

**THIS STATEMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.**

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

Bursa Malaysia Securities Berhad ("**Bursa Securities**") has not perused the contents of this Statement prior to its issuance as the said contents fall under the category of Exempt Circulars pursuant to Practice Note 18 of Bursa Securities Main Market Listing Requirements.

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**TOP GLOVE CORPORATION BHD**

(Company No.: 474423-X)

(Incorporated in Malaysia)

[www.topglove.com](http://www.topglove.com)

**SHARE BUY-BACK STATEMENT IN RELATION TO THE  
PROPOSED RENEWAL OF SHARE BUY-BACK AUTHORITY**

The above proposal will be tabled as special business at the Nineteenth Annual General Meeting ("**19<sup>th</sup> AGM**") of our Company to be held at TG Grand Ballroom 1, Level 9, Top Glove Tower of 16, Persiaran Setia Dagang, Setia Alam, Seksyen U13, 40170 Shah Alam, Selangor Darul Ehsan, Malaysia on Tuesday, 9 January 2018 at 11.00 a.m.

The Notice of the 19<sup>th</sup> AGM, together with the Form of Proxy, are set out in the 2017 Annual Report, which is despatched together with this Statement.

As a shareholder, you are entitled to appoint a proxy or proxies to attend and to vote on your behalf. The Form of Proxy must be completed and lodged at the office of the Share Registrar of our Company, Securities Services (Holdings) Sdn. Bhd. at Level 7, Menara Milenium, Jalan Damanlela, Pusat Bandar Damansara, Damansara Heights, 50490 Kuala Lumpur, Wilayah Persekutuan, Malaysia, not later than forty-eight (48) hours before the time appointed for holding the 19<sup>th</sup> AGM or any adjournment thereof. The lodging of the Form of Proxy does not preclude you from attending and voting in person at the 19<sup>th</sup> AGM should you subsequently wish to do so.

Last day and time for lodging the Form of Proxy : Sunday, 7 January 2018 at 11.00 a.m.

Date and time of the 19<sup>th</sup> AGM : Tuesday, 9 January 2018 at 11.00 a.m.

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## DEFINITIONS

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

“Act”	:	Companies Act 2016, as amended from time to time and includes any re-enactment thereof
“AGM”	:	Annual General Meeting
“Board”	:	Board of Directors of our Company
“Bursa Securities”	:	Bursa Malaysia Securities Berhad
“CMSA”	:	Capital Markets and Services Act, 2007, as amended from time to time and any re-enactment thereof
“Code”	:	Malaysian Code on Take-Overs and Mergers, 2016, as amended from time to time and any re-enactment thereof
“Director(s)”	:	Shall have the meaning given in Section 2(1) of the CMSA
“EPS”	:	Earnings Per Share
“ESOS II Options”	:	Employees’ Share Option Scheme II, which was established by our Company on 1 August 2008
“FYE”	:	Financial year(s) ended
“Listing Requirements”	:	Bursa Securities Main Market Listing Requirements, as amended from time to time
“LPD”	:	26 October 2017, being the latest practicable date prior to the printing of this Statement
“NA”	:	Net Assets
“Proposed Renewal of Share Buy-Back Authority”	:	Proposed renewal of authority for the purchase of the Shares by our Company
“SC”	:	Securities Commission Malaysia
“Substantial Shareholder”	:	Shall have the meaning given in Section 136 of the Act
“Top Glove Share(s)” or “Share(s)”	:	Ordinary share(s) in our Company
“Top Glove” or “the Company”	:	Top Glove Corporation Bhd (Company No. 474423-X)
“Top Glove Group” or “the Group”	:	Top Glove and its subsidiaries, collectively
“Treasury Shares”	:	Shares purchased and retained under the share buy-back exercise by the Company of up to a maximum of 10% of its total number of issued shares and shall have the meaning given under Section 127 of the Act

## **Rounding**

Throughout this Statement, for ease of reading, certain figures have been rounded.

Notes:

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

All references to “**you**” in this Statement are to the shareholders of our Company.

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

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

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

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## TOP GLOVE CORPORATION BHD

(Company No.: 474423-X)

(Incorporated in Malaysia)

### SHARE BUY-BACK STATEMENT IN RELATION TO THE PROPOSED RENEWAL OF SHARE BUY-BACK AUTHORITY

#### 1. INTRODUCTION

At the AGM held on 5 January 2017, the Board had obtained the shareholders' approval for the Proposed Renewal of Share Buy-Back Authority. The approval for the the Proposed Renewal of Share Buy-Back Authority shall lapse at the conclusion of the forthcoming AGM, which has been scheduled to be held on 9 January 2018 unless the approval is renewed.

On 13 October 2017, our Board had announced to Bursa Securities that we proposed to seek our shareholders' approval for the Proposed Renewal of Share Buy-Back Authority in our Nineteenth ("19<sup>th</sup>") AGM.

The Proposed Renewal of Share Buy-Back Authority will allow the Company to purchase its own shares up to a maximum of 10% of its total number of issued shares from the open market.

The purpose of this Statement is to provide you with details and information on the Proposed Renewal of Share Buy-Back Authority as well as to seek your approval for the ordinary resolution in relation to the Proposed Renewal of Share Buy-Back Authority to be tabled at our forthcoming 19<sup>th</sup> AGM. The notice of the 19<sup>th</sup> AGM and the form of proxy are set out in the 2017 Annual Report.

We advise you to read and carefully consider the contents of this Statement before voting on the ordinary resolution in relation to the Proposed Renewal of Share Buy-Back Authority to be tabled at our forthcoming 19<sup>th</sup> AGM.

#### 2. DETAILS OF THE PROPOSED RENEWAL OF SHARE BUY-BACK AUTHORITY

At our Eighteenth AGM held on 5 January 2017, you had inter-alia, granted a mandate for our Company to purchase and/or hold in aggregate up to ten per centum (10%) of the total issued and paid-up share capital of our Company at any point in time through Bursa Securities ("**Shareholders' Mandate**"). As at LPD, our Company had 2,164,400 Treasury Shares.

The authority conferred by the Shareholders' Mandate shall in accordance with the Listing Requirements lapse at the conclusion of our forthcoming 19<sup>th</sup> AGM unless authority for its renewal is obtained from our shareholders at our forthcoming 19<sup>th</sup> AGM.

As at LPD, the total issued and paid-up share capital of our Company based on the Record of Depositors is RM637,866,783.16 comprising 1,256,638,564 Shares (inclusive of 2,164,400 Treasury Shares). As an illustration, the maximum number of Top Glove Shares which may be purchased by our Company will not be more than 125,663,856 Top Glove Shares based on the issued and paid-up share capital of our Company as at LPD.

As at LPD, our Company has outstanding ESOS II Options of 3,154,860. Should the issued and paid-up share capital of our Company increase due to the exercise of the ESOS II Options, the

maximum number of Shares that can be purchased is up to ten per centum (10%) of the enlarged issued and paid-up share capital of our Company at the time of purchase.

The Proposed Renewal of Share Buy-Back Authority will be effective upon the passing of the resolution in our forthcoming 19<sup>th</sup> AGM until:

- i) the conclusion of our next AGM following the general meeting at which such resolution was passed at which time it will lapse unless by ordinary resolution passed at that meeting, the authority is renewed, either unconditionally or subject to conditions; or
  - ii) the expiration of the period within which our next AGM after that date is required by law to be held; or
  - iii) revoked or varied by ordinary resolution passed by our shareholders in general meeting,
- whichever occurs first.

### **3. RATIONALE FOR THE PROPOSED RENEWAL OF SHARE BUY-BACK AUTHORITY**

The Proposed Renewal of Share Buy-Back Authority is likely to potentially benefit our Company and you in the following manner:

- i) Enable our Group to utilise surplus financial resources to purchase Top Glove Shares;
- ii) Our Company may be able to stabilise the supply and demand of Top Glove Shares in the open market and thereby support its fundamental value;
- iii) All other things being equal, the Proposed Renewal of Share Buy-Back Authority will result in a lower number of Top Glove Shares being used for the purpose of computing EPS, if the Top Glove Shares purchased are subsequently cancelled or during the period such Shares are held as Treasury Shares. Therefore, the Proposed Renewal of Share Buy-Back Authority will improve the EPS of our Company, which is in turn expected to have a positive impact on the market price of the Top Glove Shares; and
- iv) If the Top Glove Shares so purchased are kept as Treasury Shares, our Company may resold at a higher price. Alternatively, the Treasury Shares may be distributed as share dividends to reward our shareholders; or transferred for the purposes of or under an employees' share scheme; or such other purposes as allowed under the Act.

### **4. POTENTIAL ADVANTAGES AND DISADVANTAGES OF THE PROPOSED RENEWAL OF SHARE BUY-BACK AUTHORITY**

#### **4.1 Potential Advantages:**

- i) The Proposed Renewal of Share Buy-Back Authority will allow our Company to utilise our financial resources where there are no immediate use, to purchase Top Glove Shares. The Top Glove Shares purchased are expected to enhance the consolidated EPS;
- ii) The Proposed Renewal of Share Buy-Back Authority may also stabilise the supply and demand of Top Glove Shares traded on Bursa Securities and reduce the volatility of Top Glove Shares' prices. The stability of Top Glove Shares' prices is important to maintain investors' confidence to facilitate any future fund raising exercise via the equity market;
- iii) The Proposed Renewal of Share Buy-Back Authority will also provide us with opportunities for potential gains if the purchased Top Glove Shares which are retained as Treasury Shares are resold at prices higher than their purchase prices; and

- iv) In the event the Treasury Shares are distributed as share dividends, it will serve to reward our shareholders.

#### 4.2 Potential Disadvantages:

- i) The Proposed Renewal of Share Buy-Back Authority, if implement, will temporarily reduce our financial resources. However, our financial resources may recover or increase if we resell the purchased Top Glove Shares held as Treasury Shares in the market;
- ii) The funds allocated for the Proposed Renewal of Share Buy-Back Authority could be used for other better investment opportunities which may emerge in the future; and
- iii) As the funds to be allocated for the Proposed Renewal of Share Buy-Back Authority must be made wholly out of our Company's retained profits, the amount available from this account for distribution of dividends to our shareholders may decrease accordingly.

Nevertheless, your Board is of the view that the Proposed Renewal of Share Buy-Back Authority is not expected to have any potential material disadvantage to you as shareholders as well as our Company as it will be implemented only after careful consideration of our financial resources and the resultant impact on you.

## 5. FUNDING

A sum of not exceeding the aggregate of our Company's retained profits at the time of purchases will be allocated for the Proposed Renewal of Share Buy-Back Authority. The funding of the Proposed Renewal of Share Buy-Back Authority will be from internally generated funds and/or external borrowings. The amount of internally generated funds and/or external borrowings to be utilised will only be determined later depending on, amongst others, the availability of internally generated funds, actual number of Top Glove Shares to be purchased and other relevant cost factors. The actual number of Top Glove Shares to be purchased and/or held and timing of such purchases will depend on, amongst others, the market conditions and sentiments of the stock market as well as the retained profits and financial resources available to our Company. If our Company purchases the Top Glove Shares using external borrowings, your Board will ensure that our Company has sufficient funds to repay the external borrowings and that the external borrowings will have no material effect on our cash flow.

The maximum fund to be allocated by our Company for the Proposed Renewal of Share Buy-Back Authority will be made wholly out of retained profits. As at 31 August 2017, our audited accumulated retained profits was RM201,700,000.00.

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## 6. SUBSTANTIAL SHAREHOLDERS' AND DIRECTORS' SHAREHOLDINGS AND PUBLIC SHAREHOLDING SPREAD

The table below illustrates the direct and indirect interests of our Directors and Substantial Shareholders as at LPD assuming that:

- Our Company purchases 125,663,856 Top Glove Shares, representing approximately ten per centum (10%) of our Company's issued and paid-up share capital as at that date, from parties other than our Directors and Substantial Shareholders; and
- Our Company purchases 125,979,342 Top Glove Shares, representing approximately ten per centum (10%) of our Company's enlarged issued and paid-up share capital (assuming full exercise of the outstanding ESOS II Options amounted to 3,154,860), from parties other than our Directors and Substantial Shareholders.

### Effects of the Proposed Renewal of Share Buy-Back Authority on Directors' and Substantial Shareholders' shareholdings

Name	As at LPD <sup>(i)</sup>				After Proposed Renewal of Share Buy-Back Authority <sup>(ii)</sup>			
	*Direct Shareholding		*Indirect Shareholding		*Direct Shareholding		*Indirect Shareholding	
	No. of Shares	%	No. of Shares	%	No. of Shares	%	No. of Shares	%
<b>Directors</b>								
Tan Sri Dr Lim Wee Chai <sup>a</sup>	368,822,176	29.40%	88,206,208	7.03%	368,822,176	32.61%	88,206,208	7.80%
Tan Sri Dato' Seri Utama Arshad bin Ayub <sup>b</sup>	900,000	0.07%	100,000	0.01%	900,000	0.08%	100,000	0.01%
Tan Sri Rainer Althoff	-	-	-	-	-	-	-	-
Lee Kim Meow <sup>c</sup>	620,100	0.05%	20,000	Negligible	620,100	0.05%	20,000	Negligible
Puan Sri Tong Siew Bee <sup>d</sup>	3,605,896	0.29%	453,422,488	36.14%	3,605,896	0.32%	453,422,488	40.09%
Lim Hooi Sin <sup>e</sup>	20,281,824	1.62%	436,735,660	34.81%	20,281,824	1.79%	436,735,660	38.62%
Lim Cheong Guan <sup>f</sup>	8,000	Negligible	-	-	8,000	Negligible	-	-
Dato' Lim Han Boon	-	-	-	-	-	-	-	-
Datuk Noripah binti Kamso	-	-	-	-	-	-	-	-
Sharmila Sekarajasekaran	-	-	-	-	-	-	-	-
Tay Seong Chee, Simon	-	-	-	-	-	-	-	-
Datuk Dr. Norma Mansor	-	-	-	-	-	-	-	-



Effects of the Proposed Renewal of Share Buy-Back Authority on Directors' and Substantial Shareholders' shareholdings (cont'd)

Name	As at LPD <sup>(i)</sup>				After Proposed Renewal of Share Buy-Back Authority <sup>(ii)</sup>			
	@Direct Shareholding		@Indirect Shareholding		@Direct Shareholding		@Indirect Shareholding	
	No. of Shares	%	No. of Shares	%	No. of Shares	%	No. of Shares	%
<b>Substantial Shareholders</b>								
Tan Sri Dr <u>Lim</u> Wee Chai <sup>a</sup>	368,822,176	29.40%	88,206,208	7.03%	368,822,176	32.61%	88,206,208	7.80%
Puan Sri Tong Siew Bee <sup>d</sup>	3,605,896	0.29%	453,422,488	36.14%	3,605,896	0.32%	453,422,488	40.09%
Lim Hooi Sin <sup>e</sup>	20,281,824	1.62%	436,735,660	34.81%	20,281,824	1.79%	436,735,660	38.62%
Lim Jin Feng <sup>g</sup>	10,900	Negligible	436,735,660	34.81%	10,900	Negligible	436,735,660	38.62%
Firstway United Corp	64,307,588	5.13%	-	-	64,307,588	5.69%	-	-
Employees Provident Fund Board	68,814,929	5.49%	-	-	68,814,929	6.08%	-	-

As at LPD and assuming full exercise of outstanding ESOS II Options								
Name	As at LPD <sup>(i)</sup>				After Proposed Renewal of Share Buy-Back Authority <sup>(ii)</sup>			
	*Direct Shareholding		*Indirect Shareholding		*Direct Shareholding		*Indirect Shareholding	
	No. of Shares	%	No. of Shares	%	No. of Shares	%	No. of Shares	%
<b>Directors</b>								
Tan Sri Dr <u>Lim</u> Wee Chai <sup>a</sup>	368,914,776	29.33%	88,221,608	7.01%	368,914,776	32.54%	88,221,608	7.78%
Tan Sri Dato' Seri Utama Arshad bin Ayub <sup>b</sup>	900,000	0.07%	100,000	0.01%	900,000	0.08%	100,000	0.01%
Tan Sri Rainer Althoff	-	-	-	-	-	-	-	-
Lee Kim Meow <sup>c</sup>	886,800	0.07%	20,000	Negligible	886,800	0.08%	20,000	Negligible
Puan Sri Tong Siew Bee <sup>d</sup>	3,615,196	0.29%	453,521,188	36.06%	3,615,196	0.32%	453,521,188	40.00%
Lim Hooi Sin <sup>e</sup>	20,281,824	1.61%	436,837,560	34.74%	20,281,824	1.79%	436,837,560	38.53%
Lim Cheong Guan <sup>f</sup>	296,800	0.02%	-	-	296,800	0.03%	-	-
Dato' Lim Han Boon	-	-	-	-	-	-	-	-
Datuk Noripah binti Kamso	-	-	-	-	-	-	-	-
Sharmila Sekarajasekaran	-	-	-	-	-	-	-	-
Tay Seong Chee, Simon	-	-	-	-	-	-	-	-
Datuk Dr. Norma Mansor	-	-	-	-	-	-	-	-

Effects of the Proposed Renewal of Share Buy-Back Authority on Directors' and Substantial Shareholders' shareholdings (cont'd)

As at LPD and assuming full exercise of outstanding ESOS II Options (cont'd)								
Name	As at LPD <sup>(i)</sup>				After Proposed Renewal of Share Buy-Back Authority <sup>(ii)</sup>			
	@Direct Shareholding		@Indirect Shareholding		@Direct Shareholding		@Indirect Shareholding	
	No. of Shares	%	No. of Shares	%	No. of Shares	%	No. of Shares	%
<b>Substantial Shareholders</b>								
Tan Sri Dr <u>Lim</u> Wee Chai <sup>a</sup>	368,914,776	29.33%	88,221,608	7.01%	368,914,776	32.54%	88,221,608	7.78
Puan Sri Tong Siew Bee <sup>d</sup>	3,615,196	0.29%	453,521,188	36.06%	3,615,196	0.32%	453,521,188	40.00%
Lim Hooi Sin <sup>e</sup>	20,281,824	1.61%	436,837,560	34.74%	20,281,824	1.79%	436,837,560	38.53%
Lim Jin Feng <sup>g</sup>	17,000	Negligible	436,837,560	34.74%	17,000	Negligible	436,837,560	38.53%
Firstway United Corp	64,307,588	5.11%	-	-	64,307,588	5.67%	-	-
Employees Provident Fund Board	68,814,929	5.47%	-	-	68,814,929	6.07%	-	-

**Notes:**

(i) Exclude the 2,164,400 Top Glove Shares that have been purchased and held as Treasury Shares as at LPD.

(ii) Assuming that the purchase of Top Glove Shares pursuant to the Proposed Renewal of Share Buy-Back Authority is based on the maximum number of Top Glove Shares that may be purchased under the respective scenarios.

a Our Director, holder of 92,600 ESOS II Options and deemed interested by virtue of the shareholding of Puan Sri Tong Siew Bee, Mr Lim Hooi Sin, Mr Lim Jin Feng and Firstway United Corp.

b Our Director, deemed interested by virtue of the shareholding of Zalaraz Sdn Bhd.

c Our Director, holder of 266,700 ESOS II Options and deemed interested by virtue of the shareholding of Ms Chung Lee Moy.

d Our Director, holder of 9,300 ESOS II Options and deemed interested by virtue of the shareholding of Tan Sri Dr Lim Wee Chai, Mr Lim Hooi Sin, Mr Lim Jin Feng and Firstway United Corp.

e Our Director, deemed interested by virtue of the shareholding of Tan Sri Dr Lim Wee Chai, Puan Sri Tong Siew Bee and their shareholdings in Firstway United Corp.

f Our Director, holder of 288,800 ESOS II Options.

g Deemed interested by virtue of the shareholding of Tan Sri Dr Lim Wee Chai, Puan Sri Tong Siew Bee and their shareholdings in Firstway United Corp and holder of 6,100 ESOS II Options.

\* Based on the Register of Directors' Shareholding as at 26 October 2017.

@ Based on the Register of Substantial Shareholders as at 26 October 2017.

## Public Shareholding Spread

Further to the above, your Board is mindful of the requirement that the Proposed Renewal of Share Buy-Back Authority must not result in the number of Top Glove Shares, which are in the hands of the public falling below 25% of the issued and paid-up share capital of our Company.

As at LPD, the public shareholding spread of our Company was 57.82%. The public shareholdings spread of our Company is expected to be reduced to 53.32% assuming the Proposed Renewal of Share Buy-Back Authority is implemented in full and all the Top Glove Shares so purchased are cancelled. However, our Company will ensure that prior to any share buy-back exercise, the public shareholding of at least 25% is maintained.

## 7. EFFECTS OF THE PROPOSED RENEWAL OF SHARE BUY-BACK AUTHORITY

The effects of the Proposed Renewal of Share Buy-Back Authority are presented below based on the following assumptions:

- (i) the purchase of own shares of up to ten per centum (10%) of the issued and paid-up share capital of our Company is carried out in full; and
- (ii) Top Glove Shares so purchased are retained as Treasury Shares.

### 7.1 Share Capital

For illustration purposes only, the scenario below shows the movement of the share capital of our Company as at LPD upon the implementation of the Proposed Renewal of Share Buy-Back Authority, assuming that ten per centum (10%) of our Company's issued and paid-up share capital are purchased and cancelled.

	As at LPD		As at LPD and assuming full exercise of outstanding ESOS II Options	
	<u>No. of Shares*</u>	<u>%</u>	<u>No. of Shares*</u>	<u>%</u>
Issued and paid-up share capital	1,256,638,564	100	1,256,638,564	100
Add:				
Outstanding ESOS II Options	-	-	3,154,860	100
Enlarged issued and paid-up share capital	<u>1,256,638,564</u>	<u>100</u>	<u>1,259,793,424</u>	<u>100</u>
Less:				
Top Glove Shares purchased amounted to ten per centum (10%) of the issued and paid-up share capital pursuant to the Proposed Renewal of Share Buy-Back Authority	(125,663,856)	10	(125,979,342)	10
Reduced issued and paid-up share capital in the event that the purchased Top Glove Shares are cancelled	<u>1,130,974,708</u>	<u>90</u>	<u>1,133,814,082</u>	<u>90</u>

#### **Notes:**

- \* Includes the 2,164,400 Top Glove Shares that have been purchased and held as Treasury Shares as at LPD.

## **7.2 NA**

The consolidated NA of our Company may increase or decrease depending on the number of Top Glove Shares purchased, the purchase prices of the Top Glove Shares, the effective cost of funding and the treatment of the Top Glove Shares purchased pursuant to the Proposed Renewal of Share Buy-Back Authority.

The Proposed Renewal of Share Buy-Back Authority will reduce the NA per Top Glove Share if the purchase price exceeds the NA per Top Glove Share at the time of purchase. However, the NA per Top Glove Share will increase if the purchase price is less than the NA per Top Glove Share at the time of purchase.

## **7.3 Working Capital**

The Proposed Renewal of Share Buy-Back Authority would reduce funds available for working capital purposes of our Company, the quantum of which would depend on the purchase price, the actual number of Top Glove Shares purchased and any associated costs incurred in making the purchase. However, if the Shares purchased held as Treasury Shares are subsequently resold in Bursa Securities, the working capital of our Group will increase if the Company realises gain from the resale.

## **7.4 Earnings**

The effects of the Proposed Renewal of Share Buy-Back Authority on the earnings of our Group would depend on the purchase price, the number of Top Glove Shares purchased and the effective funding cost or loss in the interest income to our Company or opportunity cost in relation to other investment opportunities. The effective reduction in the issued and paid-up share capital of our Company pursuant to the Proposed Renewal of Share Buy-Back Authority will, generally, all else being equal, have a positive impact on the consolidated EPS of our Company.

## **8. IMPLICATIONS OF THE CODE**

Pursuant to the Code, a person, and any person acting in concert with him, will be required to make a mandatory offer for the remaining Shares not already owned by him/them if his/their stake in our Company is increased to beyond 33% or if his/their shareholding is between 33% and 50% and increases by another 2% in any 6-month period. However, an exemption may be granted by the SC.

Our Company does not intend to undertake the Proposed Renewal of Share Buy-Back Authority such that it will trigger any obligation to undertake a mandatory offer pursuant to the Code. However, in the event an obligation to undertake a mandatory offer is to arise with respect to any party resulting from the Proposed Renewal of Share Buy-Back Authority, the relevant parties shall make the necessary application to the SC for a waiver to undertake a mandatory offer pursuant to the Code.

## **9. PURCHASES AND RESALE OF OWN SHARES MADE IN THE PREVIOUS TWELVE (12) MONTHS**

There were no Top Glove Shares purchased during the FYE 31 August 2017.

## **10. DIRECTORS' AND SUBSTANTIAL SHAREHOLDERS' INTERESTS**

Save for the inadvertent increase in the percentage of the shareholding and/or voting rights of our shareholders as a consequence of the Proposed Renewal of Share Buy-Back Authority, none of our Directors and Substantial Shareholders or persons connected to them has any interest, direct or indirect, in the Proposed Renewal of Share Buy-Back Authority.

## **11. DIRECTORS' RECOMMENDATION**

Our Board, after having considered all aspects of the Proposed Renewal of Share Buy-Back Authority as set out above, is of the opinion that the Proposed Renewal of Share Buy-Back Authority is in the best interest of our Company. Our Board therefore recommends that you vote in favour of the ordinary resolution pertaining to the Proposed Renewal of Share Buy-Back Authority to be tabled at our forthcoming 19<sup>th</sup> AGM.

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