

Quarterly rpt on consolidated results for the financial period ended 30 Nov 2024

TOP GLOVE CORPORATION BHD

Financial Year End 31 Aug 2025
Quarter 1 Qtr
Quarterly report for the financial period ended 30 Nov 2024
The figures have not been audited

Attachments

[TopGlove_1QFY2025_Financial_Results.pdf](#)
653.3 kB

[TopGlove_1QFY2025_Press_Release.pdf](#)
138.6 kB

Default Currency | **Other Currency** | Currency: Malaysian Ringgit (MYR)

SUMMARY OF KEY FINANCIAL INFORMATION 30 Nov 2024

	INDIVIDUAL PERIOD		CUMULATIVE PERIOD	
	CURRENT YEAR QUARTER	PRECEDING YEAR CORRESPONDING QUARTER	CURRENT YEAR TO DATE	PRECEDING YEAR CORRESPONDING PERIOD
	30 Nov 2024	30 Nov 2023	30 Nov 2024	30 Nov 2023
	MYR'000	MYR'000	MYR'000	MYR'000
1 Revenue	885,891	493,459	885,891	493,459
2 Profit/(loss) before tax	19,422	-52,860	19,422	-52,860
3 Profit/(loss) for the period	16,746	-47,180	16,746	-47,180
4 Profit/(loss) attributable to ordinary equity holders of the parent	5,474	-57,711	5,474	-57,711
5 Basic earnings/(loss) per share (Subunit)	0.07	-0.72	0.07	-0.72
6 Proposed/Declared dividend per share (Subunit)	0.00	0.00	0.00	0.00
	AS AT END OF CURRENT QUARTER		AS AT PRECEDING FINANCIAL YEAR END	
7 Net assets per share attributable to ordinary equity holders of the parent	0.5800		0.5800	

Definition of Subunit:

In a currency system, there is usually a main unit (base) and subunit that is a fraction amount of the main unit. Example for the subunit as follows:

Country	Base Unit	Subunit
Malaysia	Ringgit	Sen
United States	Dollar	Cent
United Kingdom	Pound	Pence

Announcement Info

Company Name	TOP GLOVE CORPORATION BHD
Stock Name	TOPGLOV
Date Announced	20 Dec 2024
Category	Financial Results
Reference Number	FRA-18122024-00009

TOP GLOVE**TOP QUALITY, TOP EFFICIENCY****TOP GLOVE CORPORATION BHD.**

Company No.199801018294 [474423-X]

The World's Largest Manufacturer of Gloves

Website : www.topglove.com

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**CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS
FOR THE FIRST QUARTER ENDED 30 NOVEMBER 2024**

	Current Quarter Ended	Corresponding Quarter Ended	Current Year To Date	Corresponding Year To Date
	30 Nov 2024	30 Nov 2023	30 Nov 2024	30 Nov 2023
	RM'000	RM'000	RM'000	RM'000
Revenue	885,891	493,459	885,891	493,459
Operating expenses	(883,632)	(552,986)	(883,632)	(552,986)
Profit/(Loss) from operations	2,259	(59,527)	2,259	(59,527)
Other operating income	15,422	8,607	15,422	8,607
Share of results of an associate	553	(576)	553	(576)
Profit/(Loss) before interest and tax	18,234	(51,496)	18,234	(51,496)
Interest income	2,226	1,967	2,226	1,967
Finance costs	(1,038)	(3,331)	(1,038)	(3,331)
Profit/(Loss) before tax	19,422	(52,860)	19,422	(52,860)
Income tax (expense)/credit	(2,676)	5,680	(2,676)	5,680
Profit/(Loss) net of tax	16,746	(47,180)	16,746	(47,180)
Profit/(Loss) attributable to:				
Owners of the parent	5,474	(57,711)	5,474	(57,711)
Holders of Perpetual Sukuk	11,748	11,621	11,748	11,621
Non controlling interests	(476)	(1,090)	(476)	(1,090)
	16,746	(47,180)	16,746	(47,180)
Earnings/(Loss) per share attributable to owners of the parent, sen:				
Basic	0.07	(0.72)	0.07	(0.72)
Diluted	0.07	(0.72)	0.07	(0.72)

The Condensed Consolidated Statement of Profit or Loss should be read in conjunction with the Annual Financial Report for the financial year ended 31 August 2024.

TOP GLOVE CORPORATION BHD.

Company No.199801018294 [474423-X]

(Incorporated in Malaysia)

**CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE FIRST QUARTER ENDED 30 NOVEMBER 2024**

	Current Quarter Ended	Corresponding Quarter Ended	Current Year To Date	Corresponding Year To Date
	30 Nov 2024	30 Nov 2023	30 Nov 2024	30 Nov 2023
	RM'000	RM'000	RM'000	RM'000
Profit/(Loss) net of tax	16,746	(47,180)	16,746	(47,180)
Other comprehensive income: <i>Items that may be reclassified subsequently to profit or loss:</i>				
Net movement on debt securities at fair value through other comprehensive income/(loss)	67	(193)	67	(193)
Foreign currency translation differences of foreign operations	17,773	7,081	17,773	7,081
Other comprehensive income, net of tax	17,840	6,888	17,840	6,888
Total comprehensive income/(loss)	34,586	(40,292)	34,586	(40,292)
Total comprehensive income/(loss) attributable to:				
Owners of the parent	23,039	(51,019)	23,039	(51,019)
Holders of Perpetual Sukuk	11,748	11,621	11,748	11,621
Non controlling interests	(201)	(894)	(201)	(894)
	34,586	(40,292)	34,586	(40,292)

The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Annual Financial Report for the financial year ended 31 August 2024.

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 NOVEMBER 2024**

	Unaudited as at 30 Nov 2024 RM'000	Audited as at 31 Aug 2024 RM'000
ASSETS		
Non current assets		
Property, plant and equipment	3,572,509	3,605,167
Right-of-use assets	172,585	173,689
Investment properties	468,316	468,316
Investment in an associate	5,854	5,301
Deferred tax assets	10,949	11,751
Biological assets	891	888
Investment securities: Unquoted investments	392	392
Intangible assets	860,430	861,182
	5,091,926	5,126,686
Current assets		
Inventories	355,213	376,298
Trade and other receivables	419,815	359,048
Other current assets	73,849	74,716
Assets held for sale	9,634	11,517
Tax recoverable	7,030	8,010
Derivative financial instruments	0	245
Investment securities: Debt securities	32,737	32,213
Investment securities: Money market funds	569,951	618,173
Cash and bank balances	377,959	351,187
	1,846,188	1,831,407
Total assets	6,938,114	6,958,093
EQUITY AND LIABILITIES		
Current liabilities		
Trade and other payables	433,681	433,009
Contract liabilities	79,948	108,203
Loans and borrowings	382,435	397,986
Lease liabilities	2,184	2,161
Income tax payable	10,818	8,444
Derivative financial instruments	289	0
	909,355	949,803
Net current assets	936,833	881,604
Non current liabilities		
Lease liabilities	21,581	21,945
Deferred tax liabilities	138,372	142,057
Provisions	8,730	8,792
	168,683	172,794
Total liabilities	1,078,038	1,122,597
Net assets	5,860,076	5,835,496
Equity attributable to owners of the parent		
Share capital	1,848,046	1,846,990
Treasury shares	(1,412,270)	(1,412,270)
Retained earnings	4,087,308	4,080,821
Other reserves	130,722	114,433
	4,653,806	4,629,974
Perpetual Sukuk	1,175,694	1,175,694
Non controlling interests	30,576	29,828
Total equity	5,860,076	5,835,496
Total equity and liabilities	6,938,114	6,958,093
Net assets per share attributable to ordinary equity holders of the parent, RM	0.58	0.58

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Annual Financial Report for the financial year ended 31 August 2024.

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE FIRST QUARTER ENDED 30 NOVEMBER 2024**

	← Attributable to owners of the parent →												Non controlling interests RM'000
	← Total equity attributable to owners of the parent →			Non distributable						Distributable			
	Total equity RM'000	to owners of the parent RM'000	Share capital RM'000	Treasury shares RM'000	Foreign exchange reserve RM'000	Legal reserve RM'000	Share option reserve RM'000	Revaluation reserve RM'000	Other reserve RM'000	Fair value adjustment reserve RM'000	Retained earnings RM'000	Perpetual Sukuk RM'000	
3 months ended 30 November 2024													
Opening balance at 1 September 2024	5,835,496	4,629,974	1,846,990	(1,412,270)	16,648	27,569	40,554	26,260	13,475	(10,073)	4,080,821	1,175,694	29,828
Profit/(Loss) net of tax	16,746	5,474	0	0	0	0	0	0	0	0	5,474	11,748	(476)
Other comprehensive income	17,840	17,565	0	0	17,498	0	0	0	0	67	0	0	275
Total comprehensive income/(loss)	34,586	23,039	0	0	17,498	0	0	0	0	67	5,474	11,748	(201)
Transactions with owners													
Issuance of ordinary shares pursuant to ESOS	783	783	783	0	0	0	0	0	0	0	0	0	0
Issuance of shares to non controlling interest	959	0	0	0	0	0	0	0	0	0	0	0	959
Transfer from share option reserve	0	0	273	0	0	(1,276)	0	0	0	0	1,003	0	0
Changes in ownership interest in a subsidiary	0	10	0	0	0	0	0	0	0	0	10	0	(10)
Distribution to holders of Perpetual Sukuk	(11,748)	0	0	0	0	0	0	0	0	0	0	(11,748)	0
Total transactions with owners	(10,006)	793	1,056	0	0	0	(1,276)	0	0	0	1,013	(11,748)	949
Closing balance at 30 November 2024	5,860,076	4,653,806	1,848,046	(1,412,270)	34,146	27,569	39,278	26,260	13,475	(10,006)	4,087,308	1,175,694	30,576
3 months ended 30 November 2023													
Opening balance at 1 September 2023	5,926,115	4,714,534	1,843,271	(1,412,270)	62,081	27,569	51,862	8,785	13,343	(14,336)	4,134,229	1,175,694	35,887
(Loss)/Profit net of tax	(47,180)	(57,711)	0	0	0	0	0	0	0	0	(57,711)	11,621	(1,090)
Other comprehensive income	6,888	6,692	0	0	6,885	0	0	0	0	(193)	0	0	196
Total comprehensive (loss)/income	(40,292)	(51,019)	0	0	6,885	0	0	0	0	(193)	(57,711)	11,621	(894)
Transactions with owners													
Transfer from share option reserve	0	0	0	0	0	(3,506)	0	0	0	0	3,506	0	0
Distribution to holders of Perpetual Sukuk	(11,621)	0	0	0	0	0	0	0	0	0	0	(11,621)	0
Total transactions with owners	(11,621)	0	0	0	0	0	(3,506)	0	0	0	3,506	(11,621)	0
Closing balance at 30 November 2023	5,874,202	4,663,515	1,843,271	(1,412,270)	68,966	27,569	48,356	8,785	13,343	(14,529)	4,080,024	1,175,694	34,993

The Condensed Consolidated Statement Of Changes In Equity should be read in conjunction with the Annual Financial Report for the financial year ended 31 August 2024.

TOP GLOVE CORPORATION BHD.

Company No.199801018294 [474423-X]

(Incorporated in Malaysia)

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE FIRST QUARTER ENDED 30 NOVEMBER 2024**

	Current Year To Date Ended 30 Nov 2024 RM'000	Corresponding Year To Date Ended 30 Nov 2023 RM'000
Operating activities		
Profit/(Loss) before tax	19,422	(52,860)
Depreciation and amortisation	73,748	72,243
Other adjustments	(29,119)	(1,549)
Operating cash flows before changes in working capital	64,051	17,834
Changes in working capital		
Net changes in current assets	(15,878)	(19,918)
Net changes in current liabilities	(37,416)	24,395
Cash flows generated from operating activities	10,757	22,311
Interest paid	(1,038)	(3,331)
Income taxes paid	(2,237)	(1,485)
Net cash flows generated from operating activities	7,482	17,495
Investing activities		
Withdrawal/(Placement) of money market funds	52,345	(43,335)
Disposal of debt securities	0	190
Purchase of property, plant and equipment	(39,628)	(19,382)
Proceeds from disposal of property, plant and equipment	2,949	52,166
Proceeds from issuance of shares to non controlling interest	959	0
Interest received	2,226	1,967
Net cash flows generated from/(used in) investing activities	18,851	(8,394)
Financing activities		
Proceeds from issuance of ordinary shares pursuant to ESOS	783	0
Payment of principal portion of lease liabilities	(528)	(361)
Repayment of loans and borrowings	(16,214)	(5,233)
Net cash flows used in financing activities	(15,959)	(5,594)
Net increase in cash and cash equivalents	10,374	3,507
Effects of changes in foreign exchange rate	16,398	2,747
Cash and cash equivalents at 1 September 2024/2023	351,187	285,416
Cash and cash equivalents at 30 November 2024/2023	377,959	291,670

The Condensed Consolidated Cash Flow Statement should be read in conjunction with the Annual Financial Report for the financial year ended 31 August 2024.



TOP GLOVE CORPORATION BHD.

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NOTES TO THE INTERIM FINANCIAL STATEMENTS FOR THE FIRST QUARTER ENDED 30 NOVEMBER 2024

1. Basis of preparation

The interim financial report is unaudited and has been prepared in accordance with Malaysian Financial Reporting Standards ("MFRS") 134: Interim Financial Reporting and paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad.

The interim financial report should be read in conjunction with the audited financial statements of the Group for the financial year ended 31 August 2024. The explanatory notes attached to the interim financial statements provide an explanation of events and transaction that are significant to the understanding of the changes in the financial position and performance of the Group since the financial year ended 31 August 2024.

The audited financial statements of the Group for the year ended 31 August 2024 were prepared in accordance with Malaysian Financial Reporting Standards ("MFRS"). The significant accounting policies and method of computations adopted in preparation of this interim financial report are consistent with those adopted in the audited financial statements of the Group for the financial year ended 31 August 2024 except for the adoption of the following amendments to MFRSs:

Description

Amendments to MFRS 101: Classification of Liabilities as Current or Non-Current

Amendments to MFRS 16: Lease Liability in a Sale and Leaseback

Amendments to MFRS 107 and MFRS 7: Disclosures of Supplier Finance Arrangements

The adoption of the above amendments to MFRSs do not have a material impact on the financial statements of the Group.

2. Auditors' report

The audited financial statements for the financial year ended 31 August 2024 was not subject to any qualification.

3. Seasonal or cyclical factors

The operations of the Group were not affected by any seasonal or cyclical factors in view of its well diversified world markets and the nature of the Group's products being disposable gloves.

4. Extraordinary and exceptional items

There were no extraordinary and exceptional items of unusual nature affecting assets, liabilities, equity, net income, or cash flows in the interim financial period ended 30 November 2024.

5. Changes in estimates of amounts reported previously

There were no material changes in estimates of amounts reported in prior interim periods or prior financial year that have a material effect in the current financial year to date.

TOP GLOVE CORPORATION BHD.

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NOTES TO THE INTERIM FINANCIAL STATEMENTS FOR THE FIRST QUARTER ENDED 30 NOVEMBER 2024 (CONTINUED)

6. Changes in debts and equity securities

During the financial period ended 30 November 2024:

a) Details of the issued and paid up capital of the Company as at 30 November 2024 are as follows:

	No. of shares	RM'000
As at 31 August 2024	8,210,778,134	1,846,990
Ordinary shares issued pursuant to the ESOS	802,300	1,056
As at 30 November 2024	8,211,580,434	1,848,046

b) As at the end of the financial period to date under review, of the total 8,211,580,434 issued and fully paid ordinary shares, 199,764,300 ordinary shares are held as treasury shares by the Company.

Other than the above, there were no issuance and repayment of debt and equity securities, share cancellations and resale of treasury shares in the financial period ended 30 November 2024.

7. Dividends paid

Record of dividends paid:

Financial Year	Net Dividend per share (sen)*	Total Dividend Paid (RM'000)
2022	1.20	96,102
2021	65.10	5,214,202
2020	11.83	961,731
2019	2.50	191,960
2018	2.83	217,282
2017	2.42	181,936
2016	2.42	181,647
2015	1.92	143,143
2014	1.33	99,009
2013	1.33	99,252
2012	1.33	99,038
2011	0.92	68,035
2010	1.33	98,877
2009	0.92	65,873
2008	0.46	32,389
2007	0.38	27,435
2006	0.31	21,173
2005	0.22	14,110
2004	0.20	12,295
2003	0.15	9,550
2002	0.05	2,808
2001	0.07	4,000
Total		7,841,847

Note: * Net dividend per share has been adjusted to reflect:

- Bonus issue of 30% in April 2002, 40% in April 2003, 40% in February 2007, 100% in July 2010, 100% in January 2016, 100% in October 2018 and 200% in September 2020.
- Subdivision of shares from one ordinary share of RM1.00 to two ordinary shares of RM0.50 each which was completed in February 2005.

TOP GLOVE CORPORATION BHD.

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NOTES TO THE INTERIM FINANCIAL STATEMENTS FOR THE FIRST QUARTER ENDED 30 NOVEMBER 2024 (CONTINUED)

8. Segmental reporting

a. Primary reporting segment – Geographical segments.

The Group operates in three principal geographical areas of the world and is primarily involved in the gloves manufacturing industry.

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

3 months ended 30 November 2024

	Malaysia RM'000	Thailand RM'000	China RM'000	Others RM'000	Eliminations RM'000	Consolidated RM'000
<u>Revenue</u>						
External sales	793,432	56,724	1,050	34,685	0	885,891
Intersegment sales	37,588	63,962	0	418	(101,968)	0
Total revenue	831,020	120,686	1,050	35,103	(101,968)	885,891
<u>Result</u>						
Segment profit/(loss)	22,727	(1,971)	514	(1,363)	0	19,907
Finance cost	(1,085)	(108)	0	155	0	(1,038)
Share of results of an associate	553	0	0	0	0	553
Profit before tax						19,422
<u>Assets</u>						
Segment assets	4,970,721	665,190	78,238	339,702	884,263	6,938,114
Intangible assets	860,430	0	0	0	0	860,430
<u>Liabilities</u>						
Segment liabilities	823,952	69,270	76	35,549	149,191	1,078,038

b. Secondary reporting segment – Business segments

As the Group is principally involved in the gloves manufacturing industry, segment reporting by business segment is not prepared.

9. Valuation of property, plant and equipment

There was no revaluation of property, plant and equipment brought forward from the previous audited financial statements as the Group does not adopt a revaluation policy on its property, plant and equipment.

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NOTES TO THE INTERIM FINANCIAL STATEMENTS FOR THE FIRST QUARTER ENDED 30 NOVEMBER 2024 (CONTINUED)

10. Material events subsequent to the end of the interim report

On 4 December 2024, the Company announced that the exercise price for the proposed bonus issue of warrants has been fixed at RM1.27 and SGD0.38 per warrant.

Other than the above, there were no other significant subsequent events after the end of the interim period to the date of this announcement, which will materially affect the earnings or income of the Group.

11. Changes in the composition of the Group

During the quarter under review, a 99.9% owned subsidiary in Thailand, known as Top Dynamic (Thailand) Company Limited, was added to the Group.

TG Meditech Sdn. Bhd., a wholly owned subsidiary of the Group, became a 60% owned subsidiary through the Joint Venture Agreement entered into between Top Quality Glove Sdn. Bhd., a wholly-owned subsidiary of the Group, Tronex (Asia) Limited, and Polywel International Trade Company Limited, to carry out the production and distribution of High Density Polyethylene (HDPE) Gloves.

Other than the above, there were no other significant changes in the composition of the Group during the quarter under review.

12. Contingent liabilities

The Group incurred a nominal amount of RM382 million relating to corporate guarantees provided by the Company to financial institutions for its subsidiaries' loans and borrowings.

The fair value of the corporate guarantees granted by the Company to financial institutions in respect of loans and borrowings obtained by its subsidiaries is not material as the difference in borrowing rates charged by the banks is not significant in the absence of such guarantees.

13. Capital commitments

As at the end of the reporting quarter, the Group had approved and contracted for capital expenditure amounting approximately to RM250 million.

TOP GLOVE CORPORATION BHD.

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NOTES TO THE INTERIM FINANCIAL STATEMENTS FOR THE FIRST QUARTER ENDED 30 NOVEMBER 2024 (CONTINUED)

ADDITIONAL INFORMATION REQUIRED BY BURSA MALAYSIA'S LISTING REQUIREMENTS

14. Review of performance

A comparison of Top Glove's performance for the first quarter ended 30 November 2024 ("1QFY2025") with the corresponding period in the previous financial year is as follows:

	1QFY2025 RM'mil	1QFY2024 RM'mil	Variance %
Revenue	886	493	80
Operating profit/(loss)	2	(60)	103
Profit/(Loss) before interest and tax	18	(51)	135
Profit/(Loss) before tax	19	(53)	136
Profit/(Loss) after tax	17	(47)	136
Profit/(Loss) attributable to owners of the parent	5	(58)	109

Against a backdrop of market pressures and intense competition, the Group delivered 1QFY2025 Sales Revenue of RM886 million and Profit After Tax of RM17 million, an impressive growth of 80% and 136% respectively compared to 1QFY2024. Meanwhile, Sales Volume surged by 104% versus 1QFY2024.

The Group's rebound was fuelled by robust and continual order inflows, driving a higher utilisation rate of 66% across running factories. Spurring the strong growth in Sales Volume was continual glove replenishment activity, as well as increased inflow of U.S. orders ahead of the 50% tariff on glove imports from China, with further increases in Sales Volume expected to follow. Also contributing to the better performance were healthier margins from continual glove replenishment activity. Its recovery was further supported by the Group's ongoing quality enhancement and cost optimisation initiatives, in line with its steadfast commitment to operational excellence. Additionally, the strengthening of the U.S. Dollar (USD) against the Malaysian Ringgit (MYR) during the quarter in review helped to improve margins.

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**NOTES TO THE INTERIM FINANCIAL STATEMENTS
FOR THE FIRST QUARTER ENDED 30 NOVEMBER 2024 (CONTINUED)****14. Review of performance (continued)**

The financial results of Top Glove since financial year 2009 are as follows:

RM'mil	Financial year ended 31 August																
	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	3MFY2025 (unaudited)
Revenue	1,529	2,079	2,054	2,315	2,313	2,275	2,511	2,889	3,409	4,221	4,801	7,237	16,361	5,572	2,257	2,514	886
EBITDA	288	365	197	298	311	302	442	525	489	694	687	2,421	10,285	687	(156)	253	92
EBITDA margin	19%	18%	10%	13%	13%	13%	18%	18%	14%	16%	14%	33%	63%	12%	(7%)	10%	10%
P/(L)BT	222	305	145	241	242	216	363	442	393	523	424	2,166	10,034	358	(900)	(31)	19
P/(L)BT margin	15%	15%	7%	10%	11%	10%	15%	15%	12%	12%	9%	30%	61%	6%	(40%)	(1%)	2%
Taxation	(54)	(55)	(30)	(34)	(39)	(32)	(82)	(80)	(54)	(90)	(56)	(377)	(2,210)	(76)	15	10	2
P/(L)AT	168	250	115	207	203	184	281	362	339	433	368	1,789	7,824	282	(886)	(21)	17
P/(L)AT margin	11%	12%	6%	9%	9%	8%	11%	13%	10%	10%	8%	25%	48%	5%	(39%)	(1%)	2%

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NOTES TO THE INTERIM FINANCIAL STATEMENTS FOR THE FIRST QUARTER ENDED 30 NOVEMBER 2024 (CONTINUED)

15. Comparison of quarterly financial results with preceding quarter

	1QFY2025 RM'mil	4QFY2024 RM'mil	Variance %
Revenue	886	834	6
Profit/(Loss) from operations	2	(27)	107
EBITDA	92	73	26
Profit before interest and tax	18	3	500
Profit before tax	19	6	217
Profit after tax	17	4	325
Profit/(Loss) attributable to owners of the parent	5	(7)	171

The Group recorded Sales Revenue of RM886 million in 1QFY2025, an increase of 6% quarter on quarter, while Profit from Operations returned to profit position. The Group also saw an improvement in its 1QFY2025 Profit After Tax to RM17 million, an increase of 325% quarter on quarter.

The Group had in August and September 2024 revised its ASPs upward, following higher raw material costs and a weaker USD in 4QFY2024. The effects of these price adjustments came in only towards the end of 1QFY2025, with the full impact expected to be reflected in 2QFY2025.

Raw material prices remained mixed quarter on quarter, with average natural latex concentrate prices increasing by 4% to RM6.88/kg, while average nitrile latex prices were down 3% to USD0.94/kg.

16. Commentary on prospects and targets

Going forward, the outlook for the Group remains positive, with orders continuing to flow in as the glove industry recovers steadily. Its unwavering focus on operational excellence, alongside robust industry fundamentals and increased levels of health and hygiene awareness post pandemic, are also expected to drive continual demand growth. Additionally, Top Glove is well positioned to benefit from trade diversions resulting from U.S. tariffs on China produced gloves, which are creating new opportunities in key markets, the impacts for which are expected to be felt more substantially from 2QFY2025 onwards. In this regard, the Group will proactively diversify risks across its countries of operations in Malaysia, Thailand and Vietnam to mitigate the geopolitical situation which continues to escalate and remain unpredictable. Aligning with its drive for long term growth and success, the Group will also continue to integrate sustainable practices into every aspect of its operations. With its recovery realised, the Group is poised to sustain its upward momentum and deliver increasingly stronger results in the coming quarters.

Top Glove announced the proposed issuance of 5-year Senior Sukuk Wakalah with a nominal value of RM800 million, which has been rated by Malaysian Rating Corporation Berhad (MARC). This is in preparation for the redemption of the Perpetual Sukuk in February 2025, which will utilise proceeds of RM800 million raised under the said Senior Sukuk Wakalah, as well as RM380 million of the Group's cash.

Underscoring its sustainability leadership, Top Glove secured its 6th consecutive year on the prestigious Dow Jones Sustainability Indices (DJSI) 2024, under the Emerging Markets category. Top Glove scored among the top 3 percent out of 274 companies assessed in the Health Care Equipment & Supplies Industry in the S&P Global Corporate Sustainability Assessment, as at 18 December 2024. This recognition amply displays its commitment to sustainability, emphasising key areas such as corporate governance, supply chain management, innovation, environmental reporting, climate strategy, human rights, human capital development and customer relationship management, the critical criteria evaluated by the DJSI.

TOP GLOVE CORPORATION BHD.

Company No.199801018294 [474423-X]

(Incorporated in Malaysia)

**NOTES TO THE INTERIM FINANCIAL STATEMENTS
FOR THE FIRST QUARTER ENDED 30 NOVEMBER 2024 (CONTINUED)****17. Variance of actual profits from forecast profits**

Not applicable as no profit forecast was issued.

18. Income tax expense/(credit)

	Quarter Ended	
	30 Nov 2024 RM'000	30 Nov 2023 RM'000
Income tax		
Current quarter/year	5,167	654
Under provision in respect of prior year	345	0
Deferred tax	(2,914)	(6,395)
Real property gain tax	78	61
	<u>2,676</u>	<u>(5,680)</u>

The effective tax rate of the Group is lower than the statutory tax rate due to the tax incentives available to Malaysia and certain overseas subsidiaries.

19. Profit/(loss) on sales of unquoted investments and/or properties

There were no sales of unquoted investments and/or properties during the current quarter and financial year to date.

20. Purchase and disposal of investment securities

	Quarter Ended
	30 Nov 2024 RM'000
Investment in money market funds	26,499
Withdrawal of money market funds	78,844

Other than the above, there were no other purchase or disposal of quoted securities by the Group for the current quarter and financial year to date.

21. Status of corporate proposals announced

The following are the corporate proposals previously announced by the Company that remain uncompleted during the quarter under review as at the date of this report.

On 10 October 2024, the Company announced a proposed bonus issue of up to 405,964,951 warrants in the Company ("Warrant(s)") on the basis of 1 Warrant for every 20 existing ordinary shares in the Company held on an entitlement date to be determined and announced later. The proposed bonus issue of Warrants was approved by Bursa Malaysia Securities Berhad on 14 November 2024 and the Company had on 4 December 2024, fixed the exercise price of RM1.27 per Warrant. This proposed bonus issue is subject to approval of shareholders of the Company during the 26th Annual General Meeting, which will be held on 15 January 2025. The Entitlement Date is tentatively in early February 2025, while the listing of and quotation for the Warrants on the Main Market of Bursa Securities and Singapore Exchange Securities Trading Limited is in mid February 2025.

TOP GLOVE CORPORATION BHD.

Company No.199801018294 [474423-X]

(Incorporated in Malaysia)

**NOTES TO THE INTERIM FINANCIAL STATEMENTS
FOR THE FIRST QUARTER ENDED 30 NOVEMBER 2024 (CONTINUED)****22. Derivative financial instruments**

	As at 30 Nov 2024	
	Contract/Notional Amount RM'000	Fair Value RM'000
Forward currency contracts		
• Derivative financial liabilities	61,855	289

As at 30 November 2024, the Group held forward contracts designated as hedges of expected future sales to customers for which the Group has firm commitments. Forward currency contracts used to hedge the Group's sales are denominated in USD for which firm commitments existed at the reporting date, extending to January 2025.

During the period to date ended 30 November 2024, the Group recognised a loss of RM533,000 arising from changes in the fair value of forward currency contracts.

23. Fair value hierarchy

The Group uses the following hierarchy in determining the fair value of all financial instruments carried at fair value:

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

Level 2 – Inputs that are based on observable market data, either directly or indirectly

Level 3 – Inputs that are not based on observable market data

As at 30 November 2024, the Group held the following financial assets that are measured at fair value:

	Level 1 RM'000	Level 2 RM'000	Level 3 RM'000	Total RM'000
Assets/(liabilities) measured at fair value:				
Financial assets at fair value through profit or loss				
• Unquoted investments	0	0	392	392
• Money market funds (quoted in Malaysia)	569,951	0	0	569,951
Financial liabilities at fair value through profit or loss				
• Derivative financial instruments	0	(289)	0	(289)
Financial assets at fair value through other comprehensive income				
• Debt securities (quoted outside Malaysia)	32,737	0	0	32,737

TOP GLOVE CORPORATION BHD.

Company No.199801018294 [474423-X]

(Incorporated in Malaysia)

**NOTES TO THE INTERIM FINANCIAL STATEMENTS
FOR THE FIRST QUARTER ENDED 30 NOVEMBER 2024 (CONTINUED)****24. Group loans and borrowings**

The Group loans and borrowings as at 30 November 2024 were as follows:

	As at 30 Nov 2024 RM'000	As at 30 Nov 2023 RM'000
Current		
Unsecured		
Bank borrowings	377,725	511,427
Term loan	4,710	28,559
Total current borrowings	<u>382,435</u>	<u>539,986</u>
Non-current		
Unsecured		
Term loan	0	10,422
Total non-current borrowings	<u>0</u>	<u>10,422</u>

Summary of all loans and borrowings:

	Foreign Currency Denominated '000	As at 30 Nov 2024 RM'000		Foreign Currency Denominated '000	As at 30 Nov 2023 RM'000
EUR	1,000	4,710	EUR	38,334	195,906
JPY	12,769,604	377,725	JPY	11,207,770	354,502
Total loans and borrowings		<u>382,435</u>			<u>550,498</u>
Exchange rate RM to EUR1		4.6941			5.1067
Exchange rate RM to JPY1		0.0296			0.0316

25. Material litigation

The Company and its subsidiaries are not engaged in any material litigation, either as plaintiff or defendant, which has a material effect on the financial position of the Company and its subsidiaries, and the Directors do not know of any proceedings pending or threatened or of any fact likely to give rise to any proceedings which might materially and/or adversely affect the position or business of the Company or subsidiaries.

26. Dividends

No dividend was proposed by the Board of Directors for the current quarter under review.

TOP GLOVE CORPORATION BHD.

Company No.199801018294 [474423-X]

(Incorporated in Malaysia)

**NOTES TO THE INTERIM FINANCIAL STATEMENTS
FOR THE FIRST QUARTER ENDED 30 NOVEMBER 2024 (CONTINUED)****27. Notes to the Statement of Comprehensive Income**

Profit for the period has been arrived at after crediting/(charging) the following items:

	Quarter Ended 30 Nov 2024 RM'000
Interest income	2,226
Interest expense	(1,038)
Reversal for inventories written down	16,055
Depreciation and amortisation	(73,748)
Other operating income/(expenses):	
Gain on disposal of property, plant and equipment	896
Unrealised foreign exchange gain	9,107
Realised foreign exchange loss	(3,182)
Rental income	4,817
Fair value gain on investment securities	3,162
Gain on disposal of money market fund	961
Net fair value loss on derivatives	(533)
Property, plant and equipment written off	(2,270)
Other income	2,464
	<u>15,422</u>

28. Earnings/(Loss) per share

	Quarter Ended	
	30 Nov 2024	30 Nov 2023
Profit/(Loss) net of tax attributable to owners of the parent (RM'000)	5,474	(57,711)
<u>Basic</u>		
Weighted average number of ordinary shares in issue ('000)	<u>8,011,014</u>	<u>8,009,230</u>
Basic earnings/(loss) per share (sen)	<u>0.21</u>	<u>(0.72)</u>
<u>Diluted</u>		
Weighted average number of ordinary shares in issue ('000)	8,011,014	8,009,230
Effect of dilution from:		
Share options ('000)	<u>4,139</u>	<u>0</u>
Adjusted weighted average number of ordinary shares in issue and issuable ('000)	<u>8,015,153</u>	<u>8,009,230</u>
Diluted earnings/(loss) per share (sen)	<u>0.21</u>	<u>(0.72)</u>

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PRESS RELEASE

Top Glove Corporation Bhd (Company No. 199801018294 [474423-X])

For Immediate Release

A NEW CHAPTER FOR TOP GLOVE: PROFITABILITY SURGES WITH STRONGER GROWTH IN SIGHT

- *Sales Revenue climbs 80% year on year, propelled by strong order inflows*
- *Profit After Tax swells by 325% quarter-on-quarter to RM17 million*
- *Sales Volume surges 104% versus 1QFY2024, with further growth expected*

Shah Alam, Friday, 20 December 2024 Top Glove Corporation Bhd or “Top Glove” today announced its financial results for the First Quarter (1QFY2025) ended 30 November 2024, marking a pivotal milestone with a jump in Profit After Tax, starting the new financial year 2025 on a positive note.

Against a backdrop of market pressures and intense competition, Top Glove delivered Sales Revenue of RM886 million, an impressive growth of 80% year-on-year. Very notably, the Group achieved a Profit After Tax of RM17 million. Meanwhile, Sales Volume surged by 104% versus 1QFY2024.

The Group’s rebound was fuelled by robust and continual order inflows, driving a higher utilisation rate of 66% across running factories, while enhancing cost efficiencies. Spurring the strong growth in Sales Volume was continual glove replenishment activity, as well as increased inflow of U.S. orders ahead of the 50% tariff on glove imports from China, with further increases in Sales Volume expected to follow. Also contributing to the better performance were healthier margins from continual glove replenishment activity. Its recovery was further supported by the Group’s ongoing quality enhancement and cost optimisation initiatives, in line with its steadfast commitment to operational excellence. Additionally, the strengthening of the U.S. Dollar (USD) against the Malaysian Ringgit (MYR) during the quarter in review helped to improve margins.

Top Glove had in August and September 2024 revised its Average Selling Prices (ASPs) upward, following higher raw material costs and a weaker USD in 4QFY2024. The effects of these price adjustments came in only towards the end of 1QFY2025, with the full impact expected to be reflected in 2QFY2025.

Raw material prices remained mixed quarter on quarter, with average natural latex concentrate prices increasing by 4% to RM6.88/kg, while average nitrile latex prices were down 3% to USD0.94/kg.

Mr Lim Cheong Guan, Managing Director of Top Glove remarked, “Our exceptional increase in profitability is a significant landmark on our journey of recovery and growth. This achievement is credited to encouraging recovery in market demand which has significantly boosted sales orders, our ability to command ASPs and cost pass through, and continuous efforts to improve our glove quality and cost efficiency. I would like to extend my heartfelt gratitude to our dedicated employees for their unwavering commitment and hard work which have laid a solid foundation for a stronger and more resilient future”.

Corporate Developments

a) Proposed Issuance of Senior Islamic Medium Term Notes (Senior Sukuk Wakalah)

Top Glove announced the proposed issuance of 5-year Senior Sukuk Wakalah with a nominal value of RM800 million, which has been rated by Malaysian Rating Corporation Berhad (MARC). This is in preparation for the redemption of the Perpetual Sukuk in February 2025, which will utilise proceeds of RM800 million raised under the said Senior Sukuk Wakalah, as well as RM380 million of the Group’s cash.

b) Proposed 1-For-20 Bonus Issue of Warrants

The exercise price for the Group’s proposed bonus issue of warrants has been determined at RM1.27 and SGD0.38 per warrant. The Group had earlier announced a bonus issue of up to 405,964,951 warrants on the basis of 1 warrant for every 20 existing Top Glove shares. The Entitlement Date is tentatively in early February 2025, while the listing of and quotation for the Warrants on the Main Market of Bursa Securities and SGX-ST is in mid February 2025. The warrants are exercisable anytime within 5 years from the date of issuance, with the proposed bonus issue subject to shareholders’ approval at the upcoming AGM on 15 January 2025.

Sustainability Achievements

a) Sustainability Streak: Marking 6 Straight Years on the Dow Jones Sustainability Indices

Underscoring its sustainability leadership, Top Glove secured its 6th consecutive year on the prestigious Dow Jones Sustainability Indices (DJSI) 2024, under the Emerging Markets category. Top Glove scored among the top 3 percent out of 274 companies assessed in the Health Care Equipment & Supplies Industry in the S&P Global Corporate Sustainability Assessment, as at 18 December 2024. This recognition amply displays its commitment to sustainability, emphasising key areas such as corporate governance, supply chain management, innovation, environmental reporting, climate strategy,

human rights, human capital development and customer relationship management, the critical criteria evaluated by the DJSI. Additional details on this accomplishment are available [here](#).

b) Publication of Sustainability Report 2024

As part of its ongoing commitment to transparency and sustainability, the Group on 12 December 2024 published its Sustainability Report 2024, highlighting its achievements, initiatives and future plans on its environmental, social, and governance (ESG) journey. Stakeholders are invited to explore the report [here](#), which demonstrates its dedication to building a sustainable future for both its business and the planet.

The End of Our Setback; The Start of Our Comeback

Going forward, the outlook for the Group remains positive, with orders continuing to flow in as the glove industry recovers steadily. Its unwavering focus on operational excellence, alongside robust industry fundamentals and increased levels of health and hygiene awareness post pandemic, are also expected to drive continual demand growth. Additionally, Top Glove is well positioned to benefit from trade diversions resulting from U.S. tariffs on China produced gloves, which are creating new opportunities in key markets, the impacts for which are expected to be felt more substantially from 2QFY2025 onwards. In this regard, the Group will proactively diversify risks across its countries of operations in Malaysia, Thailand and Vietnam to mitigate the geopolitical situation which continues to escalate and remain unpredictable. Aligning with its drive for long term growth and success, the Group will also continue to integrate sustainable practices into every aspect of its operations. With its recovery realised, the Group is poised to sustain its upward momentum and deliver increasingly stronger results in the coming quarters.

“Our spike in profitability in 1QFY2025 is commendable but more importantly, signals the start of an exciting journey to make Top Glove great again. We are highly encouraged by the steady inflow of orders and the opportunities arising from shifting global trade dynamics. These trends, coupled with our quality and cost efficiency initiatives, position us well for accelerated growth towards reestablishing our leadership position. As we move forward strongly, we remain steadfast in delivering value to our stakeholders and seizing the opportunities ahead, with every confidence that the best is yet to come”, Mr Lim concluded.

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About Top Glove Corporation Bhd

Top Glove Corporation Bhd is listed on the Bursa Malaysia Stock Exchange Main Board and Singapore Exchange Mainboard. It is also one of the component stocks of the FBM Top 100 Index, FBM Emas Index, FBM Hijrah Syariah Index, FBM Emas Syariah Index and the Dow Jones Sustainability Indices (DJSI) for Emerging Markets. A Fortune Southeast Asia 500 company, Top Glove is currently the world's largest manufacturer of gloves with an established corporate culture and good business direction of producing consistently high quality, cost efficient gloves. Top Glove has over 2,000 customers worldwide and exports to more than 195 countries.

Summary of key information:

	As at 20 December 2024
Number of Factories	49 factories (43 in Malaysia, 5 in Thailand and 1 in Vietnam) comprising: <ul style="list-style-type: none">• 38 glove factories• 2 latex concentrate plants• 3 chemical factories• 1 gamma sterilisation factory• 1 glove former factory• 2 packaging material factories• 1 dental dam factory• 1 face mask factory
Number of Marketing Offices	7 (Malaysia, USA, Germany, Brazil, China, Thailand and Vietnam)
Number of Glove Production Lines	784
Glove Production Capacity	95 billion pieces per annum
Number of Employees	11,600