. Management must be committed to the plan to sell the asset and the sale is expected to be completed within one year from the date of the classification.

Property, plant and equipment is not depreciated once classified as held for sale.

Assets classified as held for sale are presented separately as current items in the statement of financial position.

Additional disclosures are provided in Note 28. All other notes to the financial statements include amounts for continuing operations, unless indicated otherwise.

4. Material accounting policy information (cont'd)

4.28 Climate-related matters

The Group considers climate-related matters in estimates and assumptions, where appropriate. This assessment includes a wide range of possible impacts on the group due to both physical and transition risks. Even though the Group believes its business model and products will still be viable after the transition to a low-carbon economy, climate-related matters increase the uncertainty in estimates and assumptions underpinning several items in the financial statements. Even though climate-related risks might not currently have a significant impact on measurement, the Group is closely monitoring relevant changes and developments, such as new climate-related legislation. The items and considerations that are most directly impacted by climate-related matters are:

(a) Useful life of property, plant and equipment

When reviewing the residual values and expected useful lives of assets, the Group considers climate-related matters, such as climate-related legislation and regulations that may restrict the use of assets or require significant capital expenditures.

(b) Impairment of non-financial assets

The value-in-use may be impacted in several different ways by transition risk in particular, such as climate-related legislation and regulations and changes in demand for the Group’s products.

(c) Fair value measurement

For property, plant and equipment, the Group considers the effects of physical and transition risks and whether investors would consider those risks in their valuation. The Group believes it is not currently exposed to severe physical risks, but believes that investors, to some extent, would consider impacts of transition risks in their valuation, such as increasing requirements for energy efficiency of buildings due to climate-related legislation and regulations as well as tenants' increasing demands for low-emission buildings.

5. Amended standards and interpretations

The accounting policies adopted are consistent with those of the previous financial year except for the adoption of the following amendments to MFRS Accounting Standards and interpretations:

Description	Effective for annual periods beginning on or after
Amendments to MFRS 16: Lease Liability in a Sale and Leaseback	1 January 2024
Amendments to MFRS 101: Classification of Liabilities as Current or Non-Current	1 January 2024
Amendments to MFRS 101: Non-Current Liabilities with Covenants	1 January 2024
Amendments to MFRS 107 and MFRS 7: Disclosures of Supplier Finance Arrangements	1 January 2024

The adoption of the above amendments, where relevant, did not have any significant impact on the financial performance or position of the Group and of the Company.

6. New and amended standards and interpretations issued but not yet effective

The standards and interpretations that are issued but not yet effective up to the date of issuance of the Group's and of the Company's financial statements are discussed below. The Group and the Company intend to adopt these standards, if applicable, when they become effective.

Description	Effective for annual periods beginning on or after
Amendments to MFRS 121: Lack of exchangeability	1 January 2025
Amendments to MFRS 9 and MFRS 7: Classification and Measurement of Financial Instruments	1 January 2026
Amendments to MFRS 9 and MFRS 7: Contracts Referencing Nature-dependent Electricity	1 January 2026
Amendments to MFRS 1, MFRS 7, MFRS 9, MFRS 10 and MFRS 107: Annual Improvements - Volume 11	1 January 2026
MFRS 18: Presentation and Disclosure in Financial Statements	1 January 2027
MFRS 19: Subsidiaries without Public Accountability: Disclosures	1 January 2027
Amendments to MFRS 10 and MFRS 128: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Deferred

6. New and amended standards and interpretations issued but not yet effective (cont'd)

The Group and the Company will adopt the abovementioned standards, amendments and interpretations, if applicable, when they become effective in the respective financial year. These pronouncements are not expected to have any impact to the financial statements of the Group and of the Company, except for MFRS 18 pronouncement, which impact on initial application is currently being assessed. Further details on MFRS 18 pronouncement are discussed below.

MFRS 18: Presentation and Disclosure in Financial Statements

MFRS 18 will replaced MFRS 101 Presentation of Financial Statements, which retains majority of the requirements of MFRS 101 and complementing them with new requirements. In addition, narrow-scope amendments have been made to MFRS 107 Statement of Cash Flows and some requirements of MFRS 101 have been moved to MFRS 108 Basis of Preparation of Financial Statements.

MFRS 18 introduces key new requirements as follows:

(i) Statement of Profit or Loss and Other Comprehensive Income:

The standard requires reclassification of all income and expenses within the statement of profit or loss into five categories: operating, investing, financing, income taxes and discontinued operations, whereof the first three are new. The standard also requires to present a newly-defined operating profit subtotal, and the net profit will not change.

(ii) Statement of Cash Flows:

The standard requires to disclose the starting point for cash flows from operations under the indirect method, from ‘profit or loss’ to ‘operating profit or loss’ and the optionality around classification of cash flows from dividends and interest are removed.

(iii) Management-defined Performance Measures (“MPMs”) and guidance on Aggregation and Disaggregation

The standard requires MPMs are disclosed in a single note in the financial statements and enhanced guidance is provided on aggregation and disaggregation of financial information.

The Group and the Company are currently assessing the impact of MFRS 18, particularly with respect to the structure of the statement of profit or loss, the statement of cash flows and the additional disclosures required for MPMs. The Group and the Company are also assessing the impact on aggregation and disaggregation on how information is grouped in the financial statements.

7. Significant accounting judgements, estimates and assumptions

The preparation of the Group's and of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities, at the end of the reporting period. However, uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the asset or liability affected in future periods.

7.1 Judgements made in applying accounting policies

In the process of applying the Group's and the Company's accounting policies, management has not made any critical judgements, apart from those involving estimations, which could have a significant effect on the amounts recognised in the financial statements except as discussed below:

Classification between investment properties and property, plant and equipment

The Group has developed certain criteria based on MFRS 140 in making judgement whether a property qualifies as an investment property. Investment properties are properties held to earn rentals or for capital appreciation or both.

Some properties comprise a portion that is held to earn rentals or for capital appreciation and another portion that is held for use in the production or supply of goods or services or for administrative purposes. If these portions could be sold separately (or leased out separately under a finance lease), the Group would account for the portions separately. If the portions could not be sold separately, the property is an investment property only if an insignificant portion is held for use in the production or supply of goods or services or for administrative purposes. Judgement is made on an individual property basis to determine whether ancillary services are so significant that a property does not qualify as investment property. The Group has determined that its properties held to earn rental income or capital appreciation are investment properties as only an insignificant portion of the properties is used in the production or supply of goods or services or for administrative purposes and ancillary services are not significant to the properties.

7.2 Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Group based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

7. Significant accounting judgements, estimates and assumptions (cont'd)

7.2 Estimates and assumptions (cont'd)

(a) Inventories costing

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

(b) Impairment of goodwill

Goodwill is tested for impairment at each reporting period and at other times when such indicators exist. This requires an estimation of the value-in-use of the cash-generating units to which goodwill is allocated.

When value-in-use calculations are undertaken, management must estimate future cash flows from the cash-generating unit and choose a suitable discount rate in order to calculate the present values of those cash flows. Further details of the carrying value, the key assumptions applied in the impairment assessment and sensitivity analysis to changes in the assumptions are disclosed in Note 22.

(c) Impairment of property, plant and equipment and right-of-use assets

At each reporting date, the Group assesses if any indication of impairment exists for property, plant and equipment and right-of-use assets. The recoverable amounts are determined based on the higher of value-in-use and fair value less costs of disposal.

When value-in-use calculations are undertaken, management must estimate future cash flows from the cash-generating unit and choose a suitable discount rate in order to calculate the present values of those cash flows. Further details of the carrying value, the key assumptions applied in the impairment assessment are disclosed in Note 15.

8. Revenue

(a) Disaggregated revenue information

	Group		Company	
	2025	**2024**	**2025**	**2024**
	RM'000	**RM'000**	**RM'000**	**RM'000**
Revenue from contracts with customers				
Business units by geographical area				
Malaysia	3,017,400	2,226,130	-	-
Thailand	291,273	147,609	-	-
The People's Republic of China	4,497	10,088	-	-
Others	180,185	130,581	-	-
	3,493,355	2,514,408	-	-
Revenue from other sources				
Management fees from subsidiaries	-	-	4,397	4,277
Dividend income from subsidiaries	-	-	514,126	-
	-	-	518,523	4,277
Total revenue	3,493,355	2,514,408	518,523	4,277
Timing of revenue recognition				
Goods transferred at a point in time	3,493,355	2,514,408	-	-

(b) Performance obligation

The Group is in the business of manufacturing and trading of gloves and healthcare related products.

The performance obligation is satisfied upon transfer of control of the goods to the customers and payment is generally due within 30 to 90 (2024: 30 to 90) days.

The transaction price allocated to the remaining performance obligations (unsatisfied) as at 31 August 2025 and 2024 are as follows:

	Group		Company	
	2025	**2024**	**2025**	**2024**
	RM'000	**RM'000**	**RM'000**	**RM'000**
Within one year	93,010	108,203	-	-

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

9. Interest income

	Group		Company	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Interest income from:				
Financial assets at fair value through OCI	1,494	1,971	1,494	1,971
Financial assets at amortised cost	6,035	6,433	4,668	1,578
Financial assets at fair value through profit or loss	4,344	4,108	330	1,073
Others	16,643	261	-	-
	28,516	12,773	6,492	4,622

10. Other income

	Group		Company	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Realised gain on foreign exchange	28,183	-	494	57
Unrealised gain on foreign exchange	-	3,116	-	-
Net fair value gain on derivative financial instruments	-	752	-	-
Net fair value gain on investment securities at fair value through profit or loss	8,474	12,169	6,341	10,948
Net gain from fair value remeasurement of investment properties (Note 17)	-	4,653	-	-
Gain on disposal of debt securities	-	7	-	7
Gain on disposal of property, plant and equipment	48,022	14,239	-	-
Gain on disposal of right-of-use assets	-	24,776	-	-
Gain on lease modifications	-	865	-	-
Gain on lease termination	16	-	-	-
Gain on disposal of investment property	791	90	-	-
Gain on disposal of assets held for sale	3,746	56,890	-	-
Gain on disposal of money market fund	4,296	5,945	1,184	2,616
Net reversal of expected credit loss (Note 24)	57	-	-	-
Rental income	20,384	17,041	-	-
Sales of scrap items	6,159	8,007	-	-
Insurance claims	716	7,626	-	-
Sundry income	6,791	8,694	-	-
	127,635	164,870	8,019	13,628

11. Profit/(loss) before tax

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

	Group		Company	
	2025	**2024**	**2025**	**2024**
	RM'000	**RM'000**	**RM'000**	**RM'000**
Auditors' remuneration:				
Ernst & Young PLT				
- Statutory audit				
- Current year	1,050	970	318	320
Other auditors				
- Statutory audit				
- Current year	522	569	-	-
Depreciation of property, plant and equipment (Note 15)	296,364	277,764	-	-
Depreciation of right-of-use assets (Note 16)	6,037	5,953	78	78
Amortisation of intangible assets (Note 22)	3,804	3,775	-	-
Direct operating expenses arising from investment properties				
- Rental generating properties	3,609	3,671	-	-
Realised loss on foreign exchange	-	11,094	-	-
Unrealised loss on foreign exchange	35,613	-	1,071	2,229
Net fair value loss on derivatives	123	-	-	-
Loss on disposal of debt securities	12,019	-	12,019	-
Impairment loss on investment in subsidiaries (Note 18)	-	-	-	606
Impairment loss on property, plant and equipment (Note 15)	12,754	-	-	-
Biological assets written off	477	-	-	-
Property, plant and equipment written off	9,992	10,212	-	-
Inventories written off	-	198	-	-
Reversal of allowance for inventories written down on unsold goods	(32,049)	(50,617)	-	-
Bad debts written off	738	17	-	-
Net allowance for expected credit loss (Note 24)	-	280	-	-

12. Employee benefits expenses

	Group		Company	
	2025 **RM'000**	**2024** **RM'000**	**2025** **RM'000**	**2024** **RM'000**
Wages, salaries and bonus	409,791	382,589	3,106	2,755
Social security costs	7,208	6,065	3	2
Pension costs - defined contribution plan	18,589	20,223	356	320
Share options granted under ESOS	257	1,199	132	-
Other staff related expenses	8,826	8,330	31	64
Executive directors' fees				
- Company	438	398	438	398
- Subsidiaries	69	69	-	-
	445,178	418,873	4,066	3,539

Included in employee benefits expenses of the Group and of the Company are executive directors' remuneration amounting to RM5,445,000 (2024: RM4,793,000) and RM3,975,000 (2024: RM3,354,000) respectively.

12. Employee benefits expenses (cont'd)

	Group		Company	
	2025	**2024**	**2025**	**2024**
	RM'000	**RM'000**	**RM'000**	**RM'000**
Directors' remuneration				
Directors of the Company				
Executive:				
Salaries and other emoluments	4,418	3,905	3,090	2,583
Pension costs - defined contribution plan	441	378	345	310
Social security contributions	45	47	1	1
Share options granted under ESOS	53	-	53	-
Fees	438	398	438	398
Benefits-in-kind	49	65	47	62
	5,444	4,793	3,974	3,354
Non-executive:				
Salaries and other emoluments	118	122	118	122
Fees	650	789	650	789
	768	911	768	911
Analysis excluding benefits-in-kind:				
Total executive directors' remuneration	5,395	4,728	3,927	3,292
Total non-executive directors' remuneration	768	911	768	911
Total directors' remuneration (excluding benefits-in-kind)	6,163	5,639	4,695	4,203
Benefits-in-kind	49	65	47	62
Total directors' remuneration (including benefits-in-kind)	6,212	5,704	4,742	4,265

12. Employee benefits expenses (cont'd)

The remuneration of the directors of the subsidiaries during the financial years ended 31 August 2025 and 2024 is set as below:

	Group		Company	
	2025 **RM'000**	**2024** **RM'000**	**2025** **RM'000**	**2024** **RM'000**
Executive:				
Salaries and other emoluments	3,393	3,447	-	-
Pension costs - defined contribution plan	205	228	-	-
Social security contributions	37	37	-	-
Share options granted under ESOS	10	-	-	-
Fees	69	69	-	-
Benefits-in-kind	7	101	-	-
	3,721	3,882	-	-
Non-executive:				
Fees	1	2	-	-
Analysis excluding benefits-in-kind:				
Total executive directors' remuneration	3,714	3,781	-	-
Total non-executive directors' remuneration	1	2	-	-
Total directors' remuneration (excluding benefits-in-kind)	3,715	3,783	-	-
Benefits-in-kind	7	101	-	-
Total directors' remuneration (including benefits-in-kind)	3,722	3,884	-	-

13. Income tax expense/(credit)

Major components of income tax expense/(credit)

The major components of income tax expense/(credit) for the financial years ended 31 August 2025 and 2024 are as follows:

	Group		Company	
	2025	**2024**	**2025**	**2024**
	RM'000	**RM'000**	**RM'000**	**RM'000**
Current income tax:				
- Malaysian income tax	22,332	18,805	1,909	735
- Foreign tax	7,714	5,882	-	-
- Withholding tax	3,865	-	-	-
- Group tax relief on losses surrendered	-	(18,032)	-	-
- Real property gain tax ("RPGT")	6,103	11,455	-	-
- (Over)/under provision in respect of previous years	(5,263)	484	637	2
	34,751	18,594	2,546	737
Deferred income tax (Note 20):				
- Relating to origination and reversal of temporary differences	1,857	(32,814)	-	-
- (Over)/under provision in respect of previous years	(11,255)	4,291	-	-
	(9,398)	(28,523)	-	-
Income tax expense/(credit) recognised in profit or loss	25,353	(9,929)	2,546	737

13. Income tax expense/(credit) (cont'd)

Reconciliation between tax expense/(credit) and accounting profit/(loss)

The reconciliation between tax expense/(credit) and the product of accounting profit/(loss) multiplied by the applicable corporate tax rate for the financial years ended 31 August 2025 and 2024 are as follows:

	Group		Company	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Profit/(loss) before tax	148,199	(31,341)	511,754	12,403
Tax at Malaysian statutory tax rate of 24% (2024: 24%)	35,568	(7,522)	122,821	2,977
Adjustments:				
Withholding tax from foreign income	3,865	-	-	-
Different tax rates in other countries	2,579	2,430	-	-
Effects of tax incentives claimed by foreign subsidiaries	-	(35)	-	-
Effects of income subject to RPGT	6,103	11,455	-	-
Income not subject to tax	(17,291)	(36,025)	(125,085)	(3,453)
Non-deductible expenses	19,713	4,137	4,173	1,211
Utilisation of previously unrecognised tax losses and unabsorbed capital allowance	(688)	(4,665)	-	-
Deferred tax assets not recognised in respect of current year's tax losses and unabsorbed capital allowance	5,938	38,876	-	-
Deferred tax assets recognised in respect of previously unrecognised tax losses and unabsorbed capital allowance	(3,223)	(7,220)	-	-
Deferred tax assets recognised in respect of reinvestment allowance and capital allowance	(11,076)	(15,722)	-	-
Share of results of an associate	383	(413)	-	-
(Over)/under provision of income tax in respect of previous years	(5,263)	484	637	2
(Over)/under provision of deferred tax in respect of previous years	(11,255)	4,291	-	-
Income tax expense/(credit) recognised in profit or loss	25,353	(9,929)	2,546	737

13. Income tax expense/(credit) (cont'd)

Reconciliation between tax expense/(credit) and accounting profit/(loss) (cont'd)

Domestic income tax is calculated at the Malaysian statutory tax rate of 24% (2024: 24%) of the estimated assessable profit for the year. Taxation for other jurisdictions is calculated at the rates prevailing in the respective jurisdictions.

The above reconciliation is prepared by aggregating separate reconciliations for each national jurisdiction.

Global Minimum Tax (Pillar Two)

As at 31 December 2023, the Government of Malaysia had enacted legislative provisions implementing the Organisation for Economic Co-operation and Development (“OECD") Pillar Two model rules, commonly referred to as the Global Minimum Tax ("GMT”), which are effective for financial years beginning on or after 1 January 2025.

Under the GMT legislation, multinational enterprises (“MNEs”), defined as groups with consolidated revenues of 750 million euros or more and operations in multiple jurisdictions, are liable to pay a top-up tax equal to the difference between the MNE's jurisdictional effective tax rate (“ETR”) and the 15% minimum rate, where the ETR falls below that threshold.

The Group operates in jurisdictions where Pillar Two model rules have been enacted and are effective for the Group’s financial period ended 31 August 2025 including Germany, United Kingdom, and Vietnam. As a result of the implementation, the Group has performed an assessment of the Group’s potential exposure to Pillar Two income taxes, based on the current financial information of the Group for these jurisdictions. Based on the assessment performed, the Group intends to elect for Transitional Country-by Country Reporting (“CbCR”) Safe Habour in Germany, United Kingdom, and Vietnam. In this regards, the Group does not foresee material Pillar Two top-up tax exposure in these jurisdictions for the financial year ended 31 August 2025.

For the financial year ended 31 August 2025, the Group has applied the International Accounting Standards Board (“IASB”) amendment to MFRS 112 Income Taxes, which provides a mandatory temporary exception from recognising or disclosing deferred tax related to Pillar Two.

The Group will continue to monitor the development of Pillar Two model rules across its operating jurisdictions and will conduct an assessment as further guidance and legislative clarity emerge.

14. Earnings/(loss) per share

(a) Basic

Basic earnings/(loss) per share is calculated by dividing profit/(loss) for the year, net of tax, attributable to owners of the parent by the weighted average number of ordinary shares outstanding during the financial year, excluding treasury shares held by the Company.

	2025	2024
Profit/(loss) net of tax attributable to owners of the parent (RM'000)	105,330	(64,876)
Weighted average number of ordinary shares in issue ('000)	8,015,462	8,008,766
Basic earnings/(loss) per share (sen)	1.31	(0.81)

(b) Diluted

Diluted earnings/(loss) per share is calculated by dividing profit/(loss) for the year, net of tax, attributable to owners of the parent by the weighted average number of ordinary shares outstanding during the financial year plus the weighted average number of ordinary shares that would be issued on the conversion of all the dilutive potential ordinary shares into ordinary shares.

	2025	2024
Profit/(loss) net of tax attributable to owners of the parent (RM'000)	105,330	(64,876)
Weighted average number of ordinary shares in issue ('000)	8,015,462	8,008,766
Effect of dilution from:		
Assumed exercise of share options ('000)	501	350
Adjusted weighted average number of ordinary shares in issue and issuable ('000)	8,015,963	8,009,116
Diluted earnings/(loss) per share (sen)	1.31	(0.81)

15. Property, plant and equipment

	Land and buildings RM'000	Plant and equipment RM'000	* Other assets RM'000	Capital work-in-progress RM'000	Total RM'000
Group					
Cost					
At 1 September 2023	1,515,403	2,533,720	369,359	1,122,592	5,541,074
Additions	45,557	66,949	7,891	22,114	142,511
Revaluation adjustment	19,517	-	-	-	19,517
Transfer to investment properties (Note 17)	(45,864)	-	-	(681)	(46,545)
Transfer to assets held for sale (Note 28)	(9,396)	-	(502)	-	(9,898)
Reclassification	15,997	102,488	3,140	(121,625)	-
Written off	(264)	(25,876)	(2,849)	(1,212)	(30,201)
Disposals	(69,820)	(62,578)	(5,220)	(8,221)	(145,839)
Exchange differences	(7,450)	(18,028)	(1,997)	(15,525)	(43,000)
At 31 August 2024/ 1 September 2024	1,463,680	2,596,675	369,822	997,442	5,427,619
Additions	3,342	85,536	7,232	42,406	138,516
Transfer to investment properties (Note 17)	(7,963)	-	(7,122)	(13,177)	(28,262)
Transfer from right-of-use assets (Note 16)	562	-	-	-	562
Reclassification	66,667	212,620	5,028	(284,315)	-
Written off	(378)	(35,682)	(3,447)	(432)	(39,939)
Disposals	(111,506)	(30,493)	(1,932)	(191)	(144,122)
Exchange differences	1,098	6,895	792	5,594	14,379
At 31 August 2025	1,415,502	2,835,551	370,373	747,327	5,368,753

15. Property, plant and equipment (cont'd)

	Land and buildings RM'000	Plant and equipment RM'000	* Other assets RM'000	Capital work-in-progress RM'000	Total RM'000
Group					
Accumulated depreciation					
At 1 September 2023	148,909	1,223,591	219,363	-	1,591,863
Depreciation charged for the year (Note 11)	20,056	225,859	31,849	-	277,764
Transfer to investment properties (Note 17)	(2,109)	-	-	-	(2,109)
Transfer to assets held for sale (Note 28)	(5)	-	(288)	-	(293)
Written off	(29)	(18,181)	(1,779)	-	(19,989)
Disposals	(14,953)	(44,611)	(4,525)	-	(64,089)
Exchange differences	(1,202)	(10,501)	(1,216)	-	(12,919)
At 31 August 2024/ 1 September 2024	150,667	1,376,157	243,404	-	1,770,228
Depreciation charged for the year (Note 11)	19,100	247,130	30,134	-	296,364
Transfer to investment properties (Note 17)	(1,377)	-	(5,257)	-	(6,634)
Transfer from right-of-use assets (Note 16)	23	-	-	-	23
Reclassification	-	(67)	67	-	-
Written off	(142)	(27,563)	(2,242)	-	(29,947)
Disposals	(988)	(27,584)	(1,444)	-	(30,016)
Exchange differences	293	5,720	543	-	6,556
At 31 August 2025	167,576	1,573,793	265,205	-	2,006,574
Accumulated impairment					
At 1 September 2023	10,824	22,953	360	21,990	56,127
Exchange differences	(753)	(1,596)	(25)	(1,529)	(3,903)
At 31 August 2024/ 1 September 2024	10,071	21,357	335	20,461	52,224
Impairment charged for the year (Note 11)	3,926	4,045	1,309	3,474	12,754
Transfer to investment properties (Note 18)	(3,926)	-	(1,112)	-	(5,038)
Exchange differences	(228)	(665)	(7)	(451)	(1,351)
At 31 August 2025	9,843	24,737	525	23,484	58,589

15. Property, plant and equipment (cont'd)

	Land and buildings RM'000	Plant and equipment RM'000	* Other assets RM'000	Capital work-in-progress RM'000	Total RM'000
Net carrying amount					
At 31 August 2024	1,302,942	1,199,161	126,083	976,981	3,605,167
At 31 August 2025	1,238,083	1,237,021	104,643	723,843	3,303,590

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

Land and buildings

	Freehold land RM'000	Buildings RM'000	Total RM'000
Group			
Cost			
At 1 September 2023	599,362	916,041	1,515,403
Additions	1,983	43,574	45,557
Revaluation adjustment	14,868	4,649	19,517
Transfer to investment properties (Note 17)	(20,179)	(25,685)	(45,864)
Transfer to assets held for sale (Note 28)	(9,391)	(5)	(9,396)
Reclassification	7,515	8,482	15,997
Written off	-	(264)	(264)
Disposals	(45,765)	(24,055)	(69,820)
Exchange differences	(1,674)	(5,776)	(7,450)
At 31 August 2024/1 September 2024	546,719	916,961	1,463,680
Additions	382	2,960	3,342
Transfer to investment properties (Note 17)	-	(7,963)	(7,963)
Transfer from right-of-use assets (Note 16)	-	562	562
Reclassification	-	66,667	66,667
Written off	(3)	(375)	(378)
Disposals	(108,711)	(2,795)	(111,506)
Exchange differences	443	655	1,098
At 31 August 2025	438,830	976,672	1,415,502

15. Property, plant and equipment (cont'd)

	Freehold land RM'000	Buildings RM'000	Total RM'000
Group			
Accumulated depreciation			
At 1 September 2023	-	148,909	148,909
Depreciation charged for the year	-	20,056	20,056
Transfer to investment properties (Note 17)	-	(2,109)	(2,109)
Transfer to assets held for sale (Note 28)	-	(5)	(5)
Written off	-	(29)	(29)
Disposals	-	(14,953)	(14,953)
Exchange differences	-	(1,202)	(1,202)
At 31 August 2024/1 September 2024	-	150,667	150,667
Depreciation charged for the year	-	19,100	19,100
Transfer to investment properties (Note 17)	-	(1,377)	(1,377)
Transfer from right-of-use assets (Note 16)	-	23	23
Written off	-	(142)	(142)
Disposals	-	(988)	(988)
Exchange differences	-	293	293
At 31 August 2025	-	167,576	167,576
Accumulated impairment			
At 1 September 2023	-	10,824	10,824
Exchange differences	-	(753)	(753)
At 31 August 2024/1 September 2024	-	10,071	10,071
Impairment charged for the year	-	3,926	3,926
Transfer to investment properties (Note 17)	-	(3,926)	(3,926)
Exchange differences	-	(228)	(228)
At 31 August 2025	-	9,843	9,843
Net carrying amount			
At 31 August 2024	546,719	756,223	1,302,942
At 31 August 2025	438,830	799,253	1,238,083

15. Property, plant and equipment (cont'd)

Included in the property, plant and equipment of the Group are fully depreciated assets which are still in use, with their carrying costs as follows:

	2025 RM'000	2024 RM'000
Buildings	101,587	661
Plant and equipment	594,349	535,104
Other assets	35,890	114,308
	731,826	650,073

During the financial year, the property, plant and equipment and right-of-use assets of the Group were tested for impairment due to impairment indicators arising from the decrease in average selling price of gloves. Management had undertaken an assessment of the recoverable amount of these assets during the financial year. Recoverable amount is defined as the higher of value-in-use and fair value less costs of disposal and determined at the CGU of each asset.

Recoverable amount determined from fair value less costs of disposal

The fair values of certain property, plant and equipment and rights-of-use assets were determined by independent professional valuers.

Recoverable amount determined from value-in-use ("VIU")

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

(i) A range of pre-tax discount rate of 17.0% - 20.2% (2024: 16.4% - 18.7%) was applied in determining the recoverable amount of the CGUs. The discount rates used to discount the future cash flows reflect the specific risks relating to the respective CGUs.

(ii) Budgeted profit margin is determined based on management's estimate of the industry trends for the average selling price of gloves and the production utilisation rate.

In the current financial year, the above mentioned impairment testing did not give rise to impairment losses of property, plant and equipment and right-of-use assets.

Sensitivity to changes in key assumptions

An increase in the discount rate of 2.39% for Malaysia, 0.90% for Thailand, and 0.13% for Vietnam (2024: 1.12% for Malaysia, 1.12% for Thailand, 0.03% for Vietnam) would result in the recoverable amount to be equal to the carrying amount.

16. Right-of-use assets

	Land RM'000	Buildings RM'000	Plant and equipment RM'000	Office equipment RM'000	Total RM'000
Group					
At 1 September 2023	173,378	963	12,519	236	187,096
Additions	1,783	1,036	-	-	2,819
Depreciation charged for the year (Note 11)	(4,032)	(699)	(1,178)	(44)	(5,953)
Adjustment due to lease modification	(2,739)	-	-	-	(2,739)
Disposal	(4,805)	-	(34)	-	(4,839)
Exchange differences	(2,714)	19	-	-	(2,695)
At 31 August 2024/ 1 September 2024	160,871	1,319	11,307	192	173,689
Transfer to property, plant and equipment (Note 15)	(539)	-	-	-	(539)
Depreciation charged for the year (Note 11)	(3,799)	(655)	(1,558)	(25)	(6,037)
Adjustment due to lease modification	-	33	-	-	33
Disposal	(1,477)	-	-	-	(1,477)
Termination	-	-	-	(167)	(167)
Exchange differences	(452)	14	-	-	(438)
At 31 August 2025	154,604	711	9,749	-	165,064
Company					
At 1 September 2023	-	202	-	-	202
Depreciation charged for the year (Note 11)	-	(78)	-	-	(78)
At 31 August 2024/ 1 September 2024	-	124	-	-	124
Depreciation charged for the year (Note 11)	-	(78)	-	-	(78)
At 31 August 2025	-	46	-	-	46

17. Investment properties

	2025 RM'000	2024 RM'000
Group		
Fair value of investment properties:		
At 1 September 2024/2023	468,316	419,699
Additions	2,353	2,090
Transfer from property, plant and equipment (Note 15)	16,590	44,436
Transfer to assets held for sales (Note 28)	-	(1,912)
Disposal	(15,134)	(650)
Net gain from fair value remeasurement (Note 10)	-	4,653
Exchange differences	11	-
At 31 August	472,136	468,316

Rental income arising from investment properties is RM17,163,000 (2024: RM14,576,000). Direct operating expenses arising from investment properties are disclosed in Note 11.

Reconciliation of fair value:

	Building RM'000	Freehold land RM'000	Leasehold land RM'000	Total RM'000
Group				
At 1 September 2023	257,641	153,685	8,373	419,699
Additions	2,041	49	-	2,090
Transfer from property, plant and equipment (Note 15)	24,138	20,298	-	44,436
Transfer to assets held for sales (Note 28)	(1,912)	-	-	(1,912)
Disposal	(650)	-	-	(650)
Net gain/(loss) from fair value remeasurement (Note 11)	644	4,035	(26)	4,653
At 31 August 2024/1 September 2024	281,902	178,067	8,347	468,316
Additions	1,474	879	-	2,353
Transfer from property, plant and equipment (Note 15)	16,590	-	-	16,590
Disposal	(1,134)	(14,000)	-	(15,134)
Exchange differences	11	-	-	11
At 31 August 2025	298,843	164,946	8,347	472,136

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

17. Investment properties (cont'd)

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

(a) Comparison method

Fair value is arrived at by reference to market evidence of transaction prices for similar properties, adjustments are made to account for factors such as differences in location, age, size and type of property.

An upward/(downward) change in the adjustments for factors such as differences in location, age, size and type of property will result in a higher/(lower) fair value of the investment properties.

(b) Investment method

This method considers the present value of net rental income to be generated from the property, taking into account the expected rental growth rate, occupancy rate and lease incentive. This net rental income is discounted at a risk-adjusted discount rate to arrive at its present value. The key inputs to the valuation of investment properties are as follows:

	Valuation technique	**Significant unobservable inputs**	**Range 2025**	**Range 2024**
Freehold land and building	Investment method (Discounted cash flows method)	Estimated rental value per square foot per month	RM4.20 to RM5.20	RM4.00 to RM5.00
		Term yield rate	6.5% to 8%	6.5%
		Occupancy rate	81.8%	75.9%
		Long term vacancy rate	18.2%	24.1%

Using the discounted cash flows method, fair value is estimated using assumptions regarding the benefits and liabilities of ownership over the asset's life including a terminal value. This method involves the projection of a series of cash flows on a real property interest. To this projected cash flow series, a market-derived discount rate is applied to establish the present value of the income stream associated with the asset.

The duration of the cash flows and the specific timing of inflows and outflows are determined by events such as rent reviews, lease renewal and related re-letting, redevelopment, or refurbishment. The appropriate duration is typically driven by market behaviour that is a characteristic of the class of real property. Periodic cash flow is typically estimated as gross income less vacancy, non-recoverable expenses, collection losses, lease incentives, maintenance cost, agent and commission costs and other operating and management expenses.

17. Investment properties (cont'd)

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

(b) Investment method (cont'd)

The series of periodic net operating income, along with an estimate of the terminal value anticipated at the end of the projection period, is then discounted. Significant increase/(decrease) in estimated rental value in isolation would result in a significantly higher/(lower) fair value of the property. Significant increase/(decrease) in the long term vacancy rate and yield rates in isolation would result in a significantly lower/(higher) fair value.

Generally, a change in the assumption made for the estimated rental value is accompanied by a directionally similar change in the rent growth per annum and discount rate, and an opposite change in the long term vacancy rate.

18. Investment in subsidiaries

	Company	
	2025	**2024**
	RM'000	**RM'000**
Unquoted shares, at cost:	3,119,580	2,366,518
Less: Accumulated impairment losses	(27,153)	(27,153)
	3,092,427	2,339,365

Movement in accumulated impairment losses:

	Company	
	2025	**2024**
	RM'000	**RM'000**
At 1 September 2024/2023	(27,153)	(26,547)
Impairment losses (Note 11)	-	(606)
At 31 August	(27,153)	(27,153)

(a) Incorporation of TG Treasury Berhad ("TG Treasury")

On 2 September 2024, the Company incorporated TG Treasury in Malaysia under the Companies Act 2016 with an issued and paid up capital of RM1.00 comprising 1 ordinary share. The Company owns the entire issued and paid-up share capital of TG Treasury upon which, TG Treasury becomes a wholly-owned subsidiary of the Company.

18. Investment in subsidiaries (cont'd.)

(b) Acquisition of additional equity interest in subsidiaries

(i) Top Glove Engineering Sdn. Bhd.

On 23 January 2025, Top Glove Engineering Sdn. Bhd., a wholly-owned subsidiary of the Company had increased its share capital from RM38,155,437 to RM84,655,437.

(ii) TG Worldwide Sdn. Bhd.

On 9 February 2025, TG Worldwide Sdn. Bhd., a wholly-owned subsidiary of the Company had increased its share capital from RM10,000,000 to RM500,000,000.

(iii) Top Glove Sdn. Bhd.

On 20 February 2025, Top Glove Sdn. Bhd., a wholly-owned subsidiary of the Company had increased its share capital from RM550,000,000 to RM765,500,000.

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

On 29 August 2025, Great Glove (Malaysia) Sdn. Bhd., a wholly-owned subsidiary of the Company had increased its share capital from RM3,680,000 to RM4,280,000.

(v) Top Glove Global Sdn. Bhd.

On 29 August 2025, Top Glove Global Sdn. Bhd., a wholly-owned subsidiary of the Company had increased its share capital from RM1,214,601 to RM1,614,601.

(vi) Top Glove Labuan Ltd.

On 29 August 2025, Top Glove Labuan Ltd., a wholly-owned subsidiary of the Company had increased its share capital from RM8,222,720 to RM8,284,533.

18. Investment in subsidiaries (cont'd)

Details of the subsidiaries are as follows:

Name	Country of incorporation/ principal place of business	Proportion of ownership interest (%) 2025	2024	Principal activities
Held by the Company:				
Top Glove Sdn. Bhd.*	Malaysia	100	100	Manufacturing and trading of gloves
TG Medical Sdn. Bhd.*	Malaysia	100	100	Manufacturing and trading of examination, surgical and nitrile gloves, general trading and investment holding
Great Glove (Malaysia) Sdn. Bhd.#	Malaysia	100	100	Company temporarily ceased business operation
Top Glove Engineering Sdn. Bhd.#	Malaysia	100	100	Manufacturing and supply of engineering parts and general contractors of all kinds of rubber gloves machinery
TG Medical (U.S.A.), Inc.#	United States of America	100	100	Trading of gloves
Top Quality Glove Sdn. Bhd.*	Malaysia	100	100	Manufacturing and trading of gloves, rubber products and cast polyethylene products
Top Care Sdn. Bhd.#	Malaysia	100	100	Investment holding
GMP Medicare Sdn. Bhd.*	Malaysia	100	100	Manufacturing and trading of gloves and rubber products and general trading

18. Investment in subsidiaries (cont'd)

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

Name	Country of incorporation/ principal place of business	Proportion of ownership interest (%) 2025	2024	Principal activities
Held by the Company (cont'd):				
Eastern Press Sdn. Bhd.#	Malaysia	100	100	Manufacturing of packaging materials, boxes and cartons
Top Feel Sdn. Bhd.#	Malaysia	100	100	Manufacture and sale of condoms, rubber related products, and disposable and medical face masks
Top Glove Labuan Ltd.#	Malaysia	100	100	Investment holding
Top Glove Global Sdn. Bhd.#	Malaysia	100	100	Provision of management services
TG Healthcare Sdn. Bhd.#	Malaysia	100	100	Manufacturing and trading of personal care and home care products
TG Worldwide Sdn Bhd.*	Malaysia	100	100	Trading and provision of value added services
TG Treasury Berhad*	Malaysia	100	-	Provision of financial and treasury services to the Group
Held through Top Glove Sdn. Bhd.:				
Great Glove (Thailand) Co. Ltd.#	Thailand	74	74	Manufacturing and trading of gloves
Top Glove Medical (Thailand) Co. Ltd.#^	Thailand	100	100	Manufacturing and trading of gloves
Top Glove Technology (Thailand) Co. Ltd.#	Thailand	100	100	Producing and selling rubber products

18. Investment in subsidiaries (cont'd)

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

Name	Country of incorporation/ principal place of business	Proportion of ownership interest (%) 2025	2024	Principal activities
Held through Top Glove Sdn. Bhd. (cont'd):				
B Tech Industry Co. Ltd.#	Thailand	100	100	Producing and selling concentrate latex
Top Quality Gloves (Thailand) Co. Ltd.#	Thailand	100	100	Dormant
Top Glove Europe GmbH @	Germany	97.5	97.5	Trading of gloves
Great Glove (Xinghua) Co. Ltd.#	The People's Republic of China	-	100	Manufacturing and trading of gloves
Top Glove International Sdn. Bhd.#	Malaysia	100	100	Research and development on gloves and rubber goods and provision of analytical services
Top Glove Properties Sdn. Bhd.#	Malaysia	100	100	Property investment, consultancy services and electrical engineering works
Medi-Flex Pte. Ltd.#	Singapore/ Malaysia	100	100	Investment holding
BestStar Enterprise Ltd.#	The British Virgin Islands/ Malaysia	100	100	Investment holding
Flexitech Sdn. Bhd.*	Malaysia	100	100	Manufacturing of gloves, general trading, property investment
TG Porcelain Sdn. Bhd.#	Malaysia	100	100	Manufacturing of formers

18. Investment in subsidiaries (cont'd)

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

Name	Country of incorporation/ principal place of business	Proportion of ownership interest (%) 2025	2024	Principal activities
Held through Top Glove Sdn. Bhd. (cont'd):				
TGGD Medical Clinic Sdn. Bhd.#	Malaysia	75	75	Providing clinical and specialist medical services, medical related consultancy and advisory services and emergency medical services
TG FMT Sdn. Bhd.#	Malaysia	70	70	Manufacturing and trading of functional fillers
Top Glove Chemicals Sdn. Bhd.#	Malaysia	100	100	Providing advisory services and manufacturing of chemicals and chemical compounds
Top Glove Vietnam Company Limited#	Vietnam	100	100	Manufacturing of vinyl gloves and other products
TG Excellence Berhad*	Malaysia	100	100	Special purpose vehicle solely for issuance of Perpetual Sukuk
Top Academy Sdn. Bhd.#	Malaysia	100	100	Organise in-house trainings and public trainings/programs
Top Biotech Sdn. Bhd.#	Malaysia	100	100	General contractors of all kinds of rubber gloves machinery
Top Protect UK Ltd.@	United Kingdom	100	100	Agents involved in the sale of variety of goods, wholesale of pharmaceutical goods, buying and selling of own real estate

18. Investment in subsidiaries (cont'd)

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

Name	Country of incorporation/ principal place of business	Proportion of ownership interest (%) 2025	2024	Principal activities
Held through Top Glove Sdn. Bhd. (cont'd):				
Top Glove Medical UK Ltd.@	United Kingdom	100	-	Agents involved in the sale of variety of goods, wholesale of pharmaceutical goods, buying and selling of own real estate
Held through Great Glove (Malaysia) Sdn. Bhd.:				
TG Meditech Sdn. Bhd.#	Malaysia	-	100	Manufacturing and trading of healthcare products
Held through TG Medical Sdn. Bhd.:				
Top Healthy Fitness Sdn. Bhd.#	Malaysia	100	100	Establishing and maintaining of fitness related business, including healthcare, slimming centres, gymnasiums and other related activities
TG Raytech Sdn. Bhd.#	Malaysia	99.4	99.4	Gamma irradiation for sterilisation of gloves and medical devices
Top Synthetic Rubber Sdn. Bhd.*	Malaysia	100	100	Manufacturing and trading of chemical products

18. Investment in subsidiaries (cont'd)

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

Name	Country of incorporation/ principal place of business	Proportion of ownership interest (%) 2025	2024	Principal activities
Held through Top Care Sdn. Bhd.:				
Best Advance Resources Limited#	Malaysia	100	100	Investment holding
Green Resources Limited#	Malaysia	100	100	Investment holding
Aspion Sdn. Bhd.#	Malaysia	100	100	Investment holding
TG Efficient Sdn. Bhd.#	Malaysia	100	100	Manufacturing of rubber gloves
Great Glove (Su Zhou) Co. Ltd.#	The People's Republic of China	60	60	Trading of gloves and healthcare related products
Held through Top Feel Sdn. Bhd.:				
Duramedical Sdn. Bhd.#	Malaysia	85	85	Manufacturing of rubber dental dams and exercise bands
Held through Best Advance Resources Limited:				
PT. Topglove Indonesia#^^	Indonesia	100	100	Providing management services in plantation sector and processing of plantation produce
Held through PT. Topglove Indonesia:				
PT. Agro Pratama Sejahtera#	Indonesia	95	95	Industrial forest plantation

18. Investment in subsidiaries (cont'd)

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

Name	Country of incorporation/ principal place of business	Proportion of ownership interest (%) 2025	2024	Principal activities
Held through PT. Agro Pratama Sejahtera:				
PT. Top Green Forestry#Ω	Indonesia	57	57	Forestry and industry
Held through Aspion Sdn. Bhd.:				
Adventa Health Sdn. Bhd.*	Malaysia	100	100	Distribution of medical gloves and other hospital related products
Terang Nusa (Malaysia) Sdn. Bhd.*	Malaysia	100	100	Manufacturing and distribution of sterile surgical gloves
Cytotec (M) Sdn. Bhd.#	Malaysia	100	100	Generation and supply of energy and electricity using biomass technology
Purnabina Sdn. Bhd.*^^^	Malaysia	97.2	97.2	Manufacturing and distribution of medical gloves
Sentienx Sdn. Bhd.*	Malaysia	100	100	Manufacturing and distribution of medical gloves and synthetic latex
Terang Nusa Sdn. Bhd.#	Malaysia	100	100	Dormant
Suizze Health Ltd#	Hong Kong/ Malaysia	100	100	Investment holding
Ulma International GmbH @	Germany	51	51	Distribution of medical gloves and other hospital related products

18. Investment in subsidiaries (cont'd)

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

Name	Country of incorporation/ principal place of business	Proportion of ownership interest (%) 2025	2024	Principal activities
Held through GMP Medicare Sdn. Bhd.:				
TG Ecommerce Sdn. Bhd.#	Malaysia	100	100	E-commerce activities for glove trading and other healthcare products
Held through Suizze Health Ltd:				
Kevenoll Do Brasil Produtos Medicos Hospitalares LTDA#^^^^	Brazil	100	100	Distribution of medical products and medical devices
Held through Top Glove Properties Sdn. Bhd.:				
Healthy Hostel Sdn. Bhd.#	Malaysia	100	100	Provision of accommodation services
Held through Top Glove Medical (Thailand) Co. Ltd.:				
Top Dynamic (Thailand) Co. Ltd..#	Thailand	99.9	-	Selling of rubber gloves
Held through Top Quality Glove Sdn. Bhd.:				
TG Meditech Sdn. Bhd.#	Malaysia	60	-	Manufacturing and trading of gloves

* Audited by Ernst & Young PLT
\# Audited by firms other than Ernst & Young PLT
@ Statutory audit is not required under local regulations

18. Investment in subsidiaries (cont'd)

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

^ The total equity interests held by the Group is 100% and it is held by the following subsidiaries:

		2025	**2024**
(i)	Top Glove Sdn. Bhd.	61.5%	61.5%
(ii)	TG Medical Sdn. Bhd.	38.5%	38.5%

^^ The total equity interests held by the Group is 100% and it is held by the following subsidiaries:

		2025	**2024**
(i)	Best Advance Resources Limited	99.9%	99.9%
(ii)	Green Resources Limited	0.1%	0.1%

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

		2025	**2024**
(i)	Aspion Sdn. Bhd.	95.2%	95.2%
(ii)	Terang Nusa (Malaysia) Sdn. Bhd.	2.0%	2.0%

^^^^ The total equity interests held by the Group is 100% and it is held by the following subsidiaries:

		2025	**2024**
(i)	Aspion Sdn. Bhd.	0.1%	0.1%
(ii)	Suizze Health Ltd	99.9%	99.9%

Ω The total effective equity interests held by the Group is 57% and it is held by the following subsidiary:

	2025	**2024**
PT. Agro Pratama Sejahtera	60.0%	60.0%

<u>Changes in group structure</u>

(a) Incorporation of Top Dynamic (Thailand) Company Limited ("Top Dynamic")

On 12 November 2024, the Company, through its wholly-owned subsidiary, Top Glove Medical (Thailand) Co. Ltd., incorporated Top Dynamic in Thailand with Department of Business Development in the the Ministry of Commerce with an issued and paid up capital of THB1,000,000 (equivalent to RM130,456) comprising 10,000 ordinary share. Top Glove Medical (Thailand) Co. Ltd. owns 99,989 shares in Top Dynamic, representing 99.9% of the issued and paid up capital of Top Dynamic upon which, Top Dynamic becomes a 99.9% owned subsidiary of Top Glove Medical (Thailand) Co. Ltd..

18. Investment in subsidiaries (cont'd)

<u>Changes in group structure (cont'd)</u>

(b) Acquisition of shares in TG Meditech Sdn. Bhd. ("TG Meditech")

On 18 November 2024, the Company, through its wholly-owned subsidiary, Top Quality Glove Sdn. Bhd., acquired ordinary shares representing 100% of the equity interest in TG Meditech comprising 1 ordinary shares for a cash consideration of RM1 from Great Glove (Malaysia) Sdn. Bhd.. Accordingly, TG Meditech has become a wholly-owned subsidiary of Top Quality Glove Sdn. Bhd..

During the financial year, TG Meditech increased its issued and paid-up ordinary share capital from RM1 to RM2,400,000 by way of the issuance of 2,399,999 new ordinary shares at an issue price of RM1 per ordinary share for cash. Top Quality Glove Sdn. Bhd. subscribed for 1,439,999 of these shares for RM1,439,999, resulting in the dilution of its interest to 60%.

(c) Acquisition of shares in Top Glove Medical UK Ltd. (“TG Medical UK”)

On 1 January 2025, the Company, through its wholly-owned subsidiary, Top Glove Sdn. Bhd. acquired ordinary shares representing 100% of the equity interest in TG Medical UK comprising 100 ordinary shares for a cash consideration of GBP100 (equivalent to RM569). Accordingly, TG Medical UK has become a wholly-owned subsidiary of Top Glove Sdn. Bhd.. The acquisition is not expected to have material effects on the financial position of the Group.

(d) Deregistration of Great Glove (Xinghua) Co. Ltd. (“Great Glove (Xinghua)”)

On 7 February 2025, the Company, through its wholly-owned subsidiary, Top Glove Sdn. Bhd. received approval from State Administration for Industry and Commerce of the People’s Republic of China to deregister its wholly-owned subsidiary, Great Glove (Xinghua). Upon deregistration, Great Glove (Xinghua) ceased to be a subsidiary of the Company at the end of the financial year.

(e) Non-controlling interests

Summarised financial information for non-controlling interests has not been disclosed as the carrying amount of the non-controlling interests in the consolidated statements of financial position is immaterial to the Group.

19. Investments in an associate and a joint venture

	Group 2025 RM'000	Group 2024 RM'000
Investment in an associate		
Unquoted shares at cost	12,204	12,204
Share of post-acquisition reserves	(8,498)	(6,903)
	3,706	5,301
Investment in a joint venture		
Unquoted shares at cost [1]	-	-
Share of post-acquisition reserves	-	-
	-	-
Total investments in an associate and a joint venture	3,706	5,301

[1] The investment in a joint venture amounting to RM3 during the financial year is deemed immaterial and the summarised financial information of the joint venture has been excluded from the disclosures.

(i) Investment in an associate

Details of the associate are as follows:

Name	Country of incorporation/ principal place of business	Proportion of ownership interest (%) 2025	Proportion of ownership interest (%) 2024	Principal activity
Held through Top Glove Sdn. Bhd.:				
Value Add Sdn. Bhd.#	Malaysia	27	27	Investment holding

\# Audited by a firm other than Ernst & Young PLT

The financial year end of the above associate is non-coterminous with the Group. For the purpose of applying the equity method of accounting, the latest available financial information has been used and appropriate adjustments have been made for the effects of significant transactions between the dates of the latest available financial information and financial years ended 31 August 2025 and 2024.

19. Investments in an associate and a joint venture (cont'd)

(i) Investment in an associate (cont'd)

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

	Group	
	2025	**2024**
	RM'000	**RM'000**
Assets and liabilities		
Non-current assets	255,009	255,011
Current assets	16,674	2,699
Total assets	271,683	257,710
Non-current liabilities	(30,532)	(16,948)
Current liabilities	(227,427)	(221,130)
Total liabilities	(257,959)	(238,078)
Net assets	13,724	19,632
Results		
Revenue	9,953	8,090
(Loss)/profit for the year	(5,908)	6,376

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

	Group	
	2025	**2024**
	RM'000	**RM'000**
Net assets of the associate as at 1 September 2024/2023	19,632	13,256
(Loss)/profit for the year	(5,908)	6,376
Net assets of the associate as at 31 August	13,724	19,632
Group's share of net assets	3,706	5,301

19. Investments in an associate and a joint venture (cont'd)

(ii) Investment in a joint venture

Details of the joint venture are as follows:

Name	Country of incorporation/ principal place of business	Proportion of ownership interest (%) 2025	2024	Principal activity
Held through TGGD Medical Clinic Sdn. Bhd.:				
Nephro TGGD Cares Sdn. Bhd.##ΩΩ	Malaysia	22.5	-	Operating a dialysis service centre

\## Incorporated on 21 July 2025. Based on the Companies Act 2016 in Malaysia, statutory audit is not required for the financial year ended 31 August 2025.

ΩΩ The total effective equity interests held by the Group is 22.5% and it is held by the following subsidiary:

	2025	2024
TGGD Medical Clinic Sdn. Bhd.	30.0%	-

20. Deferred tax liabilities/(assets)

Deferred income tax as at 31 August 2025 and 2024 relates to the following:

Group	*Deferred tax liabilities* Property, plant and equipment, right-of-use assets and investment properties RM'000	*Deferred tax assets* Unabsorbed business losses, capital and reinvestment allowance RM'000	Others RM'000	Total RM'000
At 1 September 2023	260,388	(68,482)	(36,370)	155,536
Recognised in profit or loss (Note 13)	4,665	(39,633)	6,445	(28,523)
Recognised in other comprehensive income	1,952	-	-	1,952
Exchange differences	(17)	-	1,358	1,341
At 31 August 2024/1 September 2024	266,988	(108,115)	(28,567)	130,306
Recognised in profit or loss (Note 13)	(15,199)	(5,072)	10,873	(9,398)
Exchange differences	(5)	-	(96)	(101)
At 31 August 2025	251,784	(113,187)	(17,790)	120,807

20. Deferred tax liabilities/(assets) (cont'd)

Presented after appropriate offsetting as follows:

	Group	
	2025	**2024**
	RM'000	**RM'000**
Deferred tax assets	(19,867)	(11,751)
Deferred tax liabilities	140,674	142,057
	120,807	130,306

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

	Group	
	2025	**2024**
	RM'000	**RM'000**
Unutilised tax losses	757,002	745,444
Unabsorbed capital allowances	9,571	9,187
Other deductible temporary differences	3	397
	766,576	755,028

The unutilised tax losses, unabsorbed capital allowances and other deductible temporary differences applicable to foreign incorporated subsidiaries are pre-determined by and subject to the tax legislation of the respective countries.

The unabsorbed capital allowances and other deductible temporary differences of the Group are available indefinitely for offsetting against future taxable profits of the respective entities within the Group, subject to tax laws and guidelines issued by the tax authority enacted at the reporting date.

Tax losses for which the tax effects have not been recognised in the financial statements:

	Group	
	2025	**2024**
	RM'000	**RM'000**
Expiring within 5 years	163,543	142,762
Expiring within 6 to 10 years	547,069	557,416
Indefinite	46,390	45,266
	757,002	745,444

Deferred tax assets have not been recognised by the Group in respect of these items as it is not probable that taxable profits of its subsidiaries would be available against which deductible temporary differences could be utilised.

21. Investment securities

	Group		Company	
	2025	**2024**	**2025**	**2024**
	RM'000	**RM'000**	**RM'000**	**RM'000**
Current				
Money market funds (quoted in Malaysia)				
- Financial assets at fair value through profit or loss	262,510	618,173	141,079	345,834
Debt securities (quoted outside Malaysia)				
- Financial assets at fair value through OCI	-	32,213	-	32,213
	262,510	650,386	141,079	378,047
Non-current				
Unquoted investments: Golf club membership				
- Financial assets at fair value through profit or loss	392	392	-	-
Total investment securities	262,902	650,778	141,079	378,047

22. Intangible assets

Group	**Goodwill RM'000**	**Customer relationship RM'000**	**Patent RM'000**	**Total RM'000**
Cost				
At 1 September 2023	980,691	40,477	968	1,022,136
Additions	-	-	492	492
At 31 August 2024/1 September 2024	980,691	40,477	1,460	1,022,628
Additions	-	-	399	399
At 31 August 2025	980,691	40,477	1,859	1,023,027

22. Intangible assets (cont'd)

Group	Goodwill RM'000	Customer relationship RM'000	Patent RM'000	Total RM'000
Accumulated amortisation				
At 1 September 2023	-	19,933	185	20,118
Amortisation during the year (Note 11)	-	3,680	95	3,775
At 31 August 2024/1 September 2024	-	23,613	280	23,893
Amortisation during the year (Note 11)	-	3,680	124	3,804
At 31 August 2025	-	27,293	404	27,697
Accumulated impairment				
At 1 September 2023/31 August 2024/ 1 September 2024/31 August 2025	137,553	-	-	137,553
Net carrying amount				
At 31 August 2024	843,138	16,864	1,180	861,182
At 31 August 2025	843,138	13,184	1,455	857,777

Goodwill has been allocated to CGUs identified as follows, which are also the subsidiaries of the Company:

	Group 2025 RM'000	Group 2024 RM'000
Aspion Sdn. Bhd.	796,401	796,401
Eastern Press Sdn. Bhd.	21,597	21,597
B Tech Industry Co. Ltd.	14,789	14,789
GMP Medicare Sdn. Bhd.	5,070	5,070
Top Glove Medical (Thailand) Co. Ltd.	2,946	2,946
Duramedical Sdn. Bhd.	2,335	2,335
	843,138	843,138

22. Intangible assets (cont'd)

During the financial year, the goodwill and customer relationship of the Group were tested for impairment due to impairment indicators resulted by decrease in average selling price of gloves. Management had undertaken an assessment of the recoverable amount of the CGUs.

Key assumptions used in value-in-use calculations

The recoverable amount of a CGU is determined based on value-in-use calculations using cash flow projections based on financial budgets approved by management.

The following describes each key assumption on which management has based its cash flow projections to undertake impairment testing of goodwill and customer relationship:

(i) Growth rate for the 5-year projection is determined based on the management's estimate on the industry trends and past performances of the segments, thereafter terminal growth rate including maintainable capital expenditure is assumed to be 1% (2024: 1%).

(ii) An average pre-tax discount rate of 16.6% (2024: 16.9%) was applied in determining the recoverable amount of the unit. The discount rates used to discount the future cash flows reflect the specific risks relating to the CGU.

(iii) Budgeted profit margin is determined based on the management's estimate on the industry trends for the average selling price of gloves and the production utilisation rate.

The Group is of the opinion that any reasonably possible change in the above key assumptions would not materially cause the recoverable amount of the CGUs to be lower than its carrying amount, other than the goodwill of Aspion Sdn. Bhd. as disclosed below.

Sensitivity to changes in key assumptions

An increase in the discount rate of 0.54% (2024: 0.01%) would result in the recoverable amount to be equal to the carrying amount of Aspion Sdn. Bhd. CGU.

Customer relationship

The cost of customer relationship with estimated economic definite useful life is amortised over a period of 11 years, with remaining amortisation period of 3 years (2024: 4 years).

22. Intangible assets (cont'd)

Patent

The cost of patent with estimated economic definite useful life is amortised over a period ranging from 5 to 20 years (2024: 5 to 20 years), with remaining amortisation period ranging from 2 to 17 years (2024: 3 to 18 years).

23. Inventories

	Group	
	2025	2024
	RM'000	RM'000
Cost		
Raw materials	92,962	94,265
Consumables and hardware	2,626	2,357
Work-in-progress	46,861	48,348
Finished goods	181,062	163,623
	323,511	308,593
Net realisable value		
Raw materials	17	906
Work-in-progress	6,464	15,094
Finished goods	14,929	51,705
	21,410	67,705
	344,921	376,298

During the year, the amount of inventories recognised as an expense of the Group amounted to RM2,996 million (2024: RM2,249 million).

24. Trade and other receivables

	Group	
	2025	2024
	RM'000	RM'000
Trade receivables		
Third parties	426,898	344,759
Less: Allowance for expected credit loss	(3,511)	(3,577)
Trade receivables, net	423,387	341,182
Other receivables		
Sundry receivables	41,218	16,066
Refundable deposits	1,331	1,800
	42,549	17,866
Total trade and other receivables	465,936	359,048

24. Trade and other receivables (cont'd)

	Group 2025 RM'000	Group 2024 RM'000
Total trade and other receivables	465,936	359,048
Add: Cash and bank balances (Note 27)	298,394	351,187
Financial assets at amortised cost	764,330	710,235

	Company 2025 RM'000	Company 2024 RM'000
Other receivables		
Amounts due from subsidiaries	120,233	103,599
Sundry receivables	-	128
Total other receivables	120,233	103,727
Total other receivables	120,233	103,727
Add: Cash and bank balances (Note 27)	615	5,996
Financial assets at amortised cost	120,848	109,723

(a) Trade receivables

Trade receivables are non-interest bearing and are generally on 30 to 90 days (2024: 30 to 90 days) terms. Other credit terms are assessed and approved on a case-by-case basis. They are recognised at their original invoice amounts which represent their fair values on initial recognition.

Ageing analysis of trade receivables

An ageing analysis of the trade receivables as at 31 August 2025 and 2024, based on the invoice date and net of loss allowance, is as follows:

	Group 2025 RM'000	Group 2024 RM'000
1 to 30 days	181,884	152,931
31 to 60 days	137,901	128,658
61 to 90 days	57,227	37,138
91 to 120 days	5,408	1,953
More than 121 days	40,967	20,502
	423,387	341,182

24. Trade and other receivables (cont'd)

(a) Trade receivables (cont'd)

The ageing analysis by due date of the Group’s trade receivables is as follows:

	Group	
	2025	**2024**
	RM'000	**RM'000**
Neither past due nor impaired	323,934	287,705
1 to 30 days past due not impaired	47,781	29,387
31 to 60 days past due not impaired	8,798	4,243
61 to 90 days past due not impaired	3,113	557
91 to 120 days past due not impaired	1,559	372
More than 121 days past due not impaired	38,202	18,918
	99,453	53,477
Impaired	3,511	3,577
	426,898	344,759

<u>Receivables that are neither past due nor impaired</u>

Trade and other receivables that are neither past due nor impaired are creditworthy debtors with good payment records and are mostly regular customers that have been transacting with the Group.

None of the Group's trade receivables that are neither past due nor impaired have been renegotiated during the financial year.

<u>Receivables that are past due but not impaired</u>

The Group has trade receivables amounting to RM99,453,000 (2024: RM53,477,000) that are past due at the reporting date but not impaired. These balances mainly relate to customers who have never defaulted on payments but are slow paymasters and hence, are periodically monitored.

<u>Receivables that are impaired</u>

Receivables that are determined to be impaired at the reporting date when one or more events that have a detrimental impact on the estimated cash flow have occurred. These instances include adverse changes in the financial capability of the debtors and default or significant delays on payments. These receivables are not secured by any collateral or credit enhancements.

24. Trade and other receivables (cont'd)

(a) Trade receivables (cont'd)

Allowance for expected credit loss

For receivables that are individually determined to be credit impaired at the reporting date, individual lifetime expected credit loss is recognised.

For receivables that are not individually credit impaired, the Group uses the provision matrix method to measure lifetime expected credit loss where the receivables are grouped based on shared credit risk characteristics and days past due. The calculation reflects the probability-weighted outcome, the time value of money and reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions. The Group assessed that the amount of the allowance on these balances is insignificant.

	Group	
	2025	**2024**
	RM'000	**RM'000**
Trade receivables-nominal amounts	3,511	3,577
Less: Allowance for expected credit loss	(3,511)	(3,577)
	-	-

Movements in the allowance accounts:

	Group	
	2025	**2024**
	RM'000	**RM'000**
At 1 September 2024/2023	3,577	3,350
Net (reversal of)/additional allowance for expected credit loss during the year	(57)	280
Exchange differences	(9)	(53)
At 31 August	3,511	3,577

(b) Related party balances

Amounts due from subsidiaries are unsecured, non-interest bearing and are repayable on demand except for an amount of RM120,213,000 (2024: RM100,353,000) which bears interest ranging from 2.62% to 3.76% (2024: 4.03% to 4.61%) per annum.

25. Other current assets

	Group		Company	
	2025	2024	2025	2024
	RM'000	RM'000	RM'000	RM'000
Prepaid operating expenses	26,576	32,517	-	95
Goods and service tax refundable	20,026	20,336	-	-
Advances to suppliers for raw materials	1,255	1,288	-	-
Advances to suppliers for purchase of property, plant and equipment	30,114	20,575	-	-
	77,971	74,716	-	95

26. Derivative financial instruments

	Group			
	2025		2024	
	Contract/ Notional amount RM'000	Fair value RM'000	Contract/ Notional amount RM'000	Fair value RM'000
Forward currency contracts				
- Derivative financial assets	97,392	205	30,392	245
- Derivative financial liabilities	28,992	(83)	-	-

The Group uses forward currency contracts to hedge the Group's trade receivables and sales denominated in United States Dollars ("USD") extended to January 2026. Such derivatives do not qualify for hedge accounting.

During the financial year, the Group recognised a loss of RM123,000 (2024: gain of RM752,000) in profit or loss arising from changes in the fair value of the forward currency contracts.

27. Cash and bank balances

	Group		Company	
	2025	**2024**	**2025**	**2024**
	RM'000	**RM'000**	**RM'000**	**RM'000**
Cash on hand and at banks	295,974	282,839	615	3,106
Deposits with licensed banks and other financial institutions	2,420	68,348	-	2,890
Cash and bank balances	298,394	351,187	615	5,996
Less:				
Deposits pledged with banks with maturity of more than 3 months	(1,443)	(1,534)	-	-
Cash and cash equivalents	296,951	349,653	615	5,996

Deposits with licensed banks and other financial institutions of the Group amounting to RM1,443,000 (2024: RM1,534,000) are pledged to banks for credit facilities granted to the Group.

The weighted average effective interest rates and maturity days of deposits with licensed banks and other financial institutions at the reporting date were as follows:

	Group		Company	
	2025	**2024**	**2025**	**2024**
Weighted average effective interest rates	0.72%	0.20%	Nil	0.18%
Maturity days	5 to 358 days	1 to 284 days	Nil	20 days

28. Assets held for sale

	Property, plant and equipment RM'000
At 1 September 2023	159,984
Transfer from property, plant and equipment (Note 15)	9,605
Transfer from investment properties	1,912
Sales completed during the year	(159,984)
At 31 August 2024/1 September 2024	11,517
Sales completed during the year	(11,517)
At 31 August 2025	-

Details of assets held for sale are as below:

The Group through its wholly owned subsidiary, Top Glove Sdn. Bhd. has completed the sales during the year for the following:

(i) A freehold land under Lot 4953 of approximately 1.2141 hectares to Q Centre (Teratai) Sdn. Bhd..

(ii) Two shop offices under Lot 59640 of approximately 200 and 239 square metres respectively to Wikicareer Sdn. Bhd..

29. Loans and borrowings

	Maturity	Group 2025 RM'000	Group 2024 RM'000
Current			
Unsecured:			
Floating Rate			
JPY Revolving credit	2026/2025	27,528	390,794
CHF Revolving credit	2026	1,835	-
EUR Term loan	2025	-	7,192
Total current loans and borrowings		29,363	397,986
Non-current			
Unsecured:			
Fixed Rate			
RM Senior Sukuk	2030	798,391	-
Total non-current loans and borrowings		798,391	-
Total loans and borrowings		827,754	397,986

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

	2025	2024
Floating Rate		
Revolving credit	0.5% to 1.1%	0.5% to 1.1%
Term loan	Nil	5.2% to 5.7%
Fixed Rate		
Senior Sukuk	4.2%	Nil

Senior Sukuk

	2025 RM'000
At 2 September 2024 (date of TG Treasury Berhad incorporation)	-
Add: Issuance of Senior Sukuk (net of transaction costs)	798,191
Add: Unwinding of Senior Sukuk transaction costs	200
At 31 August	798,391

On 28 November 2024, the Company's wholly owned subsidiary, TG Treasury Berhad lodged an Islamic notes issuance programme of RM3.0 million in aggregate nominal value ("Sukuk Programme") for the issuance of rated and/or unrated senior Islamic medium term notes ("Senior Sukuk") and/or subordinated perpetual Islamic notes ("Perpetual Sukuk") with the Securities Commission Malaysia ("SC"). The Sukuk Programme, under the Shariah principle of Wakalah Bi Al-Istithmar, is guaranteed by the Company, as the Kafalah Provider. The Sukuk Programme provides TG Treasury Berhad with the flexibility to issue the Sukuk Wakalah from time to time, subject to the aggregate outstanding nominal amount not exceeding RM3.0 billion at any point in time.

29. Loans and borrowings (cont'd)

Senior Sukuk (cont'd)

On 20 February 2025, TG Treasury Berhad completed the first issuance of a Senior Sukuk with a nominal value of RM800 million under its Sukuk Programme. The Senior Sukuk was issued with a tenure of 5 years and a periodic distribution rate of 4.22% per annum.

The proceeds from the issuance of the Senior Sukuk are allowed to be utilised by the Group to refinance the existing financing and debt obligations, for repayment of intercompany borrowings, to finance working capital requirements, investments, acquisition, capital expenditure and general corporate purposes. All utilisation of proceeds shall be Shariah-compliant.

Should TG Treasury Berhad fail to pay any amount due under the Senior Sukuk on the due date, which includes the payment of periodic distribution, a Dissolution Event is triggered. Subsequently, the Sukuk Trustee may, at its sole and absolute discretion, and if directed by an Extraordinary Resolution of the Senior Sukukholders, declare the occurrence of Dissolution Event and accelerate the payment of the nominal value and all sums payable under the Senior Sukuk.

The Senior Sukuk has been accorded an indicative credit rating of AA-IS (CG) by MARC Ratings Berhad.

The salient features of the Senior Sukuk are as follows:

(a) The Senior Sukuk shall constitute direct, unconditional, unsecured and senior obligations of TG Treasury Berhad and shall at all times rank pari passu with all other present and future unsecured and unsubordinated obligations of TG Treasury Berhad, subject to those preferred by law and the Transaction Documents.

(b) TG Treasury Berhad hereby expressly covenants with the Sukuk Trustee that unless the Senior Sukuk Wakalah has been previously redeemed, or purchased and cancelled, it will, in accordance with the Senior Sukuk Wakalah Trust Deed:

    (i) on the Scheduled Dissolution Date and each Periodic Distribution Date(s); and/or

    (ii) on the Dissolution Declaration Date,

    pay or distribute or procure to be paid or distributed unconditionally to the Paying Agent in Ringgit Malaysia in Kuala Lumpur in immediately available funds:

    (i) in the case of a Scheduled Dissolution Date or a Dissolution Declaration Date, the Dissolution Distribution Amount; and

    (ii) in the case of a Periodic Distribution Date, the Periodic Distribution up to the Expected Periodic Distribution Amount.

29. Loans and borrowings (cont'd)

Senior Sukuk (cont'd)

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

(c) The periodic distribution rate is 4.22% per annum.

(d) The periodic distribution amount is payable every semi-annually until the end of the 5-years tenure on 20 February 2030.

As at 31 August 2025, the outstanding nominal value of Senior Sukuk was RM800 million.

30. Trade and other payables

	Group		Company	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Trade payables	196,084	194,580	-	-
Other payables				
Accrued operating expenses	108,761	122,134	1,413	1,569
Sundry payables	96,821	116,295	-	19
	205,582	238,429	1,413	1,588
Total trade and other payables	401,666	433,009	1,413	1,588
Total trade and other payables	401,666	433,009	1,413	1,588
Add: Loans and borrowings (Note 29)	827,754	397,986	-	-
Lease liabilities (Note 32)	22,108	24,106	50	134
Total financial liabilities carried at amortised cost	1,251,528	855,101	1,463	1,722

(a) Trade payables

These amounts are non-interest bearing. The normal trade credit term granted to the Group ranges from 30 to 90 days (2024: 30 to 90 days).

(b) Other payables

These amounts are non-interest bearing. Other payables are normally settled on an average term of 30 to 90 days (2024: 30 to 90 days).

31. Contract liabilities

Contract liabilities represent advance payments received from customers.

The movement of contract liabilities is as follows:

	Group	
	2025	2024
	RM'000	RM'000
At 1 September 2024/2023	108,203	102,995
Revenue recognised during the year	(732,882)	(624,925)
Advance payments received during the year	717,649	630,387
Exchange differences	40	(254)
At 31 August	93,010	108,203

32. Lease liabilities

Group as a lessee

The Group and the Company have lease contracts for land, buildings, motor vehicles and equipment with lease terms between 2 to 47 years and include extension options.

The Group and the Company also have certain leases of hostels, photocopiers and ATM with lease terms of 12 months or less or of low value. The Group and the Company apply the "short-term lease" and "lease of low-value assets" recognition exemptions for these leases.

	Group		Company	
	2025	2024	2025	2024
	RM'000	RM'000	RM'000	RM'000
At 1 September 2024/2023	24,106	27,340	134	214
Additions	-	2,819	-	-
Accretion of interest	984	1,198	4	8
Payments	(3,136)	(3,175)	(88)	(88)
Adjustment due to lease modification	33	(3,604)	-	-
Termination	(183)	-	-	-
Exchange differences	304	(472)	-	-
At 31 August	22,108	24,106	50	134
Analysed into:				
Repayable within 12 months	2,200	2,161	50	84
Repayable after 12 months	19,908	21,945	-	50
	22,108	24,106	50	134

The maturity analysis of lease liabilities for the financial years ended 31 August 2025 and 2024 is disclosed in Note 43(c).

32. Lease liabilities (cont'd)

Group as a lessee (cont'd)

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

	Group		Company	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Depreciation of right-of-use assets (Note 11)	6,037	5,953	78	78
Interest expense on lease liabilities	984	1,198	4	8
Gain on lease modifications (Note 10)	-	(865)	-	-
Gain on lease termination (Note 10)	(16)	-	-	-
Gain on disposal of right-of-use assets (Note 10)	-	(24,776)	-	-
Expenses related to short-term, low-value and variable leases	2,474	3,024	1	-
Total amount recognised in profit or loss	9,479	(15,466)	83	86

The Group and the Company had total cash outflows for leases amounting to RM5,610,000 and RM89,000 respectively for the financial year ended 31 August 2025 (2024: RM6,199,000 and RM88,000 respectively).

The Group has several lease contracts that include extension and termination options. These options are negotiated by management to provide flexibility in managing the leased-asset portfolio and align with the Group’s business needs.

33. Share capital

	Group and Company			
	<------------2025------------>		<------------2024------------>	
	Number of shares '000	Monetary value RM'000	Number of shares '000	Monetary value RM'000
Issued and fully paid, at no par value				
At 1 September 2024/2023	8,210,778	1,846,990	8,207,925	1,843,271
Exercise of ESOS (Note 38(i))	6,817	6,644	2,853	2,725
Conversion of warrants	10	13	-	-
Transfer from share option reserve	-	2,297	-	997
Transaction cost	-	(3)	-	(3)
At 31 August	8,217,605	1,855,941	8,210,778	1,846,990

33. Share capital (cont'd)

During the financial year, the Company increased its issued and paid-up ordinary share capital by way of:

(i) issuance of 6,816,800 (2024: 2,853,300) ordinary shares pursuant to the Company's ESOS at an exercise price between RM0.88 to RM0.99 (2024: between RM0.88 to RM3.30) per ordinary share.

(ii) issuance of 10,025 ordinary shares pursuant to the conversion of Warrants 2025/2030 at the issued price of RM1.27 per ordinary share in accordance with the Deed Poll dated 15 January 2025.

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

Warrants 2025/2030

The Company had completed the bonus issue of 400,883,626 warrants on the basis of 1 warrant for every 20 existing ordinary shares held in the Company on the Main Market of Bursa Securities on 14 February 2025 and on the Mainboard of the Singapore Exchange Securities on 20 February 2025 (“Warrants 2025/2030”).

The Warrants are valid for exercise for a period of 5 years from its issue date and will expire on 9 February 2030. During this period, each Warrant entitles the registered holder to subscribe for 1 new ordinary share in the Company at any time on or after 14 February 2025 to 9 February 2030, at an exercise price of RM1.27 per Warrant in accordance with the Deed Poll dated 15 January 2025. Any Warrants not exercised by its expiry date will lapse thereafter and cease to be valid for all purposes.

For the Warrants listed and traded on Singapore Exchange Securities Trading Limited ("SGX-ST"), the exercise price in Singapore Dollars ("SGD") per Warrant will be determined by way of translating the exercise price of RM1.27 using the middle rate quoted by Bank Negara Malaysia preceding the date of announcement of the translated exercise price in SGD on Bursa Malaysia Securities. The announcement will be made on the last trading day of each calendar quarter during the tenure of the Warrants. This translated exercise price shall apply to the Warrants to be exercised during the calendar quarter immediately following the date of the announcement on Bursa Securities.

	Warrants 2025/2030 2025 '000
At Issued date	400,884
Less: Converted	(10)
At 31 August	400,874

34. Treasury shares

This amount relates to the acquisition cost of treasury shares net of the proceeds received on their subsequent sale or issuance.

The shareholders of the Company, by an ordinary resolution passed in the annual general meeting held on 15 January 2025, renewed their approval for the Company's plan to repurchase its own shares.

There are no movements of treasury shares during the financial year.

Of the total 8,217,605,000 (2024: 8,210,778,000) issued and fully paid ordinary shares as at 31 August 2025, 199,764,300 (2024: 199,764,300) are held as treasury shares by the Company. As at 31 August 2025, the number of outstanding ordinary shares in issue and fully paid is therefore 8,017,840,700 (2024: 8,011,013,700) ordinary shares.

35. Other reserves

	Foreign exchange reserve RM'000	Legal reserve RM'000	Share option reserve RM'000	Revaluation reserve RM'000	Fair value adjustment reserve RM'000	Other reserves RM'000	Total RM'000
Group							
At 1 September 2023	62,081	27,569	51,862	8,785	(14,336)	13,343	149,304
Other comprehensive (loss)/income	(45,433)	-	-	17,565	4,263	-	(23,605)
Share options granted under ESOS	-	-	1,199	-	-	-	1,199
Transfer to share capital	-	-	(997)	-	-	-	(997)
Transfer (to)/from retained earnings	-	-	(11,510)	(90)	-	132	(11,468)
At 31 August 2024/1 September 2024	16,648	27,569	40,554	26,260	(10,073)	13,475	114,433
Other comprehensive income	3,963	-	-	-	10,073	-	14,036
Share options granted under ESOS	-	-	257	-	-	-	257
Transfer to share capital	-	-	(2,297)	-	-	-	(2,297)
Reclassification to retained earnings upon derecognition of a subsidiary	-	(19,192)	-	-	-	-	(19,192)
Transfer to retained earnings	-	-	(4,511)	(616)	-	-	(5,127)
At 31 August 2025	20,611	8,377	34,003	25,644	-	13,475	102,110

35. Other reserves (cont'd)

	Share option reserve RM'000	Fair value adjustment reserve RM'000	Total RM'000
Company			
At 1 September 2023	51,862	(14,336)	37,526
Other comprehensive income	-	4,263	4,263
Share options granted under ESOS	1,199	-	1,199
Transfer to retained earnings	(11,510)	-	(11,510)
Transfer to share capital	(997)	-	(997)
At 31 August 2024/1 September 2024	40,554	(10,073)	30,481
Other comprehensive income	-	10,073	10,073
Share options granted under ESOS	257	-	257
Transfer to retained earnings	(4,511)	-	(4,511)
Transfer to share capital	(2,297)	-	(2,297)
At 31 August 2025	34,003	-	34,003

(a) Foreign exchange reserve

The foreign currency translation reserve is used to record exchange differences arising from the translation of the financial statements of foreign operations whose functional currencies are different from that of the Group's presentation currency. It is also used to record the exchange differences arising from monetary items which form part of the Group's net investment in foreign operations, where the monetary item is denominated in either the functional currency of the reporting entity or the foreign operation.

(b) Legal reserve

This represents a general reserve provided for in respect of subsidiaries incorporated in the People’s Republic of China and Thailand.

Under the Wholly Foreign Owned Enterprise (“WFOE”) Law in the People's Republic of China, at least 10% of the net profit after taxation in each financial year must be credited to this reserve, until it reaches 50% of the registered paid up capital of the subsidiary.

Under the Civil and Commercial Code in Thailand, a company is required to set aside a statutory reserve equal to at least 5% of its net profit each time when the company pays out a dividend, until it reaches 10% of the registered share capital of the company.

(c) Share option reserve

The share option reserve represents the equity-settled share options granted to employees. This reserve is made up of the cumulative value of services received from employees recorded on grant of share options.

35. Other reserves (cont'd)

(d) Fair value adjustment reserve

This represents fair value through OCI reserves, which also represents the cumulative fair value changes, net of tax, if applicable, of fair value through OCI financial assets until they are disposed of.

(e) Revaluation reserve

Revaluation reserve represents fair value adjustments relating to transfers of property, plant and equipment to investment properties in accordance to MFRS 116: Property, Plant and Equipment.

36. Perpetual Sukuk

	Group	
	2025	**2024**
	RM'000	**RM'000**
At 1 September 2024/2023	1,175,694	1,175,694
Add: Transaction cost	4,276	-
Less: Redemption of Perpetual Sukuk	(1,179,970)	-
At 31 August	-	1,175,694

On 22 January 2020, the Company's wholly-owned subsidiary, TG Excellence Berhad ("TGE") lodged the Perpetual Sukuk Programme with the Securities Commission Malaysia ("SC"). The Perpetual Sukuk Programme, under the Shariah principle of Wakalah Bi Al-Istithmar, is guaranteed by the Company via a subordinated guarantee. The Perpetual Sukuk Programme provides TGE with the flexibility to issue unsecured and subordinated perpetual sukuk from time to time, subject to the aggregate outstanding nominal amount not exceeding RM3.0 billion at any point in time.

On 27 February 2020, TGE completed the first issuance with a nominal value of RM1.3 billion under the Perpetual Sukuk Programme. The Perpetual Sukuk was issued with a tenure of perpetual non-callable 5 years with an initial periodic distribution rate of 3.95% per annum.

The proceeds raised from the issuance of the Perpetual Sukuk are allowed to be utilised by the Group to refinance the existing financing and debt obligations, repayment of intercompany borrowings, capital expenditure, working capital requirements and general corporate purposes. All utilisation of proceeds shall be Shariah-compliant.

36. Perpetual Sukuk (cont'd)

Under the Perpetual Sukuk Programme, TGE may, at its sole discretion, redeem the Perpetual Sukuk pursuant to certain redemption events.

There are no events of default or dissolution events which will entitle the sukuk holders to declare any or all amounts under the Perpetual Sukuk Programme to be immediately due and payable, save for certain enforcement events, as described below.

The Perpetual Sukuk Programme has been accorded an indicative credit rating of AA-IS (cg) by Malaysian Rating Corporation Berhad.

The salient features of the Perpetual Sukuk are as follows:

(a) The Perpetual Sukuk shall constitute direct, unsecured, unconditional and subordinated obligations of TGE and shall at all times rank (i) below all present and future creditors of TGE; (ii) pari passu with any instrument issued or guaranteed by TGE that ranks pari passu with the Perpetual Sukuk; and (iii) ahead of any class of TGE's share capital, including without limitation, any ordinary shares.

(b) Being perpetual in nature, TGE has a call option to redeem the Perpetual Sukuk under the following circumstances:

    (i) Optional redemption at the first call date of the Perpetual Sukuk and on each periodic distribution date of the expected distribution amount thereafter.

    (ii) Accounting event - change in accounting standards resulting in Perpetual Sukuk no longer being recognised as an equity instrument.

    (iii) Tax event - if the expected periodic distribution of the profit would not be fully tax deductible or TGE become obligated to pay additional tax due to changes in tax laws or regulations.

    (iv) Rating event - change in rating methodology by the rating agency that results in a lower equity credit for the relevant tranche of the Perpetual Sukuk.

(c) The initial periodic distribution rate is 3.95% per annum, subject to reset every 5 years at the prevailing 5-year Malaysian Government Securities rate, initial credit spread of 1.209% and stepped up margin of 1.000%.

(d) The periodic distribution amount is payable five years from the issue date of the respective tranche and every five years thereafter.

36. Perpetual Sukuk (cont'd)

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

(e) TGE may, at its sole discretion, opt to (i) defer the periodic distribution or (ii) further defer any outstanding arrears of deferred periodic distribution, provided that it has not during the last six months declared or paid any dividend or payment or other distributions in respect of or redeem or repurchase its ordinary shares or any other securities of TGE ranking junior to or pari passu with the Perpetual Sukuk. The deferred periodic distribution, if any, will be cumulative and will not earn additional profits (i.e. there will be no compounding of the periodic distribution being deferred). There is no limit as to the number of times the expected periodic amount and the arrears of deferred periodic distribution can be deferred.

(f) Notwithstanding the optional deferral stipulated in (e) above, all outstanding arrears of deferred periodic distribution shall be due and payable within fifteen days from the date TGE declared or paid any dividend or payment or other distributions in respect of or redeem or repurchase its ordinary shares or any other securities of TGE ranking junior to or pari passu with the Perpetual Sukuk.

On 26 February 2025, the Company has fully redeemed the Perpetual Sukuk. As at 31 August 2025, the outstanding nominal value of Perpetual Sukuk was Nil (2024: RM1,175,694,000).

37. Retained earnings

The Company may distribute dividends out of its entire retained earnings as at 31 August 2025 and 2024 under the single tier system.

38. Share based payments

(i) ESOS

The Company's ESOS is governed by the By-Laws which was approved by the shareholders at the Extraordinary General Meeting held on 9 January 2018 and became effective on 2 August 2018.

The main features of the ESOS are as follows:

(a) The ESOS shall be in force for a period of ten years from the date of the receipt of the last of the requisite approvals.

(b) Eligible persons are employees of the Group (including executive directors) who have been confirmed in the employment of the Group. The eligibility for participation in the ESOS shall be at the discretion of the Options Committee appointed by the Board of Directors.

38. Share based payments (cont'd)

(i) ESOS (cont'd)

The main features of the ESOS are as follows (cont'd):

(c) The total number of shares to be issued under the ESOS shall not exceed in aggregate 10% of the issued and paid up share capital of the Company at any point of time during the tenure of the ESOS.

(d) The option price for each share shall be the 5-days weighted average market price of the underlying shares before the ESOS Options are granted, with either a premium or a discount of not more than ten percent (10%).

(e) No option shall be granted for less than 100 shares to any eligible employee.

(f) An option granted under the ESOS shall be capable of being exercised by the grantee by notice in writing to the Company commencing from the vest date but before the expiry on 31 May 2028.

(g) All new ordinary shares issued upon exercise of the options granted under the ESOS will rank pari passu in all respect with the existing ordinary shares of the Company other than as may be specified in a resolution approving the distribution of dividends prior to their exercise dates.

(h) No eligible person shall participate at any time in more than one share option scheme implemented by any company within the Group unless otherwise approved by the Options Committee.

(i) The options shall not carry any right to vote at a general meeting of the Company.

38. Share based payments (cont'd)

(i) ESOS (cont'd)

The terms of share options outstanding as at end of the financial year are as follows:

Grant date	Expiry date	Exercise price RM	As at 1.9.2024 '000	Granted '000	Exercised '000	Lapsed '000	As at 31.8.2025 '000
			<----------- Number of share options over the ordinary shares ----------->				
2025							
2 August 2018	31 May 2028	1.69	936.6	-	-	(109.8)	826.8
1 February 2019	31 May 2028	1.63	1,566.4	-	-	(286.8)	1,279.6
18 February 2019	31 May 2028	1.63	345.9	-	-	-	345.9
30 July 2019	31 May 2028	1.54	1,101.0	-	-	(152.1)	948.9
20 January 2020	31 May 2028	1.57	876.4	-	-	(40.8)	835.6
20 May 2020	31 May 2028	3.30	2,006.6	-	-	(156.5)	1,850.1
1 June 2020	31 May 2028	4.25	29.5	-	-	(18.1)	11.4
31 January 2021	31 May 2028	6.55	30,822.3	-	-	(3,883.6)	26,938.7
6 August 2021	31 May 2028	3.86	10,408.0	-	-	(1,290.3)	9,117.7
27 January 2022	31 May 2028	2.12	7,432.9	-	-	(650.5)	6,782.4
29 July 2022	31 May 2028	0.99	45,632.4	-	(5,513.4)	(4,700.8)	35,418.2
31 January 2023	31 May 2028	0.89	1,192.9	-	(279.9)	(31.4)	881.6
31 July 2023	31 May 2028	0.88	3,642.6	-	(684.4)	(363.5)	2,594.7
1 February 2024	31 May 2028	0.92	2,291.7	-	(339.1)	(236.0)	1,716.6
28 February 2025	31 May 2028	0.95	-	726.8	-	(17.9)	708.9
			108,285.2	726.8	(6,816.8)	(11,938.1)	90,257.1

38. Share based payments (cont'd)

(i) ESOS (cont'd)

The terms of share options outstanding as at end of the financial year are as follows (cont'd):

Grant date	Expiry date	Exercise price RM	As at 1.9.2023 '000	Granted '000	Exercised '000	Lapsed '000	As at 31.8.2024 '000
			<----------- Number of share options over the ordinary shares ----------->				
2024							
2 August 2018	31 May 2028	1.69	1,046.6	-	-	(110.0)	936.6
1 February 2019	31 May 2028	1.63	1,725.7	-	-	(159.3)	1,566.4
18 February 2019	31 May 2028	1.63	345.9	-	-	-	345.9
30 July 2019	31 May 2028	1.54	1,361.4	-	-	(260.4)	1,101.0
20 January 2020	31 May 2028	1.57	932.5	-	-	(56.1)	876.4
20 May 2020	31 May 2028	3.30	2,443.1	-	(0.1)	(436.4)	2,006.6
1 June 2020	31 May 2028	4.25	41.2	-	-	(11.7)	29.5
31 January 2021	31 May 2028	6.55	40,163.7	-	-	(9,341.4)	30,822.3
6 August 2021	31 May 2028	3.86	13,370.1	-	-	(2,962.1)	10,408.0
27 January 2022	31 May 2028	2.12	9,097.5	-	-	(1,664.6)	7,432.9
29 July 2022	31 May 2028	0.99	60,888.8	-	(1,741.6)	(13,514.8)	45,632.4
31 January 2023	31 May 2028	0.89	1,371.7	-	(100.3)	(78.5)	1,192.9
31 July 2023	31 May 2028	0.88	5,739.5	-	(664.7)	(1,432.2)	3,642.6
1 February 2024	31 May 2028	0.92	-	3,073.2	(346.6)	(434.9)	2,291.7
			138,527.7	3,073.2	(2,853.3)	(30,462.4)	108,285.2

38. Share based payments (cont'd)

(i) ESOS (cont'd)

Details of share options exercised during the financial year and the fair value, at exercise date, of ordinary shares issued are as follows:

Exercise Date	Exercise price RM	Fair value of ordinary shares RM	Number of share options '000	Considerations received RM'000
2025				
September 2024 - August 2025	0.99	0.59 - 1.41	5,513.4	5,480.3
September 2024 - August 2025	0.89	0.59 - 1.41	279.9	250.2
September 2024 - August 2025	0.88	0.59 - 1.41	684.4	603.0
September 2024 - August 2025	0.92	0.59 - 1.41	339.1	311.0
			6,816.8	6,644.5
2024				
September 2023 - August 2024	3.30	0.71 - 1.26	0.1	0.3
September 2023 - August 2024	0.99	0.71 - 1.26	1,741.6	1,731.2
September 2023 - August 2024	0.89	0.71 - 1.26	100.3	89.7
September 2023 - August 2024	0.88	0.71 - 1.26	664.7	585.6
September 2023 - August 2024	0.92	0.71 - 1.26	346.6	317.8
			2,853.3	2,724.6

38. Share based payments (cont'd)

(i) ESOS (cont'd)

Fair value of share options

The fair value of share options granted were estimated by using a binomial option pricing model, taking into account the terms and conditions upon which the options were granted. The fair value of share options measured at grant date and the assumptions are used as follows:

Fair value of share options at the following grant dates (RM):	
1 February 2024	0.39
28 February 2025	0.35
Weighted average share price (RM)	0.91 - 0.93
Weighted average exercise price (RM)	0.92 - 0.95
Expected volatility (%)	45.26 - 55.04
Expected life (years)	3.25 - 4.33
Risk free interest rate (%)	3.43 - 3.62
Expected dividend yield (%)	0.00 - 0.37

The expected life of the share options is based on historical data and is not necessarily indicative of exercise patterns that may occur. The expected volatility reflects the assumption that the historical volatility is indicative of future trends, which may also not necessarily be the actual outcome.

(ii) ESGP

The Company's ESGP is governed by the By-Laws which was approved by the shareholders at the Extraordinary General Meeting held on 6 January 2016 and became effective on 12 January 2016 and is administered by the ESGP Committee.

Under the ESGP, eligible employees may be granted ESGP Awards comprising shares of the Company. The ESGP Awards, once accepted, will vest without any consideration payable, subject to vesting date(s) and/or vesting conditions as may be determined at the discretion of the ESGP Committee. The ESGP Committee may, at its discretion, decide that any vesting of the Company's shares comprised in an ESGP Award shall be satisfied through:

(a) the issuance of new shares of the Company;
(b) the transfer of existing shares of the Company;
(c) settlement in cash; or
(d) a combination of any of the above.

38. Share based payments (cont'd)

(ii) ESGP (cont'd)

The main features of the ESGP are as follows:

(a) The aggregate number of shares of the Company which may be awarded under the ESGP and any other schemes involving issuance of new shares of the Company to employees which are still subsisting shall not exceed 10% of the issued and paid-up share capital of the Company ("Plan Size").

(b) Eligible persons are any employee or executive director of the Group (excluding dormant subsidiaries) who fulfills the eligibility criteria. The eligibility for participation in the ESGP shall be at the discretion of the ESGP Committee appointed by the Board of Directors.

(c) The number of shares comprised in each ESGP Award shall be determined at the discretion of the ESGP Committee after taking into consideration, inter alia, the performance and seniority, years of service and potential for future development of the eligible employees and the employees' contribution to the Group as well as such other criteria as the ESGP Committee may deem relevant.

(d) The aggregate number of shares that may be allocated to any one participant shall not exceed 10% of the total number of shares to be awarded under the ESGP and any other schemes involving issuance of new shares of the Company which may be implemented from time to time by the Company.

(e) The aggregate maximum allocation to the directors and senior management of the Group (excluding dormant subsidiaries) shall not be more than 75% of the Company's shares awarded under the ESGP.

(f) The ESGP shall be in force for a period of ten years from the effective date of implementation which is the date the last of the requisite approvals and/or conditions have been obtained and/or complied with.

(g) The shares to be allotted and issued under the ESGP will, upon allotment and issue, rank pari passu in all respects with the existing shares of the Company, save and except that they will not be entitled to any dividends, rights, allotments and/or other distributions in respect of which the entitlement date is prior to the date of allotment and issuance of the new shares.

39. Related party transactions

(a) Significant transactions with related parties

In addition to the related party information disclosed elsewhere in the financial statements, the following significant transactions between the Group and related parties took place at terms mutually agreed between the parties during the financial year:

	Company	
	2025 RM'000	**2024 RM'000**
Transactions with subsidiaries		
Gross dividends	514,126	-
Management fees	4,397	4,277
Interest income	4,668	1,578

(b) Compensation of key management personnel

The remuneration of executive directors and other key management personnel during the financial year were as follows:

	Group		Company	
	2025 RM'000	**2024 RM'000**	**2025 RM'000**	**2024 RM'000**
Salaries and other emoluments	9,239	8,853	3,090	2,583
Pension costs - defined contribution plan	813	767	346	310
Social security contributions	87	89	1	1
Share options granted under ESOS	63	-	53	-
Fees	507	467	438	398
Benefits-in-kind	55	174	47	62
	10,764	10,350	3,975	3,354

40. Commitments

(a) Capital commitments

	Group	
	2025	**2024**
	RM'000	**RM'000**
Property, plant and equipment:		
Approved and contracted for	144,555	225,615
Approved but not contracted for	148,951	235,538

(b) Operating lease arrangements

Group as a lessor

The Group has entered into non-cancellable operating lease agreements on its investment properties and certain property, plant and equipment portfolio. These leases have remaining non-cancellable lease terms between less than 1 year to 3 years (2024: less than 1 year to 3 years). Rental income earned from these investment properties and property, plant and equipment during the financial year is disclosed in Note 10.

The future minimum lease payments receivables under non-cancellable operating leases contracted for as at the reporting date but not recognised as receivables, are as follows:

	Group	
	2025	**2024**
	RM'000	**RM'000**
Within one year	13,296	11,850
After one year but within two years	4,888	7,886
After two years but within five years	1,331	224
	19,515	19,960

41. Contingent liabilities

The subsidiaries of the Group are involved in trade and legal disputes with certain suppliers and customers:

(a) On 13 May 2024, a supplier from Thailand (the "Plaintiff") filed a legal claim against a subsidiary of the Group for unable to purchase supplies as stipulated in the supply agreement, seeking damages of RM9.4 million. In response, the Group had filed for counterclaim of RM4.7 million, alleging wrongful termination of the supply agreement by the Plaintiff.

41. Contingent liabilities (cont'd)

The subsidiaries of the Group are involved in trade and legal disputes with certain suppliers and customers (cont'd):

(a) On 19 March 2025, the subsidiary of the Group entered into a settlement agreement in relation to a legal dispute, under which the subsidiary of the Group agreed to settle the legal dispute with a total payment of RM2.5 million. Following the execution of the agreement, both parties withdrew the case from the court. The subsidiary of the Group fully settled the RM2.5 million in accordance with the settlement agreement on 29 May 2025.

(b) A subsidiary of the Group is currently negotiating with a supplier from Malaysia (the "Supplier") to obtain a waiver of RM22.9 million for the purchase of supplies as stipulated in the supply agreement.

Based on legal advice, the Board of Directors are of the view that there is an even chance to defend against the Supplier's claim regarding the purchase, should the Supplier decide to pursue legal action.

(c) A customer commenced an arbitration, which was heard in Singapore, against three subsidiaries of the Group, claiming RM39.7 million for its losses. The three subsidiaries of the Group had filed for counter claim of RM68.2 million in relation to the long overdue payment and late payment interest.

On 31 March 2025, a Partial Award was issued by the Arbitrator in favour of the subsidiaries of the Group for RM68.5 million. On 8 September 2025, a Final Award was issued by the Arbitrator, ordering the customer to pay RM2.5 million to the subsidiaries of the Group for legal fees incurred in the arbitration.

On 13 October 2025, a Settlement Agreement was signed with the customer for a settlement sum of RM55.9 million, which was fully settled on 16 October 2025.

42. Fair values

(i) Determination of fair value of financial instruments

Financial instruments that are not carried at fair value and whose carrying amounts are reasonable approximation of fair value

The following are classes of financial instruments that are not carried at fair value and whose carrying amounts are reasonable approximation of fair value:

	Note
Trade and other receivables	24
Cash and bank balances	27
Loans and borrowings	29
Trade and other payables	30

The carrying amounts of these financial assets and liabilities are reasonable approximation of fair values, either due to their short-term nature or that they are floating rate instruments that are re-priced to market interest rates on or near the reporting date.

	Fair value of financial instrument not carried at fair value (Level 2) RM'000	Carrying amount RM'000
As at 31 August 2025		
Financial liability		
Senior Sukuk	806,540	798,391

The fair values of loans and borrowings are estimated by discounting expected future cash flows at market incremental lending rate for similar types of lending, borrowing or leasing arrangements at the reporting date.

Investment securities (current)

Fair value is determined directly by reference to their published market bid price at the reporting date.

Investment securities (non-current)

Fair value is determined based on directors' estimates using comparable market price of similar golf club memberships.

42. Fair values (cont'd)

(i) Determination of fair value of financial instruments (cont'd)

Derivative financial instruments

Forward currency contracts are valued using a valuation technique with market observable inputs. The most frequently applied valuation techniques include forward pricing, using present value calculations. The models incorporate various inputs including the credit quality of counterparties, foreign exchange spot and forward rates.

Investment properties

The fair value of the investment properties is based on valuation by accredited independent qualified valuers as disclosed in Note 17.

(ii) Fair value hierarchy

The following table provides the fair value measurement hierarchy of the Group's and the Company's assets and liabilities as at reporting date:

	Quoted prices in active market (Level 1) RM'000	Significant observable inputs (Level 2) RM'000	Significant unobservable inputs (Level 3) RM'000	Total RM'000
Group				
As at 31 August 2025				
Assets/(liabilities) measured at fair value				
Current				
Financial assets at fair value through profit or loss (Note 21)	262,510	-	-	262,510
Derivative financial assets (Note 26)	-	205	-	205
Derivative financial liabilities (Note 26)	-	(83)	-	(83)
Non-current				
Financial assets at fair value through profit or loss (Note 21)	-	-	392	392
Investment properties (Note 17)	-	-	472,136	472,136
Biological assets	-	-	339	339

42. Fair values (cont'd)

(ii) Fair value hierarchy (cont'd)

The following table provides the fair value measurement hierarchy of the Group's and the Company's assets and liabilities as at reporting date (cont'd):

	Quoted prices in active market (Level 1) RM'000	Significant observable inputs (Level 2) RM'000	Significant unobservable inputs (Level 3) RM'000	Total RM'000
Group (cont'd)				
As at 31 August 2024				
Assets measured at fair value				
Current				
Financial assets at fair value through profit or loss (Note 21)	618,173	-	-	618,173
Financial assets at fair value through OCI (Note 21)	32,213	-	-	32,213
Derivative financial assets (Note 26)	-	245	-	245
Non-current				
Financial assets at fair value through profit or loss (Note 21)	-	-	392	392
Investment properties (Note 17)	-	-	468,316	468,316
Biological assets	-	-	888	888

42. Fair values (cont'd)

(ii) Fair value hierarchy (cont'd)

The following table provides the fair value measurement hierarchy of the Group's and the Company's assets and liabilities as at reporting date (cont'd):

	Quoted prices in active market (Level 1) RM'000	Significant observable inputs (Level 2) RM'000	Significant unobservable inputs (Level 3) RM'000	Total RM'000
Company				
As at 31 August 2025				
Assets measured at fair value				
Current				
Financial assets at fair value through profit or loss (Note 21)	141,079	-	-	141,079
As at 31 August 2024				
Assets measured at fair value				
Current				
Financial assets at fair value through OCI (Note 21)	32,213	-	-	32,213
Financial assets at fair value through profit or loss (Note 21)	345,834	-	-	345,834

There were no transfers between Level 1, Level 2 and Level 3 fair value measurements during the financial years ended 31 August 2025 and 2024.

43. Financial risk management objectives and policies

The Group and the Company are exposed to a variety of financial risks, including market risk, credit risk, liquidity risk, interest rate risk, market price risk and foreign currency risk.

The Group’s senior management oversees the management of these risks and ensures that the Group’s financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Group’s policies and risk objectives. All derivative activities for risk management purposes are carried out by senior management who have the appropriate skills, experience and supervision. It is the Group’s policy that no trading in derivatives for speculative purposes may be undertaken. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below:

(a) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises interest rate risk, foreign exchange currency risk and other price risk such as equity price risk. Financial instruments affected by market risk include loans and borrowings, cash and short term deposits, debt securities, money market funds and derivative financial instruments.

(b) Credit risk

Credit risk is the risk of loss that may arise on outstanding financial instruments should a counterparty default on its obligations. The Group's and the Company's exposure to credit risk arises primarily from trade and other receivables. For other financial assets (including debt securities, money market funds, cash and bank balances and derivative financial instruments), the Group and the Company minimise credit risk by dealing exclusively with high credit rating counterparties.

The Group's objective is to seek continual revenue growth while minimising losses incurred due to increased credit risk exposure. The Group trades only with recognised and creditworthy third parties. It is the Group's policy that all customers who wish to trade on credit terms are subject to credit verification procedures. In addition, receivable balances are monitored on an ongoing basis with the result that the Group’s exposure to bad debts is not significant.

Exposure to credit risk

At the reporting date, the Group's and the Company's maximum exposure to credit risk is represented by the carrying amount of each class of financial assets recognised in the statements of financial position.

43. Financial risk management objectives and policies (cont'd)

(b) Credit risk (cont'd)

Credit risk concentration profile

The Group has no significant concentration of credit risk that may arise from exposure to a single debtor or to groups of debtors.

Financial assets that are neither past due nor impaired

Information regarding trade and other receivables that are neither past due nor impaired is disclosed in Note 24(a). Deposits with banks and other financial institutions, money market funds and derivative financial instruments that are neither past due nor impaired are placed with or entered into with reputable financial institutions or companies with high credit ratings and no history of default.

Financial assets that are either past due or impaired

Information regarding financial assets that are either past due or impaired is disclosed in Note 24(a). An impairment analysis is performed at each reporting date using a provision matrix to measure expected credit losses. The provision rates are based on days past due for groupings of various customer segments with similar loss patterns. The calculation reflects the probability-weighted outcome, the time value of money and reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions. Generally, trade receivables are written off if past due for more than 120 days, except for certain major or specific customers where the period may extend beyond 120 days, and are not subject to enforcement activity. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets disclosed in Note 24(a).

(c) Liquidity risk

Liquidity risk is the risk that the Group or the Company will encounter difficulty in meeting financial obligations due to shortage of funds. The Group's and the Company's exposure to liquidity risk arises primarily from mismatches of the maturities of financial assets and liabilities. The Group's and the Company's objective is to maintain a balance between continuity of funding and flexibility through the use of stand-by credit facilities.

43. Financial risk management objectives and policies (cont'd)

(c) Liquidity risk (cont'd)

The table below summarises the maturity profile of the Group's and the Company's liabilities at the reporting date based on contractual undiscounted repayment obligations.

	<------------------------31 August 2025 ------------------------>			
	On demand or within one year RM'000	One to five years RM'000	Over five years RM'000	Total RM'000
Group				
Financial liabilities				
Trade and other payables	401,666	-	-	401,666
Derivative financial instruments	83	-	-	83
Loans and borrowings	63,149	918,391	-	981,540
Lease liabilities	3,039	9,192	22,562	34,793
Total undiscounted financial liabilities	467,937	927,583	22,562	1,418,082
Company				
Financial liabilities				
Trade and other payables	1,413	-	-	1,413
Lease liabilities	51	-	-	51
Total undiscounted financial liabilities	1,464	-	-	1,464

	<------------------------31 August 2024 ------------------------>			
	On demand or within one year RM'000	One to five years RM'000	Over five years RM'000	Total RM'000
Group				
Financial liabilities				
Trade and other payables	433,009	-	-	433,009
Loans and borrowings	398,470	-	-	398,470
Lease liabilities	3,137	10,062	24,321	37,520
Total undiscounted financial liabilities	834,616	10,062	24,321	868,999

43. Financial risk management objectives and policies (cont'd)

(c) Liquidity risk (cont'd)

The table below summarises the maturity profile of the Group’s and the Company’s liabilities at the reporting date based on contractual undiscounted repayment obligations. (cont'd)

	31 August 2024			
	On demand or within one year RM'000	**One to five years RM'000**	**Over five years RM'000**	**Total RM'000**
Company				
Financial liabilities				
Trade and other payables	1,588	-	-	1,588
Lease liabilities	88	50	-	138
Total undiscounted financial liabilities	1,676	50	-	1,726

(d) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of the Group's and the Company's financial instruments will fluctuate because of changes in market interest rates.

The Group's exposure to interest rate risk arises primarily from its loans and borrowings. The Group manages its interest rate exposure by maintaining a mix of fixed and floating rate borrowings. The Group actively reviews its debt portfolio, taking into account the investment holding period and nature of its assets. This strategy allows it to capitalise on cheaper funding in a low interest rate environment and achieve a certain level of protection against rate hikes.

<u>Sensitivity analysis for interest rate risk</u>

At the reporting date, if interest rates had been 10 basis points lower/higher, with all other variables held constant, the Group’s profit/(loss) before tax would have been RM29,000 (2024: RM398,000) higher/lower, respectively, arising mainly as a result of lower/higher interest expense on floating rate loans and borrowings. The assumed movement in basis points for interest rate sensitivity analysis is based on the currently observable market environment.

43. Financial risk management objectives and policies (cont'd)

(e) Market price risk

The Group's quoted investment securities are susceptible to market price risk arising from uncertainties about future values of the investment securities. The Group manages the market price risk through diversification and by placing limits on individual and total investment in investment securities. Reports on the investment portfolio are submitted to the Group’s senior management on a regular basis. The Board of Directors reviews and approves all investment decisions.

The Group has a Board Risk Committee with the objectives of reviewing, advising and ensuring that the Group’s investment in debt securities is consistent with the delegated authority limit approved by the Board; and cash invested is within the risk appetite of the Group. The Board Risk Committee established certain criteria for current and future investment in debt securities. Any investment differing from the criteria established will require the Board Risk Committee’s approval. The Board Risk Committee also aims to establish an effective investment management framework for the Group.

The Group's exposure to quoted investment securities at fair value at the reporting date is disclosed in Note 21.

Sensitivity analysis for market price risk

At the reporting date, if the prices of the quoted investments had been 5% higher/lower, with all other variables held constant, the Group’s profit/(loss) before tax would have been RM13,126,000 (2024: RM30,909,000) lower/higher, arising as a result of higher/lower fair value gains on fair value through profit or loss. In the previous financial year, the Group's equity would also have been RM1,611,000 higher/lower, arising as a result of higher/lower fair value gains on investments classified at fair value through other comprehensive income.

(f) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Group has transactional currency exposures mainly arising from revenue that are denominated in a currency other than the respective functional currencies of the Group entities. These functional currencies are Malaysian Ringgit ("RM"), Thai Baht ("THB"), Chinese Renminbi ("RMB") and United States Dollars ("USD").

43. Financial risk management objectives and policies (cont'd)

(f) Foreign currency risk (cont'd)

The foreign currencies in which these transactions are denominated are mainly USD, EUR and Japanese Yen ("JPY"). In addition, the Group has significant borrowings in JPY (Note 29). Therefore, the Group is exposed to foreign currency risk. These exposures are managed, to the extent possible, by natural hedge that arise when payments for foreign currency payables are matched against receivables denominated in the same foreign currency.

The net unhedged financial assets and financial liabilities of the Group that are not denominated in their functional currencies are as follows:

	Net financial assets/(liabilities) held in non-functional currency			
	USD RM'000	**EUR RM'000**	**JPY RM'000**	**Total RM'000**
Functional currency of Group entities				
At 31 August 2025				
Malaysian Ringgit	384,106	5,254	(27,531)	361,829
Thai Baht	44,530	-	-	44,530
Chinese Renminbi	136	-	-	136
	428,772	5,254	(27,531)	406,495
At 31 August 2024				
Malaysian Ringgit	338,742	3,854	(390,790)	(48,194)
Thai Baht	21,326	-	-	21,326
Chinese Renminbi	9,299	-	-	9,299
Euro	224	-	-	224
United States Dollars	-	(7,168)	-	(7,168)
	369,591	(3,314)	(390,790)	(24,513)

43. Financial risk management objectives and policies (cont'd)

(f) Foreign currency risk (cont'd)

Sensitivity analysis for foreign currency risk

The following table demonstrates the sensitivity of the Group's profit before tax to a reasonably possible change in the USD, Euro and JPY exchange rates against the respective functional currencies of the Group entities, with all other variables held constant.

		2025 RM'000	2024 RM'000
USD/RM	- strengthened 5% (2024: 5%)	19,205	16,937
	- weakened 5% (2024: 5%)	(19,205)	(16,937)
USD/THB	- strengthened 5% (2024: 5%)	2,227	1,066
	- weakened 5% (2024: 5%)	(2,227)	(1,066)
USD/RMB	- strengthened 5% (2024: 5%)	7	465
	- weakened 5% (2024: 5%)	(7)	(465)
USD/EUR	- strengthened 5% (2024: 5%)	-	11
	- weakened 5% (2024: 5%)	-	(11)
EUR/RM	- strengthened 5% (2024: 5%)	263	193
	- weakened 5% (2024: 5%)	(263)	(193)
EUR/USD	- strengthened 5% (2024: 5%)	-	(358)
	- weakened 5% (2024: 5%)	-	358
JPY/RM	- strengthened 5% (2024: 5%)	(1,377)	(19,540)
	- weakened 5% (2024: 5%)	1,377	19,540

As part of the Group's financial instruments management policies and procedures, the Group established certain limits for foreign exchange contracts to be hedged against foreign currency risks. Further details of the forward currency contracts as at the reporting date are disclosed in Note 26.

44. Financial instruments

Classification of financial instruments

The principal accounting policies in Note 4.18 describe how the classes of financial instruments are measured, and how income and expenses, including fair value gains and losses, are recognised.

The following table analyses the financial assets and liabilities in the statements of financial position by the class of financial instrument to which they are assigned, and therefore by the measurement basis:

	Fair value through OCI RM'000	Fair value through profit or loss RM'000	Amortised cost RM'000	Total RM'000
Group				
As at 31 August 2025				
Financial assets				
Investment securities: Unquoted investments	-	392	-	392
Investment securities: Money market funds	-	262,510	-	262,510
Trade and other receivables	-	-	465,936	465,936
Derivative financial instruments	-	205	-	205
Cash and bank balances	-	-	298,394	298,394
Total financial assets	-	263,107	764,330	1,027,437
Financial liabilities				
Loans and borrowings	-	-	827,754	827,754
Lease liabilities	-	-	22,108	22,108
Trade and other payables	-	-	401,666	401,666
Derivative financial instruments	-	83	-	83
Total financial liabilities	-	83	1,251,528	1,251,611

44. Financial instruments (cont'd)

The following table analyses the financial assets and liabilities in the statements of financial position by the class of financial instrument to which they are assigned, and therefore by the measurement basis (cont'd):

	Fair value through OCI RM'000	Fair value through profit or loss RM'000	Amortised cost RM'000	Total RM'000
Group				
As at 31 August 2024				
Financial assets				
Investment securities: Unquoted investments	-	392	-	392
Investment securities: Money market funds	-	618,173	-	618,173
Investment securities: Debt securities	32,213	-	-	32,213
Trade and other receivables	-	-	359,048	359,048
Derivative financial instruments	-	245	-	245
Cash and bank balances	-	-	351,187	351,187
Total financial assets	32,213	618,810	710,235	1,361,258
Financial liabilities				
Loans and borrowings	-	-	397,986	397,986
Lease liabilities	-	-	24,106	24,106
Trade and other payables	-	-	433,009	433,009
Total financial liabilities	-	-	855,101	855,101
Company				
As at 31 August 2025				
Financial assets				
Investment securities: Money market funds	-	141,079	-	141,079
Other receivables	-	-	120,233	120,233
Cash and bank balances	-	-	615	615
Total financial assets	-	141,079	120,848	261,927
Financial liabilities				
Lease liabilities	-	-	50	50
Other payables	-	-	1,413	1,413
Total financial liabilities	-	-	1,463	1,463

44. Financial instruments (cont'd)

The following table analyses the financial assets and liabilities in the statements of financial position by the class of financial instrument to which they are assigned, and therefore by the measurement basis (cont'd):

	Fair value through OCI RM'000	Fair value through profit or loss RM'000	Amortised cost RM'000	Total RM'000
Company				
As at 31 August 2024				
Financial assets				
Investment securities: Money market funds	-	345,834	-	345,834
Investment securities: Debt securities	32,213	-	-	32,213
Other receivables	-	-	103,727	103,727
Cash and bank balances	-	-	5,996	5,996
Total financial assets	32,213	345,834	109,723	487,770
Financial liabilities				
Lease liabilities	-	-	134	134
Other payables	-	-	1,588	1,588
Total financial liabilities	-	-	1,722	1,722

45. Capital management

The primary objective of the Group's and of the Company's capital management is to ensure that they maintain a strong credit rating and healthy capital ratios in order to support their business and maximise shareholders' value.

45. Capital management (cont'd)

The Group and the Company manage their capital structure and make adjustments, in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Group and the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. No changes were made in the objectives, policies or processes during the financial years ended 31 August 2025 and 2024.

As disclosed in Note 35(b), subsidiaries of the Group incorporated in the People's Republic of China and Thailand are required to set aside a statutory reserve fund under local regulations. This externally imposed capital requirement has been complied with by the above-mentioned subsidiaries for the financial years ended 31 August 2025 and 2024.

The Group and the Company monitor capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Group and the Company include within net debt, loans and borrowings, trade and other payables, contract liabilities, less cash and cash equivalents. Capital includes equity attributable to the owners of the parent less the fair value adjustment reserve and the above-mentioned restricted statutory reserve fund.

		Group		Company	
		2025	**2024**	**2025**	**2024**
	Note	**RM'000**	**RM'000**	**RM'000**	**RM'000**
Loans and borrowings	29	827,754	397,986	-	-
Trade and other payables	30	401,666	433,009	1,413	1,588
Contract liabilities	31	93,010	108,203	-	-
Lease liabilities	32	22,108	24,106	50	134
Less: Cash and cash equivalents	27	(296,951)	(349,653)	(615)	(5,996)
Net debt		1,047,587	613,651	848	-
Equity attributable to the owners of the parent		4,751,985	4,629,974	3,352,253	2,826,061
Less:					
- Fair value adjustment reserve	35	-	10,073	-	10,073
- Legal reserve	35	(8,377)	(27,569)	-	-
Total equity		4,743,608	4,612,478	3,352,253	2,836,134
Capital and net debt		5,791,195	5,226,129	3,353,101	2,836,134
Gearing ratio		18.09%	11.74%	0.03%	0.00%

The gearing ratio is not governed by the MFRS and its definition and calculation may vary from one group/company to another.

46. Segment information

For management purposes, the Group is organised into business units based on their geographical areas, and has four reportable operating segments.

Management monitors the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on operating profit or loss which, in certain respects as explained in the table below, is measured differently from operating profit or loss in the consolidated financial statements. Group financing (including finance costs), income taxes and share of results of an associate are managed on a group basis and are not allocated to operating segments.

The directors are of the opinion that all inter-segment transactions have been entered into in the normal course of business and have been established on negotiated and mutually agreed terms.

	Malaysia RM'000	Thailand RM'000	The People's Republic of China RM'000	Others RM'000	Eliminations RM'000	Note	Consolidated RM'000
31 August 2025							
Revenue							
External sales	3,017,400	291,273	4,497	180,185	-		3,493,355
Inter-segment sales	208,160	267,433	-	4,160	(479,753)	A	-
Total revenue	3,225,560	558,706	4,497	184,345	(479,753)		3,493,355
Results							
Interest income	107,516	1,725	532	4,844	(86,101)		28,516
Depreciation and amortisation	263,898	32,977	-	9,330	-		306,205
Segment profit/(loss) before tax	176,427	(17,598)	1,037	12,135	(23,802)	B	148,199
Income tax expense	(16,777)	(1,639)	(94)	(6,843)	-		(25,353)
Segment profit/(loss) after tax	159,650	(19,237)	943	5,292	(23,802)		122,846
Assets							
Additions to non-current assets*	110,496	20,095	-	10,677	-	C	141,268
Segment assets	4,346,481	652,404	1,077	391,496	885,878	D	6,277,336
Liabilities							
Segment liabilities	1,255,108	58,858	490	32,695	152,650	E	1,499,801
Other segment information							
Capital commitments	278,290	6,272	-	8,944	-		293,506

* Other than financial instruments and deferred tax assets

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46. Segment information (cont'd)

31 August 2024	Malaysia RM'000	Thailand RM'000	The People's Republic of China RM'000	Others RM'000	Eliminations RM'000	Note	Consolidated RM'000
Revenue							
External sales	2,226,130	147,609	10,088	130,581	-		2,514,408
Inter-segment sales	110,497	279,536	-	623	(390,656)	A	-
Total revenue	2,336,627	427,145	10,088	131,204	(390,656)		2,514,408
Results							
Interest income	125,773	2,483	273	5,315	(121,071)		12,773
Depreciation and amortisation	250,094	24,380	3,524	9,494	-		287,492
Segment (loss)/profit before tax	(38,171)	(16,683)	35,407	(3,675)	(8,219)	B	(31,341)
Income tax credit/(expense)	16,310	(934)	(1,886)	(3,561)	-		9,929
Segment (loss)/profit after tax	(21,861)	(17,617)	33,521	(7,236)	(8,219)		(21,412)
Assets							
Additions to non-current assets*	133,547	12,434	-	2,172	-	C	148,153
Segment assets	5,021,895	649,008	77,786	323,160	886,244	D	6,958,093
Liabilities							
Segment liabilities	866,643	66,023	812	38,618	150,501	E	1,122,597
Other segment information							
Capital commitments	439,491	12,595	-	9,067	-		461,153

* Other than financial instruments and deferred tax assets

46. Segment information (cont'd)

A Inter-segment revenues are eliminated on consolidation.

B The following items are deducted from segment profit to arrive at profit/(loss) before tax presented in the consolidated statement of profit or loss:

	2025 RM'000	2024 RM'000
Share of results of an associate	(1,595)	1,722
Finance costs	(22,207)	(9,941)
	(23,802)	(8,219)

C Additions to non-current assets consist of:

	2025 RM'000	2024 RM'000
Property, plant and equipment	138,516	142,511
Right-of-use assets	-	2,819
Investment properties	2,353	2,090
Intangible assets	399	492
Biological assets	-	241
	141,268	148,153

D The following items are added to segment assets to arrive at total assets reported in the consolidated statement of financial position:

	2025 RM'000	2024 RM'000
Deferred tax assets (Note 20)	19,867	11,751
Investments in an associate and a joint venture (Note 19)	3,706	5,301
Intangible assets (Note 22)	857,777	861,182
Tax recoverable	4,528	8,010
	885,878	886,244

E The following items are added to segment liabilities to arrive at total liabilities reported in the consolidated statement of financial position:

	2025 RM'000	2024 RM'000
Tax payable	11,976	8,444
Deferred tax liabilities (Note 20)	140,674	142,057
	152,650	150,501

47. Dividends

A tax exempt final dividend in respect of the financial year ended 31 August 2025, of 0.48 sen per share on 8,017,841,000 ordinary shares amounting to RM38,486,000 had been declared on 9 October 2025. The final dividend will be paid on 15 December 2025. The financial statements for the current financial year do not reflect this proposed dividend. Such dividend will be accounted for in equity as an appropriation of retained earnings in the financial year ending 31 August 2026.

48. Financial guarantees

A nominal amount of RM828 million (2024: RM398 million) relating to corporate guarantees has been provided by the Company for loans and borrowings and Senior Sukuk of its subsidiaries.

As at reporting date, no values are ascribed on these guarantees and letter of undertaking provided by the Company to secure banking facilities and Senior Sukuk described above as the directors regard the value of the credit enhancement provided by these guarantees as minimal and the probability of default, based on historical track records of the parties receiving the guarantees are remote.

49. Authorisation of financial statements for issue

The financial statements for the year ended 31 August 2025 were authorised for issue in accordance with a resolution of the directors on 25 November 2025.