

FINANCIAL STATEMENTS

OUR PERFORMANCE

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DIRECTORS' RESPONSIBILITY STATEMENT

For the Audited Financial Statements

The Directors are required by the Companies Act 2016 (CA) to prepare the financial statements for each financial year which have been made out in accordance with applicable Malaysian Financial Reporting Standards (MFRSs), the International Financial Reporting Standards (IFRSs), and the requirements of the CA in Malaysia.

The Directors are responsible to ensure that the financial statements give a true and fair view of the state of affairs of the Group and of the Company at the end of the financial year, and of the results and cash flows of the Group and of the Company for the financial year.

In preparing the financial statements, the Directors ensured that the Management has:

- adopted appropriate accounting policies and applied them consistently;
- made judgements and estimates that are reasonable and prudent; and
- prepared the financial statements on a going concern basis.

The Directors are responsible to ensure that the Group and the Company keep accounting records which disclose the financial position of the Group and of the Company with reasonable accuracy, enabling them to ensure that the financial statements comply with the CA.

The Directors are responsible for taking such steps as are reasonably open to them to safeguard the assets of the Group and of the Company, and to detect and prevent fraud and other irregularities.

DIRECTORS' REPORT

The directors have pleasure in presenting their report together with the audited financial statements of the Group and of the Company for the financial year ended 31 August 2021.

PRINCIPAL ACTIVITIES

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

The principal activities and other information of the subsidiaries are described in Note 19 to the financial statements.

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

RESULTS

	Group RM'000	Company RM'000
Profit net of tax	7,823,992	6,461,350
Profit attributable to:		
Owners of the parent	7,710,327	6,461,350
Holders of Perpetual Sukuk	51,350	-
Non-controlling interests	62,315	-
	7,823,992	6,461,350

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

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

DIVIDENDS

The amounts of dividends paid by the Company since 31 August 2020 were as follows:

	RM'000
In respect of the financial year ended 31 August 2021:	
Third tax exempt interim single tier dividend of 18 sen per share on 8,004,542,000 ordinary shares, declared on 9 June 2021 and paid on 7 July 2021	1,440,559
Second tax exempt interim single tier dividend of 25.2 sen per share on 8,004,018,000 ordinary shares, declared on 9 March 2021 and paid on 6 April 2021	2,017,607
First tax exempt interim single tier dividend of 16.5 sen per share on 8,022,604,000 ordinary shares, declared on 9 December 2020 and paid on 11 January 2021	1,323,582
In respect of the financial year ended 31 August 2020:	
Final tax exempt single tier dividend of 8.5 sen per share on 8,143,086,000 ordinary shares, declared on 23 September 2020 and paid on 3 November 2020	692,321
	5,474,069

Further details on dividends recognised during the financial year are disclosed in Note 46 to the financial statements.

A single tier final dividend in respect of the financial year ended 31 August 2021, of 5.4 sen per share on 8,007,085,000 ordinary shares amounting to RM432,454,000 had been declared on 17 September 2021 and paid on 15 October 2021. The financial statements for the current financial year do not reflect this dividend. Such dividend will be accounted for within equity as an appropriation of retained earnings for the financial year ending 31 August 2022.

DIRECTORS' REPORT (CONT'D)

DIRECTORS' REPORT (CONT'D)

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*
Tan Sri Rainer Althoff
Dato' Lee Kim Meow*
Puan Sri Tong Siew Bee*
Lim Hooi Sin*
Lim Cheong Guan*
Dato' Lim Han Boon
Datuk Noripah Binti Kamsu
Sharmila Sekarajasekaran
Datuk Dr. Norma Mansor
Azrina Binti Arshad
Lim Andy

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

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

Dato' IR Haji Ahmad Bin Hassan
Dr. Navindra A/L Nageswaran
Dr. Pongsak Kerdvonbundit
Choh Ai Ying
Chookiad Usaha
Galuh Faradisa
Ho Chee Meng Edmund
Ho Kim Nam
Hue Kon Fah
Koek I Long
Lam Yat Hing
Law Eng Lim
Lee Shin Hwai
Leong Chew Mun
Lew Sin Chiang
Liew Say Keong
Lim Hwa Chuan
Lim Jin Feng
Lim Keuw Wei
Masato Katayama
Ng Yong Lin
Oh Teik Chye
Phattaraporn Fueangthong
Puon Tuck Seng
Ravi A/L Supramaniam
Saw Eng Kooi
See So Kim Huat
Siow Chun Min
Svami Utama Batang Taris

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):

Tan Chee Hoong
Tan Puay Choo
Tee Sui Ling
Thomas Petermoeller
Wilawan Sakulsongboonsiri
Wong Chong Ban
Cheoh Hooi Gaik (Appointed on 22 December 2020)
Wu Kin Yeap (Appointed on 24 December 2020)
Dato' Abdul Rahim Bin Abdullah (Appointed on 30 June 2021)
Bong Khoo Sheng (Appointed on 30 June 2021)
Dato' Dr. Sharifah Fauziah Alhabshi (Appointed on 22 October 2021)
Dato Julie Wong Seng Choo (Appointed on 22 October 2021)
Dr. Tang Siew Fun (Appointed on 22 October 2021)
Chan Siao Yun (Appointed on 22 October 2021)
Chia Hock Yi (Appointed on 22 October 2021)
Chong Fei Meng (Appointed on 22 October 2021)
Chong Fook Siong (Appointed on 22 October 2021)
Lee Sow Theng (Appointed on 22 October 2021)
Lim Jew Kiat (Appointed on 22 October 2021)
Ling Siew Szen (Appointed on 22 October 2021)
Loke Kean Mun (Appointed on 22 October 2021)
Ng Seow Wei (Appointed on 22 October 2021)
Noraziah Binti Mahmud (Appointed on 22 October 2021)
Norhazlin Binti Hamzah (Appointed on 22 October 2021)
Ong Ah Chye (Appointed on 22 October 2021)
Puah Kean Seng (Appointed on 22 October 2021)
Stephanie Thong Pei Ling (Appointed on 22 October 2021)
Wee Hiong Ching (Appointed on 22 October 2021)
Yap Rueh Yinn (Appointed on 22 October 2021)
Ng Wee Chong (Resigned on 1 September 2020)
Marcelo Nastromagario (Resigned on 11 September 2020)
Tio Thiam Boon (Resigned on 24 December 2020)

DIRECTORS' BENEFITS

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

Since the end of the previous financial year, no director has received or become entitled to receive a benefit (other than benefits included in the aggregate amount of emoluments received or due and receivable by the directors or the fixed salary of a full-time employee of the Company as disclosed in Note 12 to the financial statements) by reason of a contract made by the Company or a related corporation with a director or with a firm of which the director is a member, or with a company in which the director has a substantial financial interest, except as disclosed in the Note 39 to the financial statements.

The Company maintains a liability insurance for the directors and officers of the Group. The total amount of sum insured for the directors and officers of the Group for the financial year amounted to RM10,000,000 whilst the total amount of premium paid was RM52,000. 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' REPORT (CONT'D)

DIRECTORS' REPORT (CONT'D)

DIRECTORS' INTERESTS

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

	Number of ordinary shares				At 31.8.2021
	At 1.9.2020	Adjustment #	Acquired	Sold	
Tan Sri Dr <u>Lim</u> Wee Chai					
- direct	696,521,752	1,393,043,504	66,467,100	-	2,156,032,356
- indirect	235,143,316	470,286,632	472,700	25,711,200	680,191,448
Puan Sri Tong Siew Bee					
- direct	7,430,392	14,860,784	371,700	100,000	22,562,876
- indirect	924,234,676	1,848,469,352	66,568,100	25,611,200	2,813,660,928
Dato' Lee Kim Meow					
- direct	882,200	1,764,400	1,435,400	2,300,000	1,782,000
- indirect	40,000	80,000	-	-	120,000
Lim Hooi Sin					
- direct	41,753,748	83,507,496	-	25,200,000	100,061,244
- indirect	889,740,920	1,779,481,840	66,839,800	100,000	2,735,962,560
Lim Cheong Guan					
- direct	312,600	625,200	760,200	1,280,000	418,000
Tan Sri Rainer Althoff					
- direct	4,500	9,000	15,000	26,500	2,000
Dato' Lim Han Boon					
- direct	80,000	160,000	20,000	-	260,000
Sharmila Sekarajasekaran					
- direct	10,012,500	20,025,000	-	-	30,037,500
- indirect	400,000	800,000	-	-	1,200,000
Datuk Dr. Norma Mansor					
- indirect	5,300	10,600	17,000	-	32,900
Datuk Noripah Binti Kamso					
- direct	5,000	10,000	170,000	-	185,000
Azrina Binti Arshad					
- direct	-	-	10,000	-	10,000
Lim Andy					
- direct	2,500	5,000	300,000	-	307,500

The number of ordinary shares has been adjusted to reflect the bonus issue of two for every one existing ordinary share which was completed on 7 September 2020. Further details are disclosed in Note 33 to the financial statements.

DIRECTORS' INTERESTS (CONT'D)

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

	Number of options over ordinary shares				At 31.8.2021
	At 1.9.2020	Adjustment ^	Granted	Exercised	
Tan Sri Dr <u>Lim</u> Wee Chai	-	-	3,131,700	-	3,131,700
Puan Sri Tong Siew Bee	123,900	247,800	127,500	371,700	127,500
Dato' Lee Kim Meow	472,600	945,200	-	1,417,800	-
Lim Hooi Sin	-	-	600,500	-	600,500
Lim Cheong Guan	253,400	506,800	577,500	760,200	577,500

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

^ The number of options over ordinary shares has been adjusted to reflect the bonus issue of two for every one existing ordinary share which was completed on 7 September 2020. Further details are disclosed in Note 33 to the financial statements.

ISSUE OF SHARES

During the financial year, the Company increased its issued and paid-up ordinary share capital from RM1,675,704,000 to RM1,841,654,000 by way of:

- (i) issuance of 5,418,718,116 ordinary shares through a bonus issue on the basis of two new ordinary shares for every one existing ordinary share held in the Company, by way of nil consideration;
- (ii) issuance of 28,968,800 ordinary shares pursuant to the Company's ESOS at an exercise price between RM1.54 to RM6.55 per ordinary share; and
- (iii) conversion of 50,351,869 units of 5-year Guaranteed Exchangeable Bonds 2019/2024 (equivalent to RM104,387,000 based on a settlement rate of USD1.00:RM4.0703) exchangeable into 533,809 and 49,818,060 new ordinary shares at an adjusted exchange price of RM6.10 and RM2.03 respectively.

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

EMPLOYEE SHARE OPTIONS SCHEME ("ESOS")

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

The committee administering the ESOS comprise two executive directors, Tan Sri Dr Lim Wee Chai and Lim Cheong Guan; four independent non-executive directors Dato' Lim Han Boon, Datuk Noripah Binti Kamso, Sharmila Sekarajasekaran and Datuk Dr. Norma Mansor and one management staff Lim Jin Feng.

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

During the financial year, the Company granted 83,545,900 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.

DIRECTORS' REPORT (CONT'D)

DIRECTORS' REPORT (CONT'D)

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

Details of the options exercised to subscribe for ordinary shares of the Company pursuant to the ESOS as at 31 August 2021 are as follows:

Expiry date	Exercise price RM	Number of options '000
31 May 2028	1.69	3,673.4
31 May 2028	1.63	10,370.5
31 May 2028	1.63	83.3
31 May 2028	1.54	3,040.3
31 May 2028	1.57	6,730.8
31 May 2028	3.30	4,115.0
31 May 2028	4.25	100.7
31 May 2028	6.55	838.8
31 May 2028	3.86	16.0
		28,968.8

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

EMPLOYEE SHARE GRANT PLAN ("ESGP")

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

The committee administering the ESGP comprise two executive directors, Tan Sri Dr Lim Wee Chai and Lim Cheong Guan; four independent non-executive directors Dato' Lim Han Boon, Datuk Noripah Binti Kamso, Sharmila Sekarajasekaran and Datuk Dr. Norma Mansor and one management staff Lim Jin Feng.

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

During the financial year, the Company granted 2,238,700 share grants under the ESGP amounting to RM8,641,000 to eligible employees and executive directors.

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

TREASURY SHARES

During the financial year:

- (i) the Company repurchased 200,167,700 ordinary shares from the open market at an average price of RM7.11 per share. The total consideration paid for the repurchase including transaction costs was RM1,424,095,000.
- (ii) the Company transferred 2,238,700 treasury shares to eligible employees under the ESGP at an average market price of RM3.86 per share. The total transferred treasury shares net of transaction costs were RM8,641,000. The difference between the transferred treasury shares and the cost of the treasury shares which amounted to RM3,699,000 was recognised in equity.

As at 31 August 2021, the Company held as treasury shares a total of 199,913,800 of its 8,206,864,000 issued ordinary shares. Such treasury shares are held at a carrying amount of RM1,413,274,000 and further relevant details are disclosed in Note 34 to the financial statements.

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 adequate provision had been made for expected credit loss; and
 - (ii) to ensure that any current assets which were unlikely to realise their values as shown in the accounting records in the ordinary course of business had been written down to an amount which they might be expected so to realise.
- (b) At the date of this report, the directors are not aware of any circumstances which would render:
 - (i) the amount written off for bad debts or the amount of the expected credit loss in the financial statements of the Group and of the Company inadequate to any substantial extent; and
 - (ii) the values attributed to the current assets in the financial statements of the Group and of the Company misleading.
- (c) At the date of this report, the directors are not aware of any circumstances which have arisen which would render adherence to the existing method of valuation of assets or liabilities of the Group and of the Company misleading or inappropriate.
- (d) At the date of this report, the directors are not aware of any circumstances not otherwise dealt with in this report or financial statements of the Group and of the Company which would render any amount stated in the financial statements misleading.
- (e) At the date of this report, there does not exist:
 - (i) any charge on the assets of the Group or of the Company which has arisen since the end of the financial year which secures the liabilities of any other person; or
 - (ii) any contingent liability of the Group or of the Company which has arisen since the end of the financial year.
- (f) In the opinion of the directors:
 - (i) no contingent or other liability has become enforceable or is likely to become enforceable within the period of twelve months after the end of the financial year which will or may affect the ability of the Group or of the Company to meet their obligations when they fall due; and
 - (ii) no item, transaction or event of a material and unusual nature has arisen in the interval between the end of the financial year and the date of this report which is likely to affect substantially the results of the operations of the Group or of the Company for the financial year in which this report is made.

SIGNIFICANT EVENTS

In addition to the significant events disclosed elsewhere in this report, other significant events are disclosed in Note 48 to the financial statements.

SUBSEQUENT EVENT

Details of the subsequent event are disclosed in Note 49 to the financial statements.

DIRECTORS' REPORT (CONT'D)

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	622	80
Other auditors	529	-
	1,151	80

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 2021.

Signed on behalf of the Board in accordance with a resolution of the directors dated 27 October 2021.

Dato' Lee Kim Meow

Dato' Lim Han Boon

STATEMENT BY DIRECTORS

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

We, Dato' Lee Kim Meow and Dato' Lim Han Boon, 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 190 to 290 are drawn up in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia so as to give a true and fair view of the financial position of the Group and of the Company as at 31 August 2021 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 27 October 2021.

Dato' Lee Kim Meow

Dato' Lim Han Boon

STATUTORY DECLARATION

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

I, Dato' Lee Kim Meow, 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 190 to 290 are to the best of my knowledge and belief, correct and I make this solemn declaration conscientiously believing the same to be true and by virtue of the provisions of the Statutory Declarations Act, 1960.

Subscribed and solemnly declared by the
abovenamed, Dato' Lee Kim Meow
at Shah Alam
on 27 October 2021.

Dato' Lee Kim Meow

Before me,

Commissioner for Oaths

INDEPENDENT AUDITORS' REPORT

to the members of Top Glove Corporation Bhd. (Incorporated in Malaysia)

INDEPENDENT AUDITORS' REPORT

to the members of Top Glove Corporation Bhd. (Incorporated in Malaysia) (cont'd)

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 2021 of the Group and of the Company, and statements of profit or loss and other comprehensive income, statements of changes in equity and statements of cash flows of the Group and of the Company for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, as set out on pages 190 to 290.

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 2021, and of their financial performance and their cash flows for the year then ended in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia.

Basis for opinion

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

Independence and other ethical responsibilities

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

Key audit matters

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

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

Review of costing of finished goods inventories

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

As at 31 August 2021, the Group held RM865.2 million of finished goods inventories. This represented 9% 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 2021 amounted to RM5.3 billion, accounting for 81% 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.

Key audit matters (cont'd)

Review of costing of finished goods inventories (cont'd)

Our audit procedures include, amongst others, the following:

- Obtained an understanding of the Group's current inventories valuation policy, production processes and the types of costs included in the valuation of finished goods inventories.
- Evaluated the general and logical access controls surrounding the IT system by involving our IT audit professionals.
- 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.
- Agreed, on a sampling basis, the costs of raw materials to suppliers' invoices.

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

(Refer to Note 4.1, 7.2(b) and Note 23 to the financial statements)

As at 31 August 2021, the Group recorded a goodwill of RM934 million arising from the acquisition of Aspion, which represented 9% 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").

Given its magnitude and the significant judgement involved in the impairment assessment, we consider this to be an area of audit focus.

Our audit procedures include, amongst others, the following:

- Evaluated management's key assumptions used in the cash flows projection, focusing on projected revenue, profit margins and terminal growth rates, taking into consideration 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.
- 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.
- 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.
- Evaluated the adequacy of the Group's disclosures in the financial statements concerning those key assumptions to which the outcome of the impairment assessment is most sensitive.

Information other than the financial statements and auditors' report thereon

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

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

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

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

INDEPENDENT AUDITORS' REPORT

to the members of Top Glove Corporation Bhd. (Incorporated in Malaysia) (cont'd)

Responsibilities of the directors for the financial statements

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

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

Auditors' responsibilities for the audit of the financial statements

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

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

- Identify and assess the risks of material misstatement of the financial statements of the Group and of the Company, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's and of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's or the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements of the Group and of the Company or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group or the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements of the Group and of the Company, including the disclosures, and whether the financial statements of the Group and of the Company represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the financial statements of the Group. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

INDEPENDENT AUDITORS' REPORT

to the members of Top Glove Corporation Bhd. (Incorporated in Malaysia) (cont'd)

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

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 19 to the financial statements.

OTHER MATTERS

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

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

Ng Kim Ling
No. 03236/04/2022 J
Chartered Accountant

Kuala Lumpur, Malaysia
27 October 2021

STATEMENTS OF PROFIT OR LOSS

For the financial year ended 31 August 2021

	Note	Group		Company	
		2021 RM'000	2020 RM'000	2021 RM'000	2020 RM'000
Revenue	8	16,361,443	7,237,427	6,493,369	1,636,614
Cost of sales		(5,259,336)	(4,387,010)	-	-
Gross profit		11,102,107	2,850,417	6,493,369	1,636,614
Other items of income					
Interest income	9	61,575	23,889	24,818	9,741
Other income	10	83,311	33,116	4,475	7
Other items of expense					
Distribution and selling costs		(253,652)	(155,021)	-	-
Administrative and general expenses		(957,985)	(551,023)	(57,264)	(9,016)
Finance costs		(4,187)	(34,399)	(16)	(7)
Share of results of an associate		2,644	(1,428)	-	-
Profit before tax	11	10,033,813	2,165,551	6,465,382	1,637,339
Income tax expense	14	(2,209,821)	(376,721)	(4,032)	(217)
Profit net of tax		7,823,992	1,788,830	6,461,350	1,637,122
Profit attributable to:					
Owners of the parent		7,710,327	1,752,584	6,461,350	1,637,122
Holders of Perpetual Sukuk		51,350	25,605	-	-
Non-controlling interests		62,315	10,641	-	-
		7,823,992	1,788,830	6,461,350	1,637,122
Earnings per share attributable to owners of the parent (sen):					
Before issuance of bonus shares					
- Basic	15	95.91	67.60		
- Diluted	15	95.83	67.28		
After issuance of bonus shares					
- Basic	15	95.91	21.88		
- Diluted	15	95.83	21.78		

STATEMENTS OF COMPREHENSIVE INCOME

For the financial year ended 31 August 2021

	Group		Company	
	2021 RM'000	2020 RM'000	2021 RM'000	2020 RM'000
Profit net of tax	7,823,992	1,788,830	6,461,350	1,637,122
Other comprehensive (loss)/income:				
<i>Items that may be reclassified subsequently to profit or loss:</i>				
Net movement on debt securities at fair value through other comprehensive income (Note 35)	1,844	(2,084)	144	-
Cash flow hedge (Note 35)	2,690	77,601	-	-
Foreign currency translation differences of foreign operations	(21,075)	(7,521)	-	-
Other comprehensive (loss)/income for the year, net of tax	(16,541)	67,996	144	-
Total comprehensive income for the year	7,807,451	1,856,826	6,461,494	1,637,122
Total comprehensive income attributable to:				
Owners of the parent	7,695,240	1,821,022	6,461,494	1,637,122
Holders of Perpetual Sukuk	51,350	25,605	-	-
Non-controlling interests	60,861	10,199	-	-
	7,807,451	1,856,826	6,461,494	1,637,122

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

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

STATEMENT OF FINANCIAL POSITION (GROUP)

As at 31 August 2021

	Note	2021 RM'000	2020 RM'000
Assets			
Non-current assets			
Property, plant and equipment	16	3,958,715	3,010,233
Right-of-use assets	17	210,649	201,425
Investment properties	18	227,400	163,900
Investment in an associate	20	13,069	10,425
Deferred tax assets	21	17,073	19,589
Biological assets		574	28
Investment securities: Unquoted investments	22	392	392
Intangible assets	23	1,008,795	1,012,319
		5,436,667	4,418,311
Current assets			
Inventories	24	1,144,705	530,729
Trade and other receivables	25	566,299	798,805
Other current assets	26	118,174	74,884
Tax recoverable		5,803	-
Investment securities: Money market funds	22	1,323,297	1,674,631
Investment securities: Debt securities	22	306,622	-
Derivative financial instruments	27	2,411	45
Cash and bank balances	28	878,446	1,208,559
		4,345,757	4,287,653
Total assets		9,782,424	8,705,964
Equity and liabilities			
Current liabilities			
Loans and borrowings	29	312,704	314,199
Trade and other payables	30	692,361	810,824
Contract liabilities	31	737,627	879,386
Lease liabilities	32	5,542	1,442
Income tax payable		450,023	126,673
Derivative financial instruments	27	230	-
		2,198,487	2,132,524
Net current assets		2,147,270	2,155,129

STATEMENT OF FINANCIAL POSITION (GROUP)

As at 31 August 2021 (cont'd)

	Note	2021 RM'000	2020 RM'000
Non-current liabilities			
Loans and borrowings	29	146,002	226,340
Lease liabilities	32	18,127	9,672
Deferred tax liabilities	21	191,200	141,988
Provisions		8,448	4,557
		363,777	382,557
Total liabilities		2,562,264	2,515,081
Net assets		7,220,160	6,190,883
Equity attributable to owners of the parent			
Share capital	33	1,841,654	1,675,704
Treasury shares	34	(1,413,274)	(1,519)
Other reserves	35	101,663	65,040
Retained earnings	37	5,342,360	3,131,530
		5,872,403	4,870,755
Perpetual Sukuk	36	1,295,262	1,295,262
Non-controlling interests		52,495	24,866
Total equity		7,220,160	6,190,883
Total equity and liabilities		9,782,424	8,705,964

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

STATEMENT OF FINANCIAL POSITION (COMPANY)

As at 31 August 2021

	Note	2021 RM'000	2020 RM'000
Assets			
Non-current assets			
Investment in subsidiaries	19	2,033,410	1,617,656
Right-of-use assets	17	357	434
		2,033,767	1,618,090
Current assets			
Trade and other receivables	25	261,685	605,844
Other current assets	26	3,432	11
Investment securities: Money market funds	22	578,568	709,075
Investment securities: Debt securities	22	97,307	-
Cash and bank balances	28	5,555	257,481
		946,547	1,572,411
Total assets		2,980,314	3,190,501
Equity and liabilities			
Current liabilities			
Trade and other payables	30	23,060	2,571
Lease liabilities	32	74	72
Income tax payable		1,713	219
		24,847	2,862
Net current assets		921,700	1,569,549
Non-current liability			
Lease liabilities	32	292	366
Total liabilities		25,139	3,228
Net assets		2,955,175	3,187,273
Equity attributable to owners of the Company			
Share capital	33	1,841,654	1,675,704
Treasury shares	34	(1,413,274)	(1,519)
Other reserves	35	34,740	5,319
Retained earnings	37	2,492,055	1,507,769
Total equity		2,955,175	3,187,273
Total equity and liabilities		2,980,314	3,190,501

STATEMENTS OF CHANGES IN EQUITY

For the financial year ended 31 August 2021

	Attributable to owners of the parent		Non-controlling interests ("NCI") RM'000				
	Total equity attributable to owners of the parent RM'000	Non-distributable					
	Total equity of parent RM'000	Share capital RM'000	Treasury shares RM'000	Other reserves RM'000	Retained earnings RM'000	Perpetual Sukuk RM'000	
Opening balance at 1 September 2020	6,190,883	4,870,755	1,675,704	(1,519)	65,040	3,131,530	24,866
Profit net of tax	7,823,992	7,710,327	-	-	-	7,710,327	62,315
Other comprehensive loss	(16,541)	(15,087)	-	-	(15,087)	-	(1,454)
Total comprehensive income	7,807,451	7,695,240	-	-	(15,087)	7,710,327	60,861
Transactions with owners							
Issuance of ordinary shares pursuant to Employee Share Options Scheme ("ESOS") (Note 38)	58,061	58,061	58,061	-	-	-	-
Issuance of ordinary shares pursuant to conversion of exchangeable bonds	104,387	104,387	104,387	-	-	-	-
Share options granted under ESOS (Note 35)	33,983	33,983	-	33,983	-	-	-
Issuance of shares to NCI	300	-	-	-	-	-	300
Transfer from share option reserve (Note 33 and Note 35)	-	-	4,002	(4,706)	704	-	-
Transfer from retained earnings (Note 35)	-	-	-	4,952	(4,952)	-	-
Transfer to legal reserve (Note 35)	-	-	-	17,481	(17,481)	-	-
Transfer to Employee Share Grant Plan ("ESGP") (Note 34)	8,641	8,641	-	-	(3,699)	-	-
Transaction cost	(2,010)	(2,010)	(500)	(1,510)	-	-	-
Purchase of treasury shares (Note 34)	(1,422,585)	(1,422,585)	-	(1,422,585)	-	-	-
Distribution to holders of Perpetual Sukuk	(51,350)	-	-	-	-	(51,350)	-
Dividends on NCI	(33,532)	(33,532)	-	-	-	-	(33,532)
Dividends on ordinary shares (Note 46)	(5,474,069)	(5,474,069)	-	-	(5,474,069)	-	-
Total transactions with owners	(6,778,174)	(6,693,592)	165,950	51,710	(5,499,497)	(51,350)	(33,232)
Closing balance at 31 August 2021	7,220,160	5,872,403	1,841,654	101,663	5,342,360	1,295,262	52,495

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

STATEMENTS OF CHANGES IN EQUITY

For the financial year ended 31 August 2021 (cont'd)

2020 Group	Total equity attributable to owners of the parent RM'000	Attributable to owners of the parent				Non-controlling interests ("NCI") RM'000
		Total equity attributable to owners of the parent RM'000	Share capital RM'000	Treasury shares RM'000	Other reserves RM'000	
Opening balance at 1 September 2019	2,553,577	2,536,519	788,326	(1,781)	1,751,544	17,058
Profit net of tax	1,788,830	1,752,584	-	-	1,752,584	10,641
Other comprehensive income/(loss)	67,996	68,438	-	68,438	-	(442)
Total comprehensive income	1,856,826	1,821,022	-	68,438	1,752,584	10,199
Transactions with owners						
Issuance of ordinary shares pursuant to Employee Share Options Scheme ("ESOS") (Note 38)	167,230	167,230	167,230	-	-	-
Issuance of ordinary shares pursuant to conversion of exchangeable bonds	709,673	709,673	709,673	-	-	-
Share options granted under ESOS (Note 35)	7,404	7,404	-	7,404	-	-
Issuance of shares to NCI	75	-	-	-	-	75
Transfer from share option reserve (Note 33 and Note 35)	-	-	10,892	(11,080)	188	-
Transfer from retained earnings (Note 35)	-	-	-	1,848	(1,848)	-
Transfer to Employee Share Grant Plan ("ESGP") (Note 34)	1,128	1,128	262	-	866	-
Transaction cost	(417)	(417)	-	-	-	-
Distribution to holders of Perpetual Sukuk	(25,605)	-	-	-	-	(25,605)
Issuance of Perpetual Sukuk (Note 36)	1,295,262	-	-	-	-	1,295,262
Dividends on NCI	(2,466)	-	-	-	-	(2,466)
Dividends on ordinary shares (Note 46)	(371,804)	(371,804)	-	-	(371,804)	-
Total transactions with owners	1,780,480	513,214	887,378	262	(372,598)	(2,391)
Closing balance at 31 August 2020	6,190,883	4,870,755	1,675,704	65,040	3,131,530	24,866

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

STATEMENTS OF CHANGES IN EQUITY

For the financial year ended 31 August 2021 (cont'd)

2021 Company	Total equity RM'000	Non-distributable			Retained earnings RM'000
		Share capital RM'000	Treasury shares RM'000	Other reserves RM'000	
Opening balance at 1 September 2020	3,187,273	1,675,704	(1,519)	5,319	1,507,769
Profit net of tax	6,461,350	-	-	-	6,461,350
Other comprehensive income	144	-	-	144	-
Total comprehensive income	6,461,494	-	-	144	6,461,350
Transactions with owners					
Issuance of ordinary shares pursuant to ESOS (Note 38)	58,061	58,061	-	-	-
Issuance of ordinary shares pursuant to conversion of exchangeable bonds	104,387	104,387	-	-	-
Share options granted under ESOS (Note 35)	33,983	-	-	33,983	-
Transfer from share option reserve (Note 33 and Note 35)	-	4,002	-	(4,706)	704
Purchase of treasury shares (Note 34)	(1,422,585)	-	(1,422,585)	-	-
Transaction cost	(2,010)	(500)	(1,510)	-	-
Transfer to ESGP (Note 34)	8,641	-	12,340	-	(3,699)
Dividends on ordinary shares (Note 46)	(5,474,069)	-	-	-	(5,474,069)
Total transactions with owners	(6,693,592)	165,950	(1,411,755)	29,277	(5,477,064)
Closing balance at 31 August 2021	2,955,175	1,841,654	(1,413,274)	34,740	2,492,055

2020 Company	Total equity RM'000	Non-distributable			Retained earnings RM'000
		Share capital RM'000	Treasury shares RM'000	Other reserves RM'000	
Opening balance at 1 September 2019	1,036,937	788,326	(1,781)	8,995	241,397
Total comprehensive income	1,637,122	-	-	-	1,637,122
Transactions with owners					
Issuance of ordinary shares pursuant to ESOS (Note 38)	167,230	167,230	-	-	-
Issuance of ordinary shares pursuant to conversion of exchangeable bonds	709,673	709,673	-	-	-
Share options granted under ESOS (Note 35)	7,404	-	-	7,404	-
Transfer from share option reserve (Note 33 and Note 35)	-	10,892	-	(11,080)	188
Transaction cost	(417)	(417)	-	-	-
Transfer to ESGP (Note 34)	1,128	-	262	-	866
Dividends on ordinary shares (Note 46)	(371,804)	-	-	-	(371,804)
Total transactions with owners	513,214	887,378	262	(3,676)	(370,750)
Closing balance at 31 August 2020	3,187,273	1,675,704	(1,519)	5,319	1,507,769

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

STATEMENTS OF CASH FLOWS

For the financial year ended 31 August 2021

	Group		Company	
	2021 RM'000	2020 RM'000	2021 RM'000	2020 RM'000
Operating activities				
Profit before tax	10,033,813	2,165,551	6,465,382	1,637,339
Adjustments for:				
Gross dividends	-	-	(6,483,958)	(1,630,710)
Depreciation of property, plant and equipment (Note 16)	296,718	237,352	-	-
Depreciation of right-of-use assets (Note 17)	8,215	4,361	77	33
Amortisation of intangible assets (Note 23)	3,731	3,683	-	-
Loss on disposal of property, plant and equipment	2	353	-	-
Net gain from fair value remeasurement of investment properties (Note 18)	(1,846)	-	-	-
Gain on disposal of right-of-use assets	-	(350)	-	-
Bad debts written off	124	573	-	-
Gain on disposal of debt securities	(3,828)	(2,845)	-	-
Net reversal of allowance for expected credit loss (Note 25)	(13)	(227)	-	-
Inventories written off	32,709	-	-	-
Allowance for inventories written down/(back)	80,558	(904)	-	-
Property, plant and equipment written off	44,243	20,223	-	-
Shares granted under ESGP	8,641	1,128	142	134
Share options granted under ESOS	33,983	7,404	2,072	904
Unrealised foreign exchange (gain)/loss	(9,174)	786	(3,546)	-
Share of results of an associate	(2,644)	1,428	-	-
Net fair value gain on derivative financial instruments	(2,143)	(1,703)	-	-
Net fair value gain on investment in debt securities at fair value through profit or loss	(2,591)	-	(929)	-
Finance costs	4,187	34,399	16	7
Interest income	(61,575)	(23,889)	(24,818)	(9,741)
Impairment loss on investment in subsidiaries (Note 19)	-	-	8,723	-
Impairment loss on other receivables	-	-	3,249	-
Total adjustments	429,297	281,772	(6,498,972)	(1,639,373)

STATEMENTS OF CASH FLOWS

For the financial year ended 31 August 2021 (cont'd)

	Group		Company	
	2021 RM'000	2020 RM'000	2021 RM'000	2020 RM'000
Operating cash flows before changes in working capital	10,463,110	2,447,323	(33,590)	(2,034)
Changes in working capital				
Inventories	(727,243)	100,071	-	-
Receivables	233,172	39,073	146,662	7,629
Other current assets	(43,290)	(11,373)	(3,421)	2,603
Payables	(112,788)	318,112	20,489	1,029
Contract liabilities	(141,759)	823,776	-	-
Total changes in working capital	(791,908)	1,269,659	163,730	11,261
Cash flows generated from operations	9,671,202	3,716,982	130,140	9,227
Interest paid	(4,187)	(31,456)	(16)	-
Income taxes (paid)/refunded	(1,840,082)	(229,945)	(2,538)	12
Net cash flows generated from operating activities	7,826,933	3,455,581	127,586	9,239
Investing activities				
Purchase of property, plant and equipment	(1,334,018)	(806,400)	-	-
Additions to investment properties	(26,902)	-	-	-
Purchase of right-of-use assets	(554)	(9,455)	-	-
Purchase of intangible assets	(207)	(32)	-	-
Purchase of biological assets	(546)	(28)	-	-
Placement of money market funds	(2,763,264)	(1,699,296)	(2,730,882)	(1,400,674)
Withdrawal of money market funds	3,114,598	28,729	2,861,389	691,600
Purchase of debt securities	(322,604)	(24,555)	(97,307)	-
Proceeds from disposal of debt securities	22,400	107,776	-	-
Proceeds from disposal of right-of-use assets	-	763	-	-
Net (increase)/decrease in bank balances pledged with banks	(365)	2,472	-	-
Decrease/(increase) in monies held in debt service reserve account	729	(17)	-	-
Interest received	61,575	23,889	24,818	9,741
Dividends from subsidiaries	-	-	6,483,958	1,630,710
Proceeds from disposal of property, plant and equipment	1,258	6,651	-	-
Additions to investment in subsidiaries	-	-	(424,477)	(586,600)
Repayment from subsidiaries	-	-	342,690	108,418
Net cash flows (used in)/generated from investing activities	(1,247,900)	(2,369,503)	6,460,189	453,195

STATEMENTS OF CASH FLOWS

For the financial year ended 31 August 2021 (cont'd)

	Group		Company	
	2021 RM'000	2020 RM'000	2021 RM'000	2020 RM'000
Financing activities				
Proceeds from issuance of ordinary shares pursuant to ESOS	58,061	167,230	58,061	167,230
Transaction cost	(2,010)	(417)	(2,010)	(417)
Dividends paid on ordinary shares (Note 46)	(5,474,069)	(371,804)	(5,474,069)	(371,804)
Dividends paid on NCI	(33,532)	(2,466)	-	-
Issuance of shares to NCI	300	75	-	-
Repayment of loans and borrowings	(356,670)	(1,196,819)	-	-
Drawdown of loans and borrowings	383,809	94,662	-	-
Proceeds from issuance of Perpetual Sukuk	-	1,295,262	-	-
Distribution paid to holders of Perpetual Sukuk	(51,350)	(25,605)	-	-
Payment of principal portion of lease liabilities	(4,264)	(2,237)	(72)	(36)
Purchase of treasury shares	(1,422,585)	-	(1,422,585)	-
Net cash flows used in financing activities	(6,902,310)	(42,119)	(6,840,675)	(205,027)
Net (decrease)/increase in cash and cash equivalents	(323,277)	1,043,959	(252,900)	257,407
Effect of changes in foreign exchange rate	(6,472)	1,273	974	-
Cash and cash equivalents at 1 September 2020/2019	1,204,947	159,715	257,481	74
Cash and cash equivalents at 31 August (Note 28)	875,198	1,204,947	5,555	257,481

STATEMENTS OF CASH FLOWS

For the financial year ended 31 August 2021 (cont'd)

(a) Reconciliation of liabilities arising from financing activities

	Movements		Cash flows		Non-cash changes		Equity component of exchangeable bonds		Foreign exchange movement	
	1 September 2020 RM'000	31 August 2021 RM'000	1 September 2020 RM'000	31 August 2021 RM'000	1 September 2020 RM'000	31 August 2021 RM'000	1 September 2020 RM'000	31 August 2021 RM'000	1 September 2020 RM'000	31 August 2021 RM'000
2021 Group										
Loans and borrowings (Note 29)	540,539	458,706	27,139	(4,585)	3,504	-	(104,387)	(4,585)	-	-
Lease liabilities (Note 32)	11,114	23,669	(4,264)	(263)	683	8,754	-	(263)	-	-
Company										
Lease liabilities (Note 32)	438	366	(72)	-	16	-	-	-	-	-

	Movements		Cash flows		Non-cash changes		Equity component of exchangeable bonds		Foreign exchange movement	
	1 September 2019 RM'000	31 August 2020 RM'000	1 September 2019 RM'000	31 August 2020 RM'000	1 September 2019 RM'000	31 August 2020 RM'000	1 September 2019 RM'000	31 August 2020 RM'000	1 September 2019 RM'000	31 August 2020 RM'000
2020 Group										
Loans and borrowings (Note 29)	2,420,057	540,539	(1,102,157)	(4,585)	33,881	-	(709,673)	(70,124)	-	-
Lease liabilities (Note 32)	13,551	23,669	(2,237)	(784)	518	77	-	(784)	-	-
Company										
Lease liabilities (Note 32)	-	438	(36)	-	7	467	-	-	-	-

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

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

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 August 2021

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 August 2021 (cont'd)

1. CORPORATE INFORMATION

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

The principal activities of the Company are investment holding and provision of management services. The principal activities of the subsidiaries are described in Note 19. There have been no significant changes in the nature of the principal activities during the financial year.

2. BASIS OF PREPARATION

The financial statements of the Group and of the Company have been prepared in accordance with Malaysian Financial Reporting Standards (“MFRS”) as issued by the Malaysian Accounting Standards Board (“MASB”), International Financial Reporting Standards (“IFRS”) as issued by the International Accounting Standards Board 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 2021. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if, and only if, the Group has:

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

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

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

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

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

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

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

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

4.1 Business combinations and goodwill

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

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

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

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

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

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

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

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

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



NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 August 2021 (cont'd)

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

4.1 Business combinations and goodwill (cont'd)

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

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

4.2 Transactions with non-controlling interests

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

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

4.3 Investment in subsidiaries

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

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

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

4.4 Investment in an associate

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

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 August 2021 (cont'd)

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

4.4 Investment in an associate (cont'd)

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

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

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

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

4.5 Intangible assets

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

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

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

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

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

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 August 2021 (cont'd)

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

4.5 Intangible assets (cont'd)

(a) Customer relationships

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

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

(b) Patents

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

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

4.6 Current versus non-current classification

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

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

All other assets are classified as non-current.

A liability is current when:

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

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

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

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 August 2021 (cont'd)

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

4.7 Fair value measurement

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

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

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

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

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

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

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

- Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

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

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

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

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

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

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

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 August 2021 (cont'd)

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

4.8 Foreign currencies

(a) Functional and presentation currency

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

(b) Transactions and balances

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

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

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

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

(c) Group companies

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

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

4.9 Revenue and other income recognition

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

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 August 2021 (cont'd)

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

4.9 Revenue and other income recognition (cont'd)

(a) Sale of goods

The Group is involved in manufacturing and trading of gloves.

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

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

(b) Dividend income

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

(c) Management fees

Management fees are recognised when services are rendered.

(d) Interest income

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

(e) Rental income

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

4.10 Employee benefits

(a) Short term benefits

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

(b) Defined contribution plans

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

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 August 2021 (cont'd)

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

4.10 Employee benefits (cont'd)

(c) Employee share options scheme ("ESOS")

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

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

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

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

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

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

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

4.11 Taxes

(a) Current income tax

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

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

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 August 2021 (cont'd)

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

4.11 Taxes (cont'd)

(b) Deferred tax

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

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

- (i) when the deferred tax liability arises from the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
- (ii) in respect of taxable temporary differences associated with investments in subsidiaries and associate, where the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

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

- (i) when the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
- (ii) in respect of deductible temporary differences associated with investments in subsidiaries and associate, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

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

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

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

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

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 August 2021 (cont'd)

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

4.11 Taxes (cont'd)

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

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

- (i) when the SST incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case, the SST is recognised as part of the cost of acquisition of the assets or as part of the expense item as applicable; and
- (ii) when receivables and payables are stated with the amount of SST included.

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

4.12 Borrowing costs

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

4.13 Property, plant and equipment

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

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

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

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

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

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

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 August 2021 (cont'd)

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

4.14 Investment properties

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

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

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

4.15 Leases

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

(a) Group as a lessee

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

(i) Right-of-use assets

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

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

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

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

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 August 2021 (cont'd)

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

4.15 Leases (cont'd)

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

(ii) Lease liabilities

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

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

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

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

(b) Group as a lessor

Leases in which the Group and the Company do not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Rental income arising is accounted for on a straight-line basis over the lease terms and is included in revenue 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 revenue in the period in which they are earned.

4.16 Inventories

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

- Raw materials, consumables and hardware: purchase costs on a weighted average basis.
- Finished goods and work-in-progress: costs of direct materials and labour and a proportion of manufacturing overheads based on normal operating capacity, excluding borrowing costs.

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

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 August 2021 (cont'd)

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

4.17 Impairment of non-financial assets

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

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

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

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

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

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

4.18 Financial instruments

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

(a) Financial assets

Initial recognition and measurement

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

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 August 2021 (cont'd)

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

4.18 Financial instruments (cont'd)

(a) Financial assets (cont'd)

Initial recognition and measurement (cont'd)

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

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

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

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

Subsequent measurement

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

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

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

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

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

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

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

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

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 August 2021 (cont'd)

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

4.18 Financial instruments (cont'd)

(a) Financial assets (cont'd)

Subsequent measurement (cont'd)

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

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

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

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

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

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

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

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

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

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

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 August 2021 (cont'd)

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

4.18 Financial instruments (cont'd)

(a) Financial assets (cont'd)

Subsequent measurement (cont'd)

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

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

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

Derecognition

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

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

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

Impairment of financial assets

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

ECLs are recognise 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 recognise a loss allowance base on lifetime ECL at each reporting date. The Group has established a provision matrix that is based on historical credit experience. The Group considers forward looking factors do not have significant impact to credit risk given the nature of its industry and the amount of ECLs is insensitive to changes to forecast economic conditions.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 August 2021 (cont'd)

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

4.18 Financial instruments (cont'd)

(a) Financial assets (cont'd)

Impairment of financial assets (cont'd)

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

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

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

(b) Financial liabilities

Initial recognition and measurement

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

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

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

Subsequent measurement

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

(i) Trade and other payables

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

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 August 2021 (cont'd)

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

4.18 Financial instruments (cont'd)

(b) Financial liabilities (cont'd)

Subsequent measurement (cont'd)

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

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

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

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

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

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

(iii) Financial liabilities at amortised cost

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

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

This category generally applies to interest-bearing loans and borrowings and lease liabilities. For more information, refer to Note 29 and Note 32.

Derecognition

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

(c) Offsetting of financial instruments

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

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 August 2021 (cont'd)

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

4.19 Derivative financial instruments and hedging activities

Initial recognition and subsequent measurement

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

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

- Fair value hedges when hedging the exposure to changes in the fair value of a recognised asset or liability or an unrecognised firm commitment;
- Cash flow hedges when hedging the exposure to variability in cash flows that is either attributable to a particular risk associated with a recognised asset or liability or a highly probable forecast transaction or the foreign currency risk in an unrecognised firm commitment; and
- Hedges of a net investment in a foreign operation.

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

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

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

Cash flow hedge

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

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

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

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

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 August 2021 (cont'd)

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

4.20 Cash and bank balances

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

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

4.21 Equity instruments and related expenses

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

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

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

4.22 Treasury shares

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

4.23 Cash dividend and non-cash distribution to equity holders of the Company

The Company recognises a liability to make cash or non-cash distributions to equity holders of the parent when the distribution is authorised and the distribution is no longer at the discretion of the Company. A distribution is authorised when it is approved by the Board of Directors and a corresponding amount is recognised directly in equity.

Non-cash distributions are measured at the fair value of the assets to be distributed with fair value re-measurement recognised directly in equity.

Upon distribution of non-cash assets, any difference between the carrying amount of the liability and the carrying amount of the assets distributed is recognised in profit or loss.

4.24 Provisions

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

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

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 August 2021 (cont'd)

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

4.25 Contract liabilities

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

4.26 Contingencies

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

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

4.27 Segment reporting

For management purposes, the Group is organised into operating segments based on their geographical location which are independently managed by the respective segment managers responsible for the performance of the respective segments under their charge. The segment managers report directly to the management of the Group who regularly review the segment results in order to allocate resources to the segments and to assess the segment performance. Additional disclosures on each of these segments are shown in Note 45, including the factors used to identify the reportable segments and the measurement basis of segment information.

4.28 Biological assets

Biological assets comprise immature planted trees and are classified as non-current assets. It is expected to be harvested and sold.

Immature planted trees are reclassified to mature planted trees when they are commercially productive and available for harvest. In general, a paulownia bearer plant takes about 3 years to reach maturity from the time of planting the seedlings to the field.

Biological assets are measured at fair value less costs to sell. Any gains or losses arising from changes in the fair value less costs to sell are recognised in profit or loss.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 August 2021 (cont'd)

5. NEW AND AMENDED STANDARDS AND INTERPRETATIONS

The accounting policies adopted are consistent with those of the previous financial year except for the adoption of the following new/revised MFRSs, amendments to MFRSs and interpretations:

Description	Effective for annual periods beginning on or after
Amendments to MFRS 3: Definition of a Business	1 January 2020
Amendments to MFRS 9, MFRS 139 and MFRS 7: Interest Rate Benchmark Reform	1 January 2020
Amendments to MFRS 101: Definition of Material	1 January 2020
Amendments to MFRS 108: Definition of Material	1 January 2020
Amendment to MFRS 16: Covid-19-Related Rent Concessions	1 June 2020

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

6. NEW AND AMENDED STANDARDS AND INTERPRETATIONS ISSUED BUT NOT YET EFFECTIVE

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

Description	Effective for annual periods beginning on or after
Amendments to MFRS 9, MFRS 139, MFRS 7, MFRS 4 and MFRS 16: Interest Rate Benchmark Reform - Phase 2	1 January 2021
Amendment to MFRS 16: Covid-19-Related Rent Concessions beyond 30 June 2021	1 April 2021
Annual Improvements to MFRS Standards 2018 - 2020	1 January 2022
Amendments to MFRS 3: Reference to the Conceptual Framework	1 January 2022
Amendments to MFRS 116: Property, Plant and Equipment - Proceeds before Intended Use	1 January 2022
Amendments to MFRS 137: Onerous Contracts - Cost of Fulfilling a Contract	1 January 2022
MFRS 17 Insurance Contracts	1 January 2023
Amendments to MFRS 17 Insurance Contracts	1 January 2023
Amendments to MFRS 101: Classification of Liabilities as Current or Non-current	1 January 2023
Amendments to MFRS 101: Disclosure of Accounting Policies	1 January 2023
Amendments to MFRS 108: Definition of Accounting Estimates	1 January 2023
Amendments to MFRS 112: Deferred Tax related to Assets and Liabilities arising from a Single Transaction	1 January 2023
Amendments to MFRS 10 and MFRS 128: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Deferred

The Group and the Company will adopt the abovementioned standards, amendments and interpretations, if applicable, when they become effective in the respective financial year. These pronouncements are not expected to have any impact to the financial statements of the Group and of the Company upon their initial application.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 August 2021 (cont'd)

7. SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

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

7.1 Judgements made in applying accounting policies

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

Classification between investment properties and property, plant and equipment

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

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

7.2 Estimates and assumptions

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

(a) Inventories costing

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

(b) Impairment of goodwill

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

When value-in-use calculations are undertaken, management must estimate future cash flows from the cash-generating unit and choose a suitable discount rate in order to calculate the present values of those cash flows. Further details of the carrying value, the key assumptions applied in the impairment assessment and sensitivity analysis to changes in the assumptions are disclosed in Note 23.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 August 2021 (cont'd)

8. REVENUE

(a) Disaggregated revenue information

	Group		Company	
	2021 RM'000	2020 RM'000	2021 RM'000	2020 RM'000
Revenue from contracts with customers				
Business units by geographical area				
Malaysia	13,907,278	6,223,145	-	-
Thailand	1,199,387	540,005	-	-
The People's Republic of China	429,918	127,500	-	-
Others	824,860	346,777	-	-
	16,361,443	7,237,427	-	-
Revenue from other sources				
Management fees from subsidiaries	-	-	9,411	5,904
Dividend income from subsidiaries	-	-	6,483,958	1,630,710
	-	-	6,493,369	1,636,614
Total revenue	16,361,443	7,237,427	6,493,369	1,636,614
Timing of revenue recognition				
Goods transferred at a point in time	16,361,443	7,237,427	-	-

(b) Performance obligation

The Group is in the business of selling of gloves and other healthcare 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 (2020: 30 to 90) days.

The transaction price allocated to the remaining performance obligations (unsatisfied) as at 31 August 2021 and 2020 are as follows:

	Group		Company	
	2021 RM'000	2020 RM'000	2021 RM'000	2020 RM'000
Within one year	737,627	879,386	-	-

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

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 August 2021 (cont'd)

9. INTEREST INCOME

	Group		Company	
	2021 RM'000	2020 RM'000	2021 RM'000	2020 RM'000
Interest income from:				
Financial assets at fair value through OCI	3,638	1,006	67	-
Financial assets at amortised cost	7,338	5,456	10,559	5,567
Financial assets at fair value through profit or loss	50,540	17,157	14,192	4,174
Others	59	270	-	-
	61,575	23,889	24,818	9,741

10. OTHER INCOME

	Group		Company	
	2021 RM'000	2020 RM'000	2021 RM'000	2020 RM'000
Realised gain on foreign exchange	20,818	-	-	7
Unrealised gain on foreign exchange	9,174	-	3,546	-
Net fair value gain on derivative financial instruments	2,143	1,703	-	-
Net gain from fair value remeasurement of investment properties (Note 18)	1,846	-	-	-
Net fair value gain on investment in debt securities at fair value through profit or loss	2,591	-	929	-
Rental income	7,551	7,286	-	-
Gain on disposal of debt securities	3,828	2,845	-	-
Gain on disposal of right-of-use assets	-	350	-	-
Sales of scrap items	10,421	6,354	-	-
Insurance claims	196	1,843	-	-
Sundry income	24,743	11,831	-	-
Allowance for inventories written back	-	904	-	-
	83,311	33,116	4,475	7

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 August 2021 (cont'd)

11. PROFIT BEFORE TAX

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

	Group		Company	
	2021 RM'000	2020 RM'000	2021 RM'000	2020 RM'000
Auditors' remuneration:				
Ernst & Young PLT				
- Statutory audit				
- Current year	622	499	80	80
- Under provision in prior year	5	-	-	-
- Other services	1,718	192	1,718	112
Member firm of Ernst & Young Global Limited				
- Other services	556	-	556	-
Other auditors				
- Statutory audit				
- Current year	529	551	-	-
- Under provision in prior year	22	80	-	-
- Other services	6	-	-	-
Inventories written off	32,709	-	-	-
Allowance for inventories written down	80,558	-	-	-
Bad debts written off	124	573	-	-
Depreciation of property, plant and equipment (Note 16)	296,718	237,352	-	-
Depreciation of right-of-use assets (Note 17)	8,215	4,361	77	33
Amortisation of intangible assets (Note 23)	3,731	3,683	-	-
Direct operating expenses arising from investment properties				
- Rental generating property	3,114	2,714	-	-
Impairment loss on investment in subsidiaries (Note 19)	-	-	8,723	-
Net loss on foreign exchange				
- Realised	-	80,949	515	-
- Unrealised	-	786	-	-
Loss on disposal of property, plant and equipment	2	353	-	-
Remediation costs (Note 48(b))	13,924	135,790	-	-
Legal and other professional fees	43,191	23,343	27,572	2,038
Net reversal of allowance for expected credit loss (Note 25)	(13)	(227)	-	-
Impairment loss on other receivables	-	-	3,249	-
Property, plant and equipment written off	44,243	20,223	-	-

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 August 2021 (cont'd)

12. EMPLOYEE BENEFITS EXPENSES

	Group		Company	
	2021 RM'000	2020 RM'000	2021 RM'000	2020 RM'000
Wages and salaries	876,691	608,509	5,275	3,626
Social security costs	11,595	9,013	2	2
Pension costs - defined contribution plan	45,453	31,863	429	412
Share options granted under ESOS	33,983	7,404	2,072	904
Shares granted under ESGP	8,641	1,128	142	134
Other staff related expenses	63,944	36,014	210	184
Executive directors' fees				
- Company	520	520	520	520
- Subsidiaries	55	49	-	-
	1,040,882	694,500	8,650	5,782

Included in employee benefits expenses of the Group and of the Company are executive directors' remuneration amounting to RM8,489,000 (2020: RM6,920,000) and RM6,432,000 (2020: RM5,288,000) respectively.

	Group		Company	
	2021 RM'000	2020 RM'000	2021 RM'000	2020 RM'000
<u>Directors' remuneration</u>				
Directors of the Company				
Executive:				
Salaries and other emoluments	5,380	5,229	3,661	3,693
Pension costs - defined contribution plan	613	430	419	400
Social security contributions	48	2	1	1
Share options granted under ESOS	1,757	629	1,757	597
Shares granted under ESGP	68	-	-	-
Fees	520	520	520	520
Benefits-in-kind	103	110	74	77
	8,489	6,920	6,432	5,288
Non-executive:				
Salaries and other emoluments	517	442	220	186
Fees	1,312	1,589	1,312	1,589
	1,829	2,031	1,532	1,775
Analysis excluding benefits-in-kind:				
Total executive directors' remuneration	8,386	6,810	6,358	5,211
Total non-executive directors' remuneration	1,829	2,031	1,532	1,775
Total directors' remuneration (excluding benefits-in-kind)	10,215	8,841	7,890	6,986
Benefits-in-kind	103	110	74	77
Total directors' remuneration (including benefits-in-kind)	10,318	8,951	7,964	7,063

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 August 2021 (cont'd)

12. EMPLOYEE BENEFITS EXPENSES (CONT'D)

The remuneration of directors is set out below:

	Fees RM'000	Wages and salaries RM'000	Performance related bonus RM'000	Staff welfare expenses RM'000	Share award scheme RM'000	Total RM'000
2021						
Directors of the Company						
Executive	520	5,182	198	764	1,825	8,489
Non-executive	1,312	517	-	-	-	1,829
	1,832	5,699	198	764	1,825	10,318
2020						
Directors of the Company						
Executive	520	4,925	304	542	629	6,920
Non-executive	1,589	442	-	-	-	2,031
	2,109	5,367	304	542	629	8,951

The remuneration of the directors of the subsidiaries during the financial years ended 31 August 2021 and 2020 is set as below:

	Group		Company	
	2021 RM'000	2020 RM'000	2021 RM'000	2020 RM'000
Executive:				
Salaries and other emoluments	4,101	3,985	-	-
Pension costs - defined contribution plan	248	289	-	-
Social security contributions	42	10	-	-
Share options granted under ESOS	584	113	-	-
Shares granted under ESGP	28	1	-	-
Fees	55	49	-	-
Benefits-in-kind	75	139	-	-
	5,133	4,586	-	-
Non-executive:				
Fees	2	2	-	-

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 August 2021 (cont'd)

13. FIVE HIGHEST PAID EMPLOYEES

The five highest paid employees included 4 (2020: 4) directors, details of whose remuneration are set out in Note 12 above. Details of the remuneration of the remaining highest paid employee who is neither a director nor chief executive of the Company are as follows:

	2021 RM'000	2020 RM'000
Salaries, bonuses, allowances and benefits-in-kind	678	623
Equity-settled share based payment expense	283	127
Pension costs - defined contribution plan	78	72
	1,039	822

The number of non-director and non-chief executive highest paid employees of the Group whose remuneration fell within the following bands is as follows:

	Group	
	2021	2020
RM500,001 to RM1,000,000	-	1
RM1,000,001 to RM1,500,000	1	-
	1	1

14. INCOME TAX EXPENSE

Major components of income tax expense

The major components of income tax expense for the financial years ended 31 August 2021 and 2020 are as follows:

	Group		Company	
	2021 RM'000	2020 RM'000	2021 RM'000	2020 RM'000
Current income tax:				
- Malaysian income tax	1,937,525	314,913	3,049	213
- Foreign tax	202,958	46,765	-	-
- Real property gain tax ("RPGT")	-	54	-	-
- Under/(over) provision in respect of previous years	17,146	(5,903)	983	4
	2,157,629	355,829	4,032	217
Deferred income tax (Note 21):				
- Relating to origination and reversal of temporary differences	26,172	18,212	-	-
- Under provision in respect of previous years	26,020	2,680	-	-
	52,192	20,892	-	-
Income tax expense recognised in profit or loss	2,209,821	376,721	4,032	217

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 August 2021 (cont'd)

14. INCOME TAX EXPENSE (CONT'D)

Reconciliation between tax expense and accounting profit

The reconciliation between tax expense and the product of accounting profit multiplied by the applicable corporate tax rate for the financial years ended 31 August 2021 and 2020 are as follows:

	Group		Company	
	2021	2020	2021	2020
	RM'000	RM'000	RM'000	RM'000
Profit before tax	10,033,813	2,165,551	6,465,382	1,637,339
Tax at Malaysian statutory tax rate of 24% (2020: 24%)	2,408,115	519,732	1,551,692	392,961
<u>Adjustments:</u>				
Different tax rates in other countries	(24,341)	(10,954)	-	-
Effects of tax incentives claimed by foreign subsidiaries	(58,790)	(14,121)	-	-
Income not subject to tax	(39,407)	(7,387)	(1,560,011)	(393,497)
Effect of change in RPGT rates	-	(43)	-	-
Non-deductible expenses	43,576	28,077	11,011	745
Effect of income subject to RPGT	-	54	-	-
Expenses entitled for double deduction	-	(1,502)	-	-
Utilisation of tax incentives	(161,134)	(45,434)	-	-
Utilisation of previously unrecognised tax losses and unabsorbed capital allowance	(947)	(119)	-	-
Deferred tax assets not recognised in respect of current year's tax losses and unabsorbed capital allowance	464	477	357	4
Deferred tax assets recognised in respect of previously unrecognised tax losses and unabsorbed capital allowance	(131)	-	-	-
Deferred tax assets recognised in respect of reinvestment allowance	(115)	(89,179)	-	-
Share of results of an associate	(635)	343	-	-
Under provision of deferred tax in respect of previous years	26,020	2,680	-	-
Under/(over) provision of income tax in respect of previous years	17,146	(5,903)	983	4
Income tax expense recognised in profit or loss	2,209,821	376,721	4,032	217

Domestic income tax is calculated at the Malaysian statutory tax rate of 24% (2020: 24%) of the estimated assessable profit for the year. Taxation for other jurisdictions is calculated at the rates prevailing in the respective jurisdictions.

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

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 August 2021 (cont'd)

15. EARNINGS PER SHARE

(a) Basic

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

	2021	2020
Profit net of tax attributable to owners of the parent (RM'000)	7,710,327	1,752,584
Weighted average number of ordinary shares in issue ('000)	8,039,195	2,592,546
Bonus issue subsequent to year end, excluding treasury shares held by the Company ('000)	-	5,417,395
Adjusted weighted average number of ordinary shares in issue and issuable ('000)	8,039,195	8,009,941
Basic earnings per share (sen)		
- before issuance of bonus shares (sen)	95.91	67.60
- after issuance of bonus shares (sen)	95.91	21.88

(b) Diluted

Diluted earnings per share is calculated by dividing profit for the year, net of tax, attributable to owners of the parent (after adjusting for interest on the exchangeable bonds) 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.

	2021	2020
Profit net of tax attributable to owners of the parent (RM'000)	7,710,327	1,752,584
Net interest savings from assumed exchange of Guaranteed Exchangeable Bonds at inception (RM'000)	-	6,970
Adjusted profit net of tax attributable to owners of the parent (RM'000)	7,710,327	1,759,554
Weighted average number of ordinary shares in issue ('000)	8,039,195	2,592,546
Effect of dilution from:		
Assumed exercise of share options ('000)	6,753	5,723
Assumed conversion of exchangeable bonds ('000)	-	17,113
	8,045,948	2,615,382
Bonus issue subsequent to year end, excluding treasury shares held by the Company ('000)	-	5,463,067
Adjusted weighted average number of ordinary shares in issue and issuable ('000)	8,045,948	8,078,449
Diluted earnings per share (sen)		
- before issuance of bonus shares (sen)	95.83	67.28
- after issuance of bonus shares (sen)	95.83	21.78

The weighted average number of ordinary shares issued as at 31 August 2020 have been adjusted to reflect the bonus issue of two for every one existing ordinary share which was completed on 7 September 2020.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 August 2021 (cont'd)

16. PROPERTY, PLANT AND EQUIPMENT

	Land and buildings RM'000	Plant and equipment RM'000	* Other assets RM'000	Capital work-in-progress RM'000	Total RM'000
Group					
Cost					
At 1 September 2019	1,041,478	1,943,980	246,922	309,488	3,541,868
Additions	116,434	375,235	52,688	262,043	806,400
Reclassification	51,533	217,002	12,739	(281,274)	-
Written off	(374)	(39,339)	(2,342)	(75)	(42,130)
Disposals	(1,007)	(23,721)	(703)	(145)	(25,576)
Exchange differences	(2,448)	(6,468)	(550)	(185)	(9,651)
At 31 August 2020/1 September 2020	1,205,616	2,466,689	308,754	289,852	4,270,911
Additions	318,009	363,189	64,908	587,912	1,334,018
Transfer to investment properties (Note 18)	(34,752)	-	-	-	(34,752)
Transfer to right-of-use assets (Note 17)	-	-	-	(4)	(4)
Reclassification	21,378	111,705	18,651	(151,734)	-
Written off	(3,699)	(60,925)	(3,056)	(4,452)	(72,132)
Disposals	(12)	(7,661)	(1,384)	(14)	(9,071)
Exchange differences	(2,746)	(9,222)	(658)	(2,535)	(15,161)
At 31 August 2021	1,503,794	2,863,775	387,215	719,025	5,473,809

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 August 2021 (cont'd)

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

	Land and buildings RM'000	Plant and equipment RM'000	* Other assets RM'000	Capital work-in-progress RM'000	Total RM'000
Group					
Accumulated depreciation					
At 1 September 2019	93,364	852,759	122,605	-	1,068,728
Depreciation charged for the year (Note 11)	14,379	194,051	28,922	-	237,352
Reclassification	(37)	603	(566)	-	-
Written off	(32)	(19,808)	(2,067)	-	(21,907)
Disposals	(342)	(17,519)	(711)	-	(18,576)
Exchange differences	(348)	(4,247)	(328)	-	(4,923)
At 31 August 2020/1 September 2020	106,984	1,005,839	147,855	-	1,260,678
Depreciation charged for the year (Note 11)	16,237	242,977	37,504	-	296,718
Reclassification	(2,805)	(1,576)	4,381	-	-
Written off	(554)	(25,319)	(2,016)	-	(27,889)
Disposals	(3)	(6,505)	(1,303)	-	(7,811)
Exchange differences	(219)	(5,865)	(518)	-	(6,602)
At 31 August 2021	119,640	1,209,551	185,903	-	1,515,094
Net carrying amount					
At 31 August 2020	1,098,632	1,460,850	160,899	289,852	3,010,233
At 31 August 2021	1,384,154	1,654,224	201,312	719,025	3,958,715

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

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 August 2021 (cont'd)

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

Land and buildings

	Freehold land RM'000	Buildings RM'000	Total RM'000
Group			
Cost			
At 1 September 2019	435,466	606,012	1,041,478
Additions	47,128	69,306	116,434
Reclassification	4,438	47,095	51,533
Written off	-	(374)	(374)
Disposals	-	(1,007)	(1,007)
Exchange differences	(767)	(1,681)	(2,448)
At 31 August 2020/1 September 2020	486,265	719,351	1,205,616
Additions	281,949	36,060	318,009
Transfer to investment properties (Note 18)	(34,752)	-	(34,752)
Reclassification	(347)	21,725	21,378
Written off	-	(3,699)	(3,699)
Disposals	-	(12)	(12)
Exchange differences	(1,053)	(1,693)	(2,746)
At 31 August 2021	732,062	771,732	1,503,794
Accumulated depreciation			
At 1 September 2019	-	93,364	93,364
Depreciation charged for the year	-	14,379	14,379
Reclassification	-	(37)	(37)
Written off	-	(32)	(32)
Disposals	-	(342)	(342)
Exchange differences	-	(348)	(348)
At 31 August 2020/1 September 2020	-	106,984	106,984
Depreciation charged for the year	-	16,237	16,237
Reclassification	-	(2,805)	(2,805)
Written off	-	(554)	(554)
Disposals	-	(3)	(3)
Exchange differences	-	(219)	(219)
At 31 August 2021	-	119,640	119,640
Net carrying amount			
At 31 August 2020	486,265	612,367	1,098,632
At 31 August 2021	732,062	652,092	1,384,154

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 August 2021 (cont'd)

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

(a) 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:

	2021 RM'000	2020 RM'000
Buildings	397	-
Plant and equipment	417,904	385,030
Other assets	91,931	78,272
	510,232	463,302

17. RIGHT-OF-USE ASSETS

	Land RM'000	Buildings RM'000	Plant and equipment RM'000	* Other assets RM'000	Total RM'000
Group					
At 1 September 2019	182,897	13,119	638	1,077	197,731
Additions	9,347	108	-	77	9,532
Depreciation charged for the year (Note 11)	(2,674)	(1,319)	(93)	(275)	(4,361)
Disposals	(304)	-	(109)	-	(413)
Exchange differences	(448)	(616)	-	-	(1,064)
At 31 August 2020/1 September 2020	188,818	11,292	436	879	201,425
Additions	388	8,843	77	-	9,308
Transfer from property, plant and equipment (Note 16)	4	-	-	-	4
Depreciation charged for the year (Note 11)	(3,778)	(4,112)	(87)	(238)	(8,215)
Adjustment due to lease modification	10,055	(1,727)	-	-	8,328
Exchange differences	(126)	(75)	-	-	(201)
At 31 August 2021	195,361	14,221	426	641	210,649
Company					
At 1 September 2019	-	-	-	-	-
Additions	-	467	-	-	467
Depreciation charged for the year (Note 11)	-	(33)	-	-	(33)
At 31 August 2020/1 September 2020	-	434	-	-	434
Depreciation charged for the year (Note 11)	-	(77)	-	-	(77)
At 31 August 2021	-	357	-	-	357

* Other assets comprise motor vehicles and office equipment.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 August 2021 (cont'd)

18. INVESTMENT PROPERTIES

	2021 RM'000	2020 RM'000
Group		
Fair value of investment properties:		
At 1 September 2020/2019	163,900	163,900
Additions	26,902	-
Transfer from property, plant and equipment (Note 16)	34,752	-
Net gain from fair value remeasurement (Note 10)	1,846	-
At 31 August	227,400	163,900

Rental income arising from investment properties is RM3,789,000 (2020: RM4,747,000). Direct operating expenses arising from investment properties are disclosed in Note 11.

Reconciliation of fair value:

	Building RM'000	Freehold land RM'000	Total RM'000
Group			
At 1 September 2019/31 August 2020/1 September 2020	136,300	27,600	163,900
Additions	-	26,902	26,902
Transfer from property, plant and equipment (Note 16)	-	34,752	34,752
Net gain from fair value remeasurement (Note 10)	-	1,846	1,846
At 31 August 2021	136,300	91,100	227,400

Fair value hierarchy disclosures for investment properties are in Note 41(ii).

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

(a) Comparison method

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

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

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 August 2021 (cont'd)

18. INVESTMENT PROPERTIES (CONT'D)

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

(b) Investment method

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

	Valuation technique	Significant unobservable inputs	Range	
			2021	2020
Freehold land and building	Investment method (Discounted cash flow method)	Estimated rental value per square foot per month	RM4.50 to RM5.20	RM4.50 to RM5.50
		Term yield rate	6.5%	6.5%
		Occupancy rate	88.0%	92.0%
		Long term vacancy rate	12.0%	10.0%
		Reversionary yield rate	7.0%	7.0%

Using the discounted cash flows method, fair value is estimated using assumptions regarding the benefits and liabilities of ownership over the asset's life including an exit or 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 exit yield is normally separately determined and differs from the discount rate.

The duration of the cash flows and the specific timing of inflows and outflows are determined by events such as rent reviews, lease renewal and related re-letting, redevelopment, or refurbishment. The appropriate duration is typically driven by market behaviour that is a characteristic of the class of real property. Periodic cash flow is typically estimated as gross income less vacancy, non-recoverable expenses, collection losses, lease incentives, maintenance cost, agent and commission costs and other operating and management expenses. The series of periodic net operating income, along with an estimate of the terminal value anticipated at the end of the projection period, is then discounted.

Significant increase/(decrease) in estimated rental value in isolation would result in a significantly higher/(lower) fair value of the property. Significant increases/(decreases) in the long term vacancy rate and yield rates in isolation would result in a significantly lower/(higher) fair value.

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

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 August 2021 (cont'd)

19. INVESTMENT IN SUBSIDIARIES

	Company	
	2021 RM'000	2020 RM'000
Unquoted shares, at cost:		
- In Malaysia	2,043,250	1,618,773
Less: Accumulated impairment losses	(13,568)	(4,845)
	2,029,682	1,613,928
- Outside Malaysia	3,728	3,728
	2,033,410	1,617,656

Movement in accumulated impairment losses:

	Company	
	2021 RM'000	2020 RM'000
At 1 September 2020/2019	(4,845)	(4,845)
Impairment losses (Note 11)	(8,723)	-
At 31 August	(13,568)	(4,845)

In the financial year ended 31 August 2021, the Company made an allowance for impairment loss on investments in Great Glove (Malaysia) Sdn. Bhd. and Top Glove Labuan Ltd. of RM500,000 and RM8,223,000 respectively. The allowance was made after considering the measurable decrease in the recoverable amount of the investments.

(a) Incorporation of TG Worldwide Sdn. Bhd. ("TG Worldwide")

On 18 August 2021, the Company incorporated TG Worldwide 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 Worldwide upon which, TG Worldwide became a wholly-owned subsidiary of the Company.

(b) Acquisition of additional equity interest in subsidiaries

(i) Top Care Sdn. Bhd.

On 26 February 2021, Top Care Sdn. Bhd., a wholly-owned subsidiary of the Company had increased its share capital from RM685,653,000 to RM1,101,907,000.

(ii) Top Glove Labuan Ltd.

On 8 March 2021, Top Glove Labuan Ltd., a wholly-owned subsidiary of the Company had increased its share capital from RM4 to RM8,223,000.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 August 2021 (cont'd)

19. INVESTMENT IN SUBSIDIARIES (CONT'D)

Details of the subsidiaries are as follows:

Name	Country of incorporation/ principal place of business	Proportion of ownership interest (%)		Principal activities
		2021	2020	
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
Top Care Sdn. Bhd.*	Malaysia	100	100	Investment holding
GMP Medicare Sdn. Bhd.*	Malaysia	100	100	Manufacturing and trading of gloves and rubber products and general trading
Eastern Press Sdn. Bhd.#	Malaysia	100	100	Manufacturing of packaging materials, boxes and cartons
Top Feel Sdn. Bhd.#	Malaysia	100	100	Manufacture and sale of condoms, rubber related products, and disposable and medical face masks
Top Glove Labuan Ltd.#	Malaysia	100	100	Investment holding
Top Glove Global Sdn. Bhd.#	Malaysia	100	100	Provision of management services
TG Healthcare Sdn. Bhd.#	Malaysia	100	100	Manufacturing and trading of personal care and home care products
TG Worldwide**	Malaysia	100	-	Trading and provision of value added services

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 August 2021 (cont'd)

19. 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 (%)		Principal activities
		2021	2020	
Held through Top Glove Sdn. Bhd.:				
Great Glove (Thailand) Co. Ltd.#	Thailand	74	74	Manufacturing and trading of gloves
Top Glove Medical (Thailand) Co. Ltd.#^	Thailand	100	100	Manufacturing and trading of gloves
Top Glove Technology (Thailand) Co. Ltd.#	Thailand	100	100	Producing and selling rubber products
B Tech Industry Co. Ltd.#	Thailand	100	100	Producing and selling concentrate latex
Top Quality Gloves (Thailand) Co. Ltd.#	Thailand	100	100	Dormant
Top Glove Europe GmbH#	Germany	97.5	97.5	Trading of gloves
Great Glove (Xinghua) Co. Ltd.#	The People's Republic of China	100	100	Manufacturing and trading of gloves
TG Medical Suzhou Co. Ltd.#	The People's Republic of China	100	100	Trading of gloves
Top Glove International Sdn. Bhd.#	Malaysia	100	100	Research and development on gloves and rubber goods and provision of analytical services
Top Glove Properties Sdn. Bhd.#	Malaysia	100	100	Property investment, consultancy services and electrical engineering works
Medi-Flex Pte. Ltd.#	Singapore/ Malaysia	100	100	Investment holding
BestStar Enterprise Ltd.*	The British Virgin Islands/ Malaysia	100	100	Investment holding
Flexitech Sdn. Bhd.*	Malaysia	100	100	Manufacturing of gloves, general trading, property investment
TG Porcelain Sdn. Bhd.#	Malaysia	100	100	Manufacturing of formers
TGGD Medical Clinic Sdn. Bhd.#	Malaysia	75	75	Providing of clinical and specialist medical services, medical related consultancy and advisory services and emergency medical services

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 August 2021 (cont'd)

19. 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 (%)		Principal activities
		2021	2020	
Held through Top Glove Sdn. Bhd. (cont'd):				
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
Held through Great Glove (Malaysia) Sdn. Bhd.:				
TG Meditech Sdn. Bhd.#	Malaysia	100	100	Manufacturing and trading of healthcare products
Held through TG Medical Sdn. Bhd.:				
Top Healthy Fitness Sdn. Bhd.#	Malaysia	100	100	Establishing and maintaining of fitness related business, including healthcare, slimming centres, gymnasiums and other related activities
TG Raytech Sdn. Bhd.#	Malaysia	98.9	97.5	Providing innovative healthcare related products and service solutions
Top Synthetic Rubber Sdn. Bhd.#	Malaysia	100	100	Manufacturing and trading of chemical products
Held through Great Glove (Xinghua) Co. Ltd.:				
TG Medical (Xinghua) Co. Ltd.#	The People's Republic of China	100	100	Trading of gloves and healthcare related products
TG Medical (Putian) Co. Ltd.#	The People's Republic of China	100	100	Trading of gloves and healthcare related products

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 August 2021 (cont'd)

19. 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 (%)		Principal activities
		2021	2020	
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	-	Manufacturing of rubber gloves
Held through Top Feel Sdn. Bhd.:				
Duramedical Sdn. Bhd.#	Malaysia	85	85	Manufacturing of rubber dental dams and exercise bands
Held through Best Advance Resources Limited:				
PT. Topglove Indonesia#^^	Indonesia	100	100	Providing management services in plantation sector and processing of plantation produce
Held through PT. Topglove Indonesia:				
PT. Agro Pratama Sejahtera#	Indonesia	95	95	Industrial Forest Plantation
Held through PT. Agro Pratama Sejahtera:				
PT. Top Green Forestry#Ω	Indonesia	57	57	Forestry and Industry
Held through Aspion Sdn. Bhd.:				
Adventa Health Sdn. Bhd.*	Malaysia	100	100	Distribution of medical gloves and other hospital related products
Terang Nusa (Malaysia) Sdn. Bhd.*	Malaysia	100	100	Manufacturing and distribution of sterile surgical gloves
Cytotec (M) Sdn. Bhd.*	Malaysia	100	100	Generation and supply of energy and electricity using biomass technology
Purnabina Sdn. Bhd.*^^^	Malaysia	97.2	97.2	Manufacturing and distribution of medical gloves
Sentiex Sdn. Bhd.*	Malaysia	100	100	Manufacturing and distribution of medical gloves and synthetic latex

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 August 2021 (cont'd)

19. 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 (%)		Principal activities
		2021	2020	
Held through Aspion Sdn. Bhd. (cont'd):				
Terang Nusa Sdn. Bhd.*	Malaysia	100	100	Dormant
Ulma International GmbH@	Germany	100	100	Distribution of medical gloves and other hospital related products
Suizze Health Ltd#	Hong Kong/ Malaysia	100	100	Investment holding
Held through GMP Medicare Sdn. Bhd.:				
TG Ecommerce Sdn. Bhd.#	Malaysia	100	100	E-commerce activities for glove trading and other healthcare products
Held through Suizze Health Ltd:				
Kevenoll Do Brasil Produtos Medicos Hospitalares LTDA#^^^	Brazil	100	100	Distribution of medical products and medical devices
Held through Top Glove Properties Sdn. Bhd.:				
Healthy Hostel Sdn. Bhd.#	Malaysia	100	-	Provision of accommodation services
* Audited by Ernst & Young PLT				
# Audited by firms other than Ernst & Young PLT				
## Audited by firms other than Ernst & Young PLT for the financial year ended 31 August 2020, and audited by Ernst & Young PLT since the financial year ended 31 August 2021				
** No auditors' report on the financial statements was issued as it was newly incorporated during the financial year				
@ Statutory audit is not required under local regulations				
^ The total equity interests held by the Group is 100% and it is held by the following subsidiaries:				
		2021	2020	
(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:				
		2021	2020	
(i)	Best Advance Resources Limited	99.9%	99.9%	
(ii)	Green Resources Limited	0.1%	0.1%	

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 August 2021 (cont'd)

19. INVESTMENT IN SUBSIDIARIES (CONT'D)

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

	2021	2020
(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:

	2021	2020
(i) Aspion Sdn. Bhd.	0.1%	0.1%
(ii) Suizze Health Ltd	99.9%	99.9%

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

	2021	2020
PT. Agro Pratama Sejahtera	60.0%	60.0%

Changes in group structure

(a) Incorporation of Healthy Hostel Sdn. Bhd. ("Healthy Hostel")

On 22 December 2020, the Company, through its wholly-owned subsidiary, Top Glove Properties Sdn. Bhd., incorporated Healthy Hostel under the Companies Act 2016 with an issued and paid up capital of RM1.00 comprising 1 ordinary share. Top Glove Properties Sdn. Bhd. owns the entire issued and paid-up share capital of Healthy Hostel upon which, Healthy Hostel became a wholly-owned indirect subsidiary of the Company.

(b) Incorporation of TG Efficient Sdn. Bhd. ("TG Efficient")

On 30 June 2021, the Company, through its wholly-owned subsidiary, Top Care Sdn. Bhd., incorporated TG Efficient under the Companies Act 2016 with an issued and paid up capital of RM10,000 comprising 10,000 ordinary shares. Top Care Sdn. Bhd. owns the entire issued and paid-up share capital of TG Efficient upon which, TG Efficient became a wholly-owned indirect subsidiary of the Company.

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

On 9 April 2021, TG Raytech issued 20,200,000 ordinary shares, which was fully subscribed by TG Medical Sdn. Bhd. for a cash consideration of RM20,200,000, increasing TG Medical Sdn. Bhd.'s equity interest in TG Raytech from 97.5% to 98.9%. The accretion of equity interest is not expected to have material effects on the financial position of the Group.

(d) Non-controlling interests

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

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 August 2021 (cont'd)

20. INVESTMENT IN AN ASSOCIATE

	Group	
	2021 RM'000	2020 RM'000
Unquoted shares at cost	12,204	12,204
Share of post-acquisition reserves	865	(1,779)
	13,069	10,425

Details of the associate are as follows:

Name	Country of incorporation/ principal place of business	Proportion of ownership interest (%)		Principal activities
		2021	2020	
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 2021 and 2020.

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

	Group	
	2021 RM'000	2020 RM'000
Assets and liabilities		
Non-current assets	250,017	250,019
Current assets	5,258	4,285
Total assets	255,275	254,304
Non-current liabilities	-	(195,955)
Current liabilities	(206,870)	(19,737)
Total liabilities	(206,870)	(215,692)
Net assets	48,405	38,612
Results		
Revenue	8,027	9,713
Profit/(loss) for the year	9,793	(5,289)

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 August 2021 (cont'd)

20. INVESTMENT IN AN ASSOCIATE (CONT'D)

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

	Group	
	2021 RM'000	2020 RM'000
Net assets of the associate as at 1 September 2020/2019	38,612	43,901
Profit/(loss) for the year	9,793	(5,289)
Net assets of the associate as at 31 August	48,405	38,612
Group's share of net assets	13,069	10,425

21. DEFERRED TAX LIABILITIES/(ASSETS)

Deferred income tax as at 31 August 2021 and 2020 relates to the following:

	Deferred tax liabilities		Deferred tax assets		
	Property, plant and equipment and right-of-use assets RM'000	Others RM'000	Unabsorbed export allowance, business losses, capital and reinvestment allowance RM'000	Others RM'000	Total RM'000
Group					
At 1 September 2019	150,838	12,512	(62,108)	-	101,242
Recognised in profit or loss (Note 14)	33,776	(479)	23,074	(35,479)	20,892
Exchange differences	-	-	-	265	265
At 31 August 2020/1 September 2020	184,614	12,033	(39,034)	(35,214)	122,399
Recognised in profit or loss (Note 14)	61,988	(2,130)	20,873	(28,539)	52,192
Exchange differences	-	-	-	(464)	(464)
At 31 August 2021	246,602	9,903	(18,161)	(64,217)	174,127

Presented after appropriate offsetting as follows:

	Group	
	2021 RM'000	2020 RM'000
Deferred tax assets	(17,073)	(19,589)
Deferred tax liabilities	191,200	141,988
	174,127	122,399

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 August 2021 (cont'd)

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

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.

On the other hand, effective from year of assessment 2019 as announced in the annual budget 2019, the unutilised tax losses of the Group as at 31 August 2019 and thereafter will only be available for carry forward for a period of 7 consecutive years. Upon expiry of the 7 years, the unutilised losses will be disregarded.

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.

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

	Group		Company	
	2021 RM'000	2020 RM'000	2021 RM'000	2020 RM'000
Unutilised tax losses	2,871	5,007	1,383	1,383
Unabsorbed capital allowances	294	2,198	21	14
Other deductible temporary differences	1,492	10	1,491	10
	4,657	7,215	2,895	1,407

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

22. INVESTMENT SECURITIES

	Group		Company	
	2021 RM'000	2020 RM'000	2021 RM'000	2020 RM'000
Current				
<i>Money market funds (quoted in Malaysia)</i>				
- Financial assets at fair value through profit or loss	1,323,297	1,674,631	578,568	709,075
<i>Debt securities (quoted outside Malaysia)</i>				
- Financial assets at fair value through OCI	103,423	-	4,288	-
- Financial assets at fair value through profit or loss	203,199	-	93,019	-
	306,622	-	97,307	-
	1,629,919	1,674,631	675,875	709,075
Non-current				
<i>Unquoted investments: Golf club membership</i>				
- Financial assets at fair value through profit or loss	392	392	-	-
Total investment securities	1,630,311	1,675,023	675,875	709,075

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 August 2021 (cont'd)

23. INTANGIBLE ASSETS

	Goodwill RM'000	Customer relationship RM'000	Patent RM'000	Total RM'000
Group				
Cost				
At 1 September 2019	980,691	40,477	16	1,021,184
Additions	-	-	32	32
At 31 August 2020/1 September 2020	980,691	40,477	48	1,021,216
Additions	-	-	207	207
At 31 August 2021	980,691	40,477	255	1,021,423
Accumulated amortisation				
At 1 September 2019	-	5,213	1	5,214
Amortisation during the year (Note 11)	-	3,680	3	3,683
At 31 August 2020/1 September 2020	-	8,893	4	8,897
Amortisation during the year (Note 11)	-	3,680	51	3,731
At 31 August 2021	-	12,573	55	12,628
Net carrying amount				
At 31 August 2020	980,691	31,584	44	1,012,319
At 31 August 2021	980,691	27,904	200	1,008,795

Goodwill has been allocated to CGUs identified as follows:

	Group	
	2021 RM'000	2020 RM'000
Aspion Sdn. Bhd.	933,954	933,954
Eastern Press Sdn. Bhd.	21,597	21,597
B Tech Industry Co. Ltd.	14,789	14,789
GMP Medicare Sdn. Bhd.	5,070	5,070
Top Glove Medical (Thailand) Co. Ltd.	2,946	2,946
Duramedical Sdn. Bhd.	2,335	2,335
	980,691	980,691

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 August 2021 (cont'd)

23. INTANGIBLE ASSETS (CONT'D)

Key assumptions used in value-in-use calculations

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

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

- (i) Growth rate for the 5 years projection is determined based on the management's estimate on the industry trends and past performances of the segments, thereafter terminal growth rate is assumed to be 1% (2020: 0%).
- (ii) An average pre-tax discount rate of 12.78% (2020: 14.04%) was applied in determining the recoverable amount of the unit. The discount rate was estimated based on a weighted average cost of capital of the Company.

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

Sensitivity to changes in key assumptions

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

Increase in discount rate 2.8%

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 7 years (2020: 8 years).

Patent

The cost of patent with estimated economic definite useful life is amortised over a period ranging from 9 to 20 years (2020: 9 to 17 years), with remaining amortisation period ranging from 6 to 19 years (2020: 7 to 17 years).

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 August 2021 (cont'd)

24. INVENTORIES

	Group	
	2021 RM'000	2020 RM'000
Cost		
Raw materials	165,069	130,605
Consumables and hardware	4,236	6,610
Work-in-progress	89,876	83,692
Finished goods	734,885	301,551
	994,066	522,458
Net realisable value		
Raw materials	10,246	214
Work-in-progress	10,077	6,746
Finished goods	130,316	1,311
	150,639	8,271
	1,144,705	530,729

During the year, the amount of inventories recognised as an expense of the Group amounted to RM5,259 million (2020: RM4,387 million).

25. TRADE AND OTHER RECEIVABLES

	Group	
	2021 RM'000	2020 RM'000
Trade receivables		
Third parties	542,485	772,250
Less: Allowance for expected credit loss	(1,189)	(1,146)
Trade receivables, net	541,296	771,104
Other receivables		
Sundry receivables	18,713	19,440
Refundable deposits	6,290	8,261
	25,003	27,701
Total trade and other receivables	566,299	798,805
Total trade and other receivables	566,299	798,805
Add: Cash and bank balances (Note 28)	878,446	1,208,559
Financial assets at amortised cost	1,444,745	2,007,364

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 August 2021 (cont'd)

25. TRADE AND OTHER RECEIVABLES (CONT'D)

	Company	
	2021 RM'000	2020 RM'000
Other receivables		
Amounts due from subsidiaries	261,137	605,844
Sundry receivables	548	-
Total other receivables	261,685	605,844
Total other receivables	261,685	605,844
Add: Cash and bank balances (Note 28)	5,555	257,481
Financial assets at amortised cost	267,240	863,325

(a) Trade receivables

Trade receivables are non-interest bearing and are generally on 30 to 90 days (2020: 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 2021 and 2020, based on the invoice date and net of loss allowance, is as follows:

	Group	
	2021 RM'000	2020 RM'000
1 to 30 days	209,863	486,809
31 to 60 days	120,535	201,909
61 to 90 days	113,349	68,215
91 to 120 days	73,199	4,970
More than 121 days	24,350	9,201
	541,296	771,104

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

	Group	
	2021 RM'000	2020 RM'000
Neither past due nor impaired	312,462	597,534
1 to 30 days past due not impaired	54,230	165,854
31 to 60 days past due not impaired	34,092	7,053
61 to 90 days past due not impaired	36,714	208
91 to 120 days past due not impaired	35,653	85
More than 121 days past due not impaired	68,145	370
	228,834	173,570
Impaired	1,189	1,146
	542,485	772,250

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 August 2021 (cont'd)

25. TRADE AND OTHER RECEIVABLES (CONT'D)

(a) Trade receivables (cont'd)

Receivables that are neither past due nor impaired

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

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

Receivables that are past due but not impaired

The Group has trade receivables amounting to RM228,834,000 (2020: RM173,570,000) that are past due at the reporting date but not impaired. These receivables are unsecured in nature.

Receivables that are impaired

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

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.

Movements in the allowance accounts:

	Group	
	2021 RM'000	2020 RM'000
At 1 September 2020/2019	1,146	2,809
Written off	-	(1,184)
Allowance for expected credit loss during the year	-	272
Reversal of allowance for expected credit loss during the year	(13)	(499)
Exchange differences	56	(252)
At 31 August	1,189	1,146

(b) Related party balances

Amounts due from subsidiaries are unsecured, non-interest bearing and are repayable on demand except for an amount of RM241,114,000 (2020: RM605,641,000) which bears interest ranging from 0.54% to 2.62% (2020: 2.63% to 4.00%) per annum

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 August 2021 (cont'd)

26. OTHER CURRENT ASSETS

	Group		Company	
	2021 RM'000	2020 RM'000	2021 RM'000	2020 RM'000
Prepaid operating expenses	39,368	34,337	3,432	11
Goods and service tax refundable	22,414	14,526	-	-
Advances to suppliers for raw materials	7,605	7,439	-	-
Advances to suppliers for property, plant and equipment	48,787	18,582	-	-
	118,174	74,884	3,432	11

27. DERIVATIVE FINANCIAL INSTRUMENTS

	Group			
	2021 RM'000		2020 RM'000	
	Contract/ Notional amount	Fair value	Contract/ Notional amount	Fair value
Forward currency contracts				
- Derivative financial assets	175,464	2,411	269,247	45
- Derivative financial liabilities	53,947	(230)	-	-

As at 31 August 2021, the Group held forward currency contracts designated as hedges of expected future sales to customers for which the Group has firm commitments. Forward currency contracts used to hedge the Group's sales are denominated in United States Dollars ("USD") and Euro for which firm commitments existed at the reporting date, extending to January 2022 (2020: November 2020).

During the financial year, the Group recognised a gain of RM2,143,000 (2020: gain of RM1,703,000) in profit or loss arising from changes in the fair value of the forward currency contracts.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 August 2021 (cont'd)

28. CASH AND BANK BALANCES

	Group		Company	
	2021 RM'000	2020 RM'000	2021 RM'000	2020 RM'000
Cash on hand and at banks	703,921	1,090,505	5,555	257,481
Deposits with licensed banks and other financial institutions	174,525	118,054	-	-
Cash and bank balances	878,446	1,208,559	5,555	257,481
Less:				
Deposits pledged with banks with maturity of more than 3 months	(3,248)	(2,883)	-	-
Monies held in debt service reserve account for credit facility	-	(729)	-	-
Cash and cash equivalents	875,198	1,204,947	5,555	257,481

Deposits with licensed banks and other financial institutions of the Group amounting to RM3,248,000 (2020: RM2,883,000) are pledged to banks for credit facilities granted to the Group.

Included in cash and bank balances in the previous financial year was an amount of RM729,000 pledged to a financial institution for credit facility granted to the Group as disclosed in Note 29(a), hence was not available for general use.

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	
	2021	2020
Weighted average effective interest rates	1.10%	0.24%
Maturity days	7 to 217 days	21 to 518 days

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 August 2021 (cont'd)

29. LOANS AND BORROWINGS

	Maturity	Group	
		2021 RM'000	2020 RM'000
Current			
<i>Secured:</i>			
RM Term loan	2021	-	2,041
<i>Unsecured:</i>			
USD Revolving credit	2022	10,308	-
EUR Revolving credit	2022/2021	179,526	176,878
JPY Revolving credit	2022/2021	88,902	91,430
RM Revolving credit	2021	-	1,900
THB Promissory notes	2022/2021	3,203	37,974
EUR Term loan	2022	20,067	-
USD Term loan	2022	6,948	-
RM Term loan	2022/2021	3,750	3,976
		312,704	312,158
Total current loans and borrowings		312,704	314,199

Non-current

<i>Secured:</i>			
RM Term loan	2023	-	4,220
<i>Unsecured:</i>			
RM Term loan	2023/2023 - 2025	938	8,034
EUR Term loan	2025	68,633	64,606
USD Term loan	2025	76,431	30,891
THB Term loan	2025	-	9,026
USD Exchangeable bonds	2024	-	109,563
		146,002	222,120
Total non-current loans and borrowings		146,002	226,340
Total loans and borrowings		458,706	540,539

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

	2021	2020
Promissory notes	1.1%	1.1% to 2.0%
Revolving credit	0.3% to 2.0%	0.3% to 3.9%
Term loan	0.8% to 4.4%	0.9% to 4.4%
Exchangeable bonds	Nil	3.8%

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 August 2021 (cont'd)

29. LOANS AND BORROWINGS (CONT'D)

The remaining maturities of the loans and borrowings are as follows:

	Group	
	2021 RM'000	2020 RM'000
On demand or within one year	312,704	314,199
More than one year and less than two years	56,189	134,154
More than two years and less than five years	89,813	89,633
More than five years	-	2,553
	458,706	540,539

- (a) In the previous financial year, the RM term loan of the Group was secured by monies held in debt service reserve account of the Group with a financial institution as disclosed in Note 28.
- (b) On 1 March 2019, Top Glove Labuan Ltd., a wholly-owned subsidiary of the Company issued USD200 million (approximately RM814.40 million) in aggregate principal amount of 2.0% Guaranteed Exchangeable Bonds which is due in 2024 (the "Bonds").

During the year, the principal amount of USD25,646,000 (2020: USD174,354,000) exchangeable bonds were converted into 50,351,869 (2020: 116,339,801) ordinary shares of the Company at the option of the bondholders.

The weighted average effective interest rates as at 31 August 2021 for exchangeable bonds is nil (2020: 3.8%) per annum.

Each bond entitles its registered holder to exchange for fully paid ordinary shares of the Company, at an adjusted exchange price of RM6.10 per share at a fixed exchange rate of USD1.00 = RM4.0703. The exchange price is subject to adjustments in accordance with the terms and conditions of the Bonds as set out in the offering circular dated 20 February 2019.

On 7 September 2020, the Company completed the bonus issue of two for every one existing ordinary share held in the Company, subsequent to which the conversion of exchangeable bonds were at an adjusted exchange price of RM2.03 per share.

The net proceeds from the issue of the Bonds were utilised to refinance the existing debt of the related companies and payment of fees and expenses relating to the Bonds issue.

The principal features of the Bonds which mature on 1 March 2024 ("maturity date") are as follows:

- (i) The Bonds bear interest at the rate of 2.0% calculated semi-annually and payable on 1 March and 1 September each year.
- (ii) The Bonds are unconditionally and irrevocably guaranteed by the Company and are subject to negative pledge.
- (iii) Redemption price at maturity is 109.53%. The redemption price was determined based on the issue price, coupon rate and yield of the Bonds.
- (iv) Early redemption amount
An amount which, for each USD1,000 principal amount of such Bonds, together with accrued but unpaid interest from the immediately preceding interest payment date and after taking into account any interest paid in respect of the Bonds in the preceding periods, represents for the bondholder on the relevant date a gross yield of 3.75% per annum calculated on a semi-annual basis.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 August 2021 (cont'd)

29. LOANS AND BORROWINGS (CONT'D)

- (b) The principal features of the Bonds which mature on 1 March 2024 ("maturity date") are as follows (cont'd):

- (v) Redemption at the option of issuer
At any time on or after 16 March 2022, but not less than seven business days prior to the Maturity Date, in whole but not in part, at the Early Redemption Amount together with accrued but unpaid interest if the closing price of the Company's shares on Bursa Malaysia Securities Berhad for each of 20 consecutive trading days in any 30 consecutive trading day period, the last of which occurs not more than 5 trading days prior to the date upon which notice of such redemption was given, is at least 130% of the applicable Early Redemption Amount divided by the Exchange Ratio, in effect on such trading day.
- At any time, in whole but not in part, at the Early Redemption Amount together with accrued but unpaid interest in the event the principal amount of the Bonds outstanding is 10% or less of the aggregate principal amount originally issued.
- (vi) Redemption at the option of bondholders
Upon the occurrence of the following events, the bondholders may be entitled to exercise a right prior to the maturity date to require the Issuer to redeem all or part of the Bonds in cash:
- (a) On 1 March 2022, in whole or in part, at 105.50% of their principal amount together with accrued but unpaid interest.
- (b) Following the occurrence of a change of control, the bondholders will have the right at such holder's option, to require the Issuer to redeem in whole but not in part such holders' Bonds at their early redemption amount, together with accrued but unpaid interest.
- (c) In the event the Company's shares cease to be listed or admitted to trading on Bursa Malaysia Securities Berhad and are not listed on an Alternative Stock Exchange or, if applicable, cease to be listed or admitted to trading on an Alternative Stock Exchange, or are suspended for a period equal to or exceeding 45 consecutive days on Bursa Malaysia Securities Berhad or an Alternative Stock Exchange, as the case may be, each bondholder shall have the right at such bondholders' option to require the Issuer to redeem all (but not less than all) of such bondholders' Bonds at their early redemption amount, together with accrued but unpaid interest.
- (vii) Final redemption
All Bonds which are not redeemed, exchanged, or purchased and cancelled in the manner allowed pursuant to the terms and conditions of the Bonds shall be redeemed in cash by the Issuer on 1 March 2024 at the redemption price together with accrued but unpaid interest.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 August 2021 (cont'd)

30. TRADE AND OTHER PAYABLES

	Group		Company	
	2021 RM'000	2020 RM'000	2021 RM'000	2020 RM'000
Trade payables	228,255	357,057	-	-
Other payables				
Accrued operating expenses	292,364	273,206	22,935	2,091
Sundry payables	171,742	180,561	125	480
	464,106	453,767	23,060	2,571
Total trade and other payables	692,361	810,824	23,060	2,571
Total trade and other payables	692,361	810,824	23,060	2,571
Add: Loans and borrowings (Note 29)	458,706	540,539	-	-
Lease liabilities (Note 32)	23,669	11,114	366	438
Total financial liabilities carried at amortised cost	1,174,736	1,362,477	23,426	3,009

(a) Trade payables

An ageing analysis of the trade payables as at 31 August 2021 and 2020, based on the invoice date, is as follows:

	Group	
	2021 RM'000	2020 RM'000
1 to 30 days	160,897	239,090
31 to 60 days	31,094	66,635
61 to 90 days	34,516	43,244
More than 90 days	1,748	8,088
	228,255	357,057

These amounts are non-interest bearing. The normal trade credit term granted to the Group ranges from 30 to 90 days (2020: 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 (2020: 30 to 90 days).

Included in accrued operating expenses are remediation costs amounting to nil (2020: RM131,391,000) for recruitment fees previously paid by the migrant workers to the agents or other parties. Detailed information in relation to the payment of these fees is disclosed in Note 48(b).

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 August 2021 (cont'd)

31. CONTRACT LIABILITIES

Contract liabilities represent advance payments received from customers. These advances are refundable to the customers shall the customers choose to cancel their orders.

The movement of contract liabilities is as follows:

	Group	
	2021 RM'000	2020 RM'000
At 1 September 2020/2019	879,386	55,610
Revenue recognised during the year	(6,342,444)	(2,136,632)
Advance payments received during the year	6,199,058	2,960,536
Exchange differences	1,627	(128)
At 31 August	737,627	879,386

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, ambulance 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	
	2021 RM'000	2020 RM'000	2021 RM'000	2020 RM'000
At 1 September 2020/2019	11,114	13,551	438	-
Additions	8,754	77	-	467
Accretion of interest	683	518	16	7
Payments	(4,947)	(2,248)	(88)	(36)
Adjustment due to lease modification	8,328	-	-	-
Exchange differences	(263)	(784)	-	-
At 31 August	23,669	11,114	366	438

Analysed into:

Repayable within 12 months	5,542	1,442	74	72
Repayable after 12 months	18,127	9,672	292	366
	23,669	11,114	366	438

The maturity analysis of lease liabilities for the financial years ended 31 August 2021 and 2020 is disclosed in Note 42(c).

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 August 2021 (cont'd)

32. LEASE LIABILITIES (CONT'D)

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

	Group		Company	
	2021 RM'000	2020 RM'000	2021 RM'000	2020 RM'000
Depreciation of right-of-use assets (Note 11)	8,215	4,361	77	33
Interest expense on lease liabilities	683	518	16	7
Expenses related to short-term, low-value and variable leases	9,580	6,267	-	51
Total amount recognised in profit or loss	18,478	11,146	93	91

The Group and the Company had total cash outflows for leases amounting to RM14,527,000 and RM88,000 respectively for the financial year ended 31 August 2021 (2020: RM8,515,000 and RM87,000 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			
	2021		2020	
	Number of shares '000	Monetary value RM'000	Number of shares '000	Monetary value RM'000
Issued and fully paid				
At 1 September 2020/2019	2,708,825	1,675,704	2,560,589	788,326
Bonus issue	5,418,718	-	-	-
Exercise of ESOS (Note 38(i))	28,969	58,061	31,896	167,230
Conversion of exchangeable bonds to ordinary shares (Note 29)	50,352	104,387	116,340	709,673
Transfer from share option reserve	-	4,002	-	10,892
Transaction cost	-	(500)	-	(417)
At 31 August	8,206,864	1,841,654	2,708,825	1,675,704

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

- issuance of 5,418,718,116 ordinary shares through a bonus issue on the basis of two new ordinary shares for every one existing ordinary share held in the Company, by way of nil consideration;
- issuance of 28,968,800 (2020: 31,896,100) ordinary shares pursuant to the Company's ESOS at an exercise price between RM1.54 to RM6.55 (2020: between RM4.63 to RM12.75) per ordinary share; and
- conversion of 50,351,869 (2020: 116,339,801) units of 5-year Guaranteed Exchangeable Bonds 2019/2024 (equivalent to RM104,387,000 (2020: RM709,673,000) based on a settlement rate of USD1.00:RM4.0703) into 533,809 and 49,818,060 new ordinary shares at an adjusted exchange price of RM6.10 and RM2.03 respectively (2020: 116,339,801 new ordinary shares at an adjusted exchange price of RM6.10).

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

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 August 2021 (cont'd)

34. TREASURY SHARES

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

The shareholders of the Company, by an ordinary resolution passed in the annual general meeting held on 8 January 2020, renewed their approval for the Company's plan to repurchase its own shares. The directors of the Company are committed in enhancing the value of the Company to its shareholders and believe that the Share Buy Back can be applied in the best interests of the Company and its shareholders.

During the financial year:

- the Company repurchased 200,167,700 ordinary shares from the open market at an average price of RM7.11 per share. The total consideration paid for the repurchase including transaction costs was RM1,424,095,000.
- the Company transferred 2,238,700 treasury shares to eligible employees under the ESGP at an average market price of RM3.86 per share. The total transferred treasury shares net of transaction costs were RM8,641,000. The difference between the transferred treasury shares and the cost of the treasury shares which amounted to RM3,699,000 was recognised in equity.

In the previous financial year, the Company transferred 114,000 treasury shares to eligible employees under the ESGP at an average market price of RM9.89 per share. The total transferred treasury shares net of transaction costs were RM1,128,000. The difference between the transferred treasury shares and the cost of the treasury shares which amounted to RM866,000 was recognised in equity.

Of the total 8,206,864,000 (2020: 2,708,825,000) issued and fully paid ordinary shares as at 31 August 2021, 199,913,800 (2020: 661,600) are held as treasury shares by the Company. As at 31 August 2021, the number of outstanding ordinary shares in issue and fully paid is therefore 8,006,950,200 (2020: 2,708,163,400) ordinary shares.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 August 2021 (cont'd)

35. OTHER RESERVES

	Foreign exchange reserve RM'000	Legal reserve RM'000	Share option reserve RM'000	Cash flow hedge reserve RM'000	Fair value adjustment reserve RM'000	Others reserve RM'000	Total RM'000
Group							
At 1 September 2019	51,628	10,088	8,995	(80,291)	2,084	5,926	(1,570)
Other comprehensive (loss)/income	(7,079)	-	-	77,601	(2,084)	-	68,438
Share options granted under ESOS	-	-	7,404	-	-	-	7,404
Transfer from share option reserve	-	-	(11,080)	-	-	-	(11,080)
Transfer from retained earnings	-	-	-	-	-	1,848	1,848
At 31 August 2020/1 September 2020	44,549	10,088	5,319	(2,690)	-	7,774	65,040
Other comprehensive (loss)/income	(19,621)	-	-	2,690	1,844	-	(15,087)
Share options granted under ESOS	-	-	33,983	-	-	-	33,983
Transfer from share option reserve	-	-	(4,706)	-	-	-	(4,706)
Transfer from retained earnings	-	-	-	-	-	4,952	4,952
Transfer to legal reserve	-	17,481	-	-	-	-	17,481
At 31 August 2021	24,928	27,569	34,596	-	1,844	12,726	101,663

	Share option reserve RM'000	Fair value adjustment reserve RM'000	Total RM'000
Company			
At 1 September 2019	8,995	-	8,995
Share options granted under ESOS	7,404	-	7,404
Transfer from share option reserve	(11,080)	-	(11,080)
At 31 August 2020/1 September 2020	5,319	-	5,319
Other comprehensive income	-	144	144
Share options granted under ESOS	33,983	-	33,983
Transfer from share option reserve	(4,706)	-	(4,706)
At 31 August 2021	34,596	144	34,740

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 August 2021 (cont'd)

35. OTHER RESERVES (CONT'D)

(a) Foreign exchange reserve

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

(b) Legal reserve

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

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

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

(c) Share option reserve

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

(d) Fair value adjustment reserve

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

(e) Cash flow hedge reserve

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

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 August 2021 (cont'd)

36. PERPETUAL SUKUK

	Group	
	2021 RM'000	2020 RM'000
Issuance nominal value	1,300,000	1,300,000
Less: Transaction cost	(4,738)	(4,738)
Net nominal value	1,295,262	1,295,262

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

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

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

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

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

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

The salient features of the Perpetual Sukuk are as follows:

- (a) The Perpetual Sukuk shall constitute direct, unsecured, unconditional and subordinated obligations of TGE and shall at all times rank (i) below all present and future creditors of TGE; (ii) pari passu with any instrument issued or guaranteed by TGE that ranks pari passu with the Perpetual Sukuk; and (iii) ahead of any class of TGE's share capital, including without limitation, any ordinary shares.
- (b) Being perpetual in nature, TGE has a call option to redeem the Perpetual Sukuk under the following circumstances:
 - (i) Optional redemption at the first call date of the Perpetual Sukuk and on each periodic distribution date of the expected distribution amount thereafter.
 - (ii) Accounting event - change in accounting standards resulting in Perpetual Sukuk no longer being recognised as an equity instrument.
 - (iii) Tax event - if the expected periodic distribution of the profit would not be fully tax deductible or TGE become obligated to pay additional tax due to changes in tax laws or regulations.
 - (iv) Rating event - change in rating methodology by the rating agency that results in a lower equity credit for the relevant tranche of the Perpetual Sukuk.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 August 2021 (cont'd)

36. PERPETUAL SUKUK (CONT'D)

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

- (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.
- (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.

37. RETAINED EARNINGS

The Company may distribute dividends out of its entire retained earnings as at 31 August 2021 and 2020 under the single tier system.

38. SHARE BASED PAYMENTS

(i) ESOS

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

The main features of the ESOS are as follows:

- (a) The ESOS shall be in force for a period of ten years from the date of the receipt of the last of the requisite approvals.
- (b) Eligible persons are employees of the Group (including executive directors) who have been confirmed in the employment of the Group. The eligibility for participation in the ESOS shall be at the discretion of the Options Committee appointed by the Board of Directors.
- (c) The total number of shares to be issued under the ESOS shall not exceed in aggregate 10% of the issued and paid up share capital of the Company at any point of time during the tenure of the ESOS.
- (d) The option price for each share shall be the 5-days weighted average market price of the underlying shares before the ESOS Options are granted, with either a premium or a discount of not more than ten percent (10%).
- (e) No option shall be granted for less than 100 shares to any eligible employee.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 August 2021 (cont'd)

38. SHARE BASED PAYMENTS (CONT'D)

(i) ESOS (cont'd)

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

- (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.

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

Grant date	Expiry date	Exercise price RM	← Number of share options over the ordinary share →					As at 31.8.2021 '000
			As at 1.9.2020 '000	Balance after adjustment for bonus issue* '000	Granted '000	Exercised '000	Lapsed '000	
2021								
2.8.2018	31.5.2028	1.69	1,617.8	4,853.4	-	(3,673.4)	-	1,180.0
1.2.2019	31.5.2028	1.63	4,061.3	12,183.9	-	(10,370.5)	-	1,813.4
18.2.2019	31.5.2028	1.63	155.1	465.3	-	(83.3)	(20.0)	362.0
30.7.2019	31.5.2028	1.54	1,536.3	4,608.9	-	(3,040.3)	-	1,568.6
20.1.2020	31.5.2028	1.57	2,597.2	7,791.6	-	(6,730.8)	-	1,060.8
20.5.2020	31.5.2028	3.30	2,507.6	7,522.8	-	(4,115.0)	(53.3)	3,354.5
1.6.2020	31.5.2028	4.25	62.8	188.4	-	(100.7)	(10.5)	77.2
31.1.2021	31.5.2028	6.55	-	-	64,456.4	(838.8)	(1,667.3)	61,950.3
6.8.2021	31.5.2028	3.86	-	-	19,089.5	(16.0)	(49.0)	19,024.5
			12,538.1	37,614.3	83,545.9	(28,968.8)	(1,800.1)	90,391.3

* Bonus issue of two for every one existing ordinary share

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 August 2021 (cont'd)

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	← Number of share options over the ordinary share →				As at 31.8.2020 '000
			As at 1.9.2019 '000	Granted '000	Exercised '000	Lapsed '000	
2020							
2.8.2018	31.5.2028	5.06	5,986.3	-	(4,218.0)	(150.5)	1,617.8
1.2.2019	31.5.2028	4.90	14,246.6	-	(9,916.3)	(269.0)	4,061.3
18.2.2019	31.5.2028	4.90	261.8	-	(106.7)	-	155.1
30.7.2019	31.5.2028	4.63	10,978.9	-	(9,231.5)	(211.1)	1,536.3
20.1.2020	31.5.2028	4.72	-	8,225.9	(5,628.7)	-	2,597.2
24.1.2020	31.5.2028	4.76	-	90.1	(90.1)	-	-
20.5.2020	31.5.2028	9.89	-	5,120.6	(2,604.8)	(8.2)	2,507.6
1.6.2020	31.5.2028	12.75	-	162.8	(100.0)	-	62.8
			31,473.6	13,599.4	(31,896.1)	(638.8)	12,538.1

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

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 August 2021 (cont'd)

38. SHARE BASED PAYMENTS (CONT'D)

(i) ESOS (cont'd)

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

Exercise Date	Exercise price RM	Fair value of ordinary shares RM	Number of share options '000	Considerations received RM'000
2020				
September 2019 - August 2020	5.06	4.25 - 28.40	4,218.0	21,343.1
September 2019 - August 2020	4.90	4.25 - 28.40	9,916.3	48,589.9
September 2019 - August 2020	4.90	4.25 - 28.40	106.7	522.8
September 2019 - August 2020	4.63	4.25 - 28.40	9,231.5	42,741.8
September 2019 - August 2020	4.72	4.25 - 28.40	5,628.7	26,567.5
September 2019 - August 2020	4.76	4.25 - 28.40	90.1	428.9
September 2019 - August 2020	9.89	4.25 - 28.40	2,604.8	25,761.4
September 2019 - August 2020	12.75	4.25 - 28.40	100.0	1,275.0
			31,896.1	167,230.4

Fair value of share options

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

Fair value of share options at the following grant dates (RM):

20 January 2020	0.30
24 January 2020	0.30
20 May 2020	0.91
1 June 2020	1.53
31 January 2021	0.40
6 August 2021	0.43
Weighted average share price (RM)	3.68 - 13.72
Weighted average exercise price (RM)	3.86 - 12.75
Expected volatility (%)	29.64 - 48.60
Expected life (years)	6.82 - 8.37
Risk free interest rate (%)	2.46 - 3.28
Expected dividend yield (%)	1.35 - 17.77

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

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 August 2021 (cont'd)

38. SHARE BASED PAYMENTS (CONT'D)

(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

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.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 August 2021 (cont'd)

39. RELATED PARTY TRANSACTIONS

(a) Sale and purchase of goods

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

	Group		Company	
	2021 RM'000	2020 RM'000	2021 RM'000	2020 RM'000
Gross dividends from subsidiaries	-	-	6,483,958	1,630,710
Management fees from subsidiaries	-	-	9,411	5,904
Interest income from subsidiaries	-	-	10,357	5,567

(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	
	2021 RM'000	2020 RM'000	2021 RM'000	2020 RM'000
Salaries and other emoluments	11,787	10,249	3,661	3,693
Pension costs - defined contribution plan	1,061	809	419	400
Social security contributions	93	14	1	1
Share options granted under ESOS	3,004	910	1,757	597
Shares granted under ESGP	224	1	-	-
Fees	575	569	520	520
Benefits-in-kind	198	261	74	77
	16,942	12,813	6,432	5,288

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 August 2021 (cont'd)

40. COMMITMENTS

(a) Capital commitments

	Group	
	2021 RM'000	2020 RM'000
Property, plant and equipment:		
Approved and contracted for	1,041,765	413,071

(b) Operating lease arrangements

Group as a lessor

The Group has entered into non-cancellable operating lease agreements on its investment properties and property, plant and equipment portfolio. These leases have remaining non-cancellable lease terms between less than 1 year to 3 years (2020: less than 1 year to 2.5 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	
	2021 RM'000	2020 RM'000
Within one year	2,368	2,335
After one year but within two years	1,066	1,349
After two years but within five years	545	387
	3,979	4,071

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 August 2021 (cont'd)

41. FAIR VALUES

(i) Determination of fair value of financial instruments

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

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

	Note
Trade and other receivables	25
Cash and bank balances	28
Loans and borrowings (current)	29
Loans and borrowings (non-current)	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.

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

Investment securities (current)

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

Investment securities (non-current)

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

Derivative financial instruments

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

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 August 2021 (cont'd)

41. FAIR VALUES (CONT'D)

(ii) Fair value hierarchy

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

	Quoted prices in active market (Level 1) RM'000	Significant observable inputs (Level 2) RM'000	Significant unobservable inputs (Level 3) RM'000	Total RM'000
Group				
As at 31 August 2021				
Assets/(liabilities) measured at fair value				
Current				
Financial assets at fair value through OCI (Note 22)	103,423	-	-	103,423
Financial assets at fair value through profit or loss (Note 22)	1,526,496	-	-	1,526,496
Derivative financial assets (Note 27)	-	2,411	-	2,411
Derivative financial liabilities (Note 27)	-	(230)	-	(230)
Non-current				
Financial assets at fair value through profit or loss (Note 22)	-	-	392	392
Investment properties (Note 18)	-	-	227,400	227,400
Biological assets	-	-	574	574
As at 31 August 2020				
Assets/(liabilities) measured at fair value				
Current				
Financial assets at fair value through profit or loss (Note 22)	1,674,631	-	-	1,674,631
Derivative financial assets (Note 27)	-	45	-	45
Non-current				
Financial assets at fair value through profit or loss (Note 22)	-	-	392	392
Investment properties (Note 18)	-	-	163,900	163,900
Biological assets	-	-	28	28

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 August 2021 (cont'd)

41. 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 2021				
Assets measured at fair value				
Current				
Financial assets at fair value through OCI (Note 22)	4,288	-	-	4,288
Financial assets at fair value through profit or loss (Note 22)	671,587	-	-	671,587
As at 31 August 2020				
Assets measured at fair value				
Current				
Financial assets at fair value through profit or loss (Note 22)	709,075	-	-	709,075

There were no transfers between Level 1, Level 2 and Level 3 fair value measurements during the financial years ended 31 August 2021 and 2020.

42. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

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

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 August 2021 (cont'd)

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

(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.

Credit risk concentration profile

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

Financial assets that are neither past due nor impaired

Information regarding trade and other receivables that are neither past due nor impaired is disclosed in Note 25(a). Deposits with banks and other financial institutions, debt securities, money market funds and derivative financial instruments that are neither past due nor impaired are placed with or entered into with reputable financial institutions or companies with high credit ratings and no history of default.

Financial assets that are either past due or impaired

Information regarding financial assets that are either past due or impaired is disclosed in Note 25(a). An impairment analysis is performed at each reporting date using a provision matrix to measure expected credit losses. The provision rates are based on days past due for groupings of various customer segments with similar loss patterns. The calculation reflects the probability-weighted outcome, the time value of money and reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions. Generally, trade receivables are written off if past due for more than 120 days, except for certain major or specific customers where the period may extend beyond 120 days, and are not subject to enforcement activity. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets disclosed in Note 25(a).

(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.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 August 2021 (cont'd)

42. 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 2021			
	On demand or within one year RM'000	One to five years RM'000	Over five years RM'000	Total RM'000
Group				
Financial liabilities				
Trade and other payables, excluding bank guarantees	692,361	-	-	692,361
Derivative financial instruments	230	-	-	230
Loans and borrowings	314,663	148,242	-	462,905
Lease liabilities	6,409	6,785	27,047	40,241
Total undiscounted financial liabilities	1,013,663	155,027	27,047	1,195,737

Company

Financial liabilities

Trade and other payables, excluding bank guarantees	23,060	-	-	23,060
Lease liabilities	88	313	-	401
Total undiscounted financial liabilities	23,148	313	-	23,461

	31 August 2020			
	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, excluding bank guarantees	810,824	-	-	810,824
Loans and borrowings	316,115	233,038	2,879	552,032
Lease liabilities	1,873	5,750	9,360	16,983
Total undiscounted financial liabilities	1,128,812	238,788	12,239	1,379,839

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 August 2021 (cont'd)

42. 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 2020			
	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, excluding bank guarantees	2,571	-	-	2,571
Lease liabilities	88	350	51	489
Total undiscounted financial liabilities	2,659	350	51	3,060

(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.

Sensitivity analysis for interest rate risk

At the reporting date, if interest rates had been 10 basis points lower/higher, with all other variables held constant, the Group's profit before tax would have been RM454,000 (2020: RM423,000) 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.

(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.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 August 2021 (cont'd)

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

(e) Market price risk (cont'd)

The Group's exposure to quoted investment securities at fair value at the reporting date is disclosed in Note 22.

Sensitivity analysis for market price risk

The following table demonstrates the sensitivity of the Group's investment in debt securities to reasonably possible price movements at the reporting date:

		2021 RM'000	2020 RM'000
Debt securities	- strengthened 5% (2020: 5%)	15,331	-
	- weakened 5% (2020: 5%)	(15,331)	-

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

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

	Net financial assets/(liabilities) held in non-functional currency			
	USD RM'000	Euro RM'000	JPY RM'000	Total RM'000
Functional currency of Group entities				
At 31 August 2021				
Malaysian Ringgit	370,118	(170,867)	(88,894)	110,357
Thai Baht	(3,374)	-	-	(3,374)
Chinese Renminbi	(1,645)	-	-	(1,645)
Euro	9,518	-	-	9,518
United States Dollars	-	(39,338)	-	(39,338)
	374,617	(210,205)	(88,894)	75,518

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 August 2021 (cont'd)

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

(f) Foreign currency risk (cont'd)

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

	Net financial assets/(liabilities) held in non-functional currency			
	USD RM'000	Euro RM'000	JPY RM'000	Total RM'000
Functional currency of Group entities				
At 31 August 2020				
Malaysian Ringgit	228,190	(178,316)	(91,611)	(41,737)
Thai Baht	52,742	-	-	52,742
Chinese Renminbi	2,063	-	-	2,063
Australian Dollars	147	-	-	147
Euro	4,671	-	-	4,671
United States Dollars	-	(64,606)	-	(64,606)
	287,813	(242,922)	(91,611)	(46,720)

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.

		2021 RM'000	2020 RM'000
USD/RM	- strengthened 5% (2020: 5%)	18,506	11,410
	- weakened 5% (2020: 5%)	(18,506)	(11,410)
USD/THB	- strengthened 5% (2020: 5%)	(169)	2,637
	- weakened 5% (2020: 5%)	169	(2,637)
USD/RMB	- strengthened 5% (2020: 5%)	(82)	103
	- weakened 5% (2020: 5%)	82	(103)
USD/AUD	- strengthened 5% (2020: 5%)	-	7
	- weakened 5% (2020: 5%)	-	(7)
USD/Euro	- strengthened 5% (2020: 5%)	476	234
	- weakened 5% (2020: 5%)	(476)	(234)
Euro/RM	- strengthened 5% (2020: 5%)	(8,543)	(8,916)
	- weakened 5% (2020: 5%)	8,543	8,916
Euro/USD	- strengthened 5% (2020: 5%)	(1,967)	(3,230)
	- weakened 5% (2020: 5%)	1,967	3,230
JPY/RM	- strengthened 5% (2020: 5%)	(4,445)	(4,581)
	- weakened 5% (2020: 5%)	4,445	4,581

As part of the Group's financial instruments management policies and procedures, the Group established certain limits for foreign exchange contracts to be hedged against foreign currency risks. Further details of the forward currency contracts as at the reporting date are disclosed in Note 27.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 August 2021 (cont'd)

43. 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 2021				
Financial assets				
Investment securities: Unquoted investments	-	392	-	392
Investment securities: Money market funds	-	1,323,297	-	1,323,297
Investment securities: Debt securities	103,423	203,199	-	306,622
Trade and other receivables	-	-	566,299	566,299
Derivative financial instruments	-	2,411	-	2,411
Cash and bank balances	-	-	878,446	878,446
Total financial assets	103,423	1,529,299	1,444,745	3,077,467
Financial liabilities				
Loans and borrowings	-	-	458,706	458,706
Lease liabilities	-	-	23,669	23,669
Trade and other payables	-	-	692,361	692,361
Derivative financial instruments	-	230	-	230
Total financial liabilities	-	230	1,174,736	1,174,966
As at 31 August 2020				
Financial assets				
Investment securities: Unquoted investments	-	392	-	392
Investment securities: Money market funds	-	1,674,631	-	1,674,631
Trade and other receivables	-	-	798,805	798,805
Derivative financial instruments	-	45	-	45
Cash and bank balances	-	-	1,208,559	1,208,559
Total financial assets	-	1,675,068	2,007,364	3,682,432
Financial liabilities				
Loans and borrowings	-	-	540,539	540,539
Lease liabilities	-	-	11,114	11,114
Trade and other payables	-	-	810,824	810,824
Total financial liabilities	-	-	1,362,477	1,362,477

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 August 2021 (cont'd)

43. FINANCIAL INSTRUMENTS (CONT'D)

Classification of financial instruments (cont'd)

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

	Fair value through OCI RM'000	Fair value through profit or loss RM'000	Amortised cost RM'000	Total RM'000
Company				
As at 31 August 2021				
Financial assets				
Investment securities: Money market funds	-	578,568	-	578,568
Investment securities: Debt securities	4,288	93,019	-	97,307
Trade and other receivables	-	-	261,685	261,685
Cash and bank balances	-	-	5,555	5,555
Total financial assets	4,288	671,587	267,240	943,115
Financial liabilities				
Lease liabilities	-	-	366	366
Trade and other payables	-	-	23,060	23,060
Total financial liabilities	-	-	23,426	23,426
As at 31 August 2020				
Financial assets				
Investment securities: Money market funds	-	709,075	-	709,075
Trade and other receivables	-	-	605,844	605,844
Cash and bank balances	-	-	257,481	257,481
Total financial assets	-	709,075	863,325	1,572,400
Financial liabilities				
Lease liabilities	-	-	438	438
Trade and other payables	-	-	2,571	2,571
Total financial liabilities	-	-	3,009	3,009

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 August 2021 (cont'd)

44. CAPITAL MANAGEMENT

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

The Group and the Company manage their capital structure and make adjustments, in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Group and the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. No changes were made in the objectives, policies or processes during the financial years ended 31 August 2021 and 2020.

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 2021 and 2020.

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.

	Note	Group		Company	
		2021 RM'000	2020 RM'000	2021 RM'000	2020 RM'000
Loans and borrowings	29	458,706	540,539	-	-
Trade and other payables	30	692,361	810,824	23,060	2,571
Contract liabilities	31	737,627	879,386	-	-
Less: Cash and cash equivalents	28	(875,198)	(1,204,947)	(5,555)	(257,481)
Net debt		1,013,496	1,025,802	17,505	-
Equity attributable to the owners of the parent		5,872,403	4,870,755	2,955,175	3,187,273
Less:					
- Fair value adjustment reserve	35	(1,844)	-	-	-
- Legal reserve	35	(27,569)	(10,088)	-	-
Total equity		5,842,990	4,860,667	2,955,175	3,187,273
Capital and net debt		6,856,486	5,886,469	2,972,680	3,187,273
Gearing ratio		14.78%	17.43%	0.59%	0.00%

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

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 August 2021 (cont'd)

45. SEGMENT INFORMATION

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

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

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

	Malaysia RM'000	Thailand RM'000	The People's Republic of China RM'000	The British Virgin Islands RM'000	Others RM'000	Eliminations RM'000	Note	Consolidated RM'000
31 August 2021								
Revenue								
External sales	13,907,278	1,199,387	429,918	-	824,860	-		16,361,443
Inter-segment sales	505,092	458,579	1,206	-	1,298	(966,175)	A	-
Total revenue	14,412,370	1,657,966	431,124	-	826,158	(966,175)		16,361,443
Results								
Interest income	131,894	882	3,183	6,611	201	(81,196)		61,575
Depreciation and amortisation	268,640	27,497	3,918	-	8,609	-		308,664
Segment profit/(loss)	8,815,480	826,776	222,187	10,795	160,118	(1,543)	B	10,033,813
Assets								
Additions to non-current assets*	1,127,186	163,748	13,223	-	66,824	-	C	1,370,981
Segment assets	6,732,031	976,966	238,692	222,116	567,879	1,044,740	D	9,782,424
Liabilities								
Segment liabilities	1,548,012	114,109	14,826	10	244,084	641,223	E	2,562,264
Other segment information								
Capital commitments	883,911	87,960	1,587	-	68,307	-		1,041,765

* Other than financial instruments and deferred tax assets

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 August 2021 (cont'd)

45. SEGMENT INFORMATION (CONT'D)

	Malaysia RM'000	Thailand RM'000	The People's Republic of China RM'000	The British Virgin Islands RM'000	Others RM'000	Eliminations RM'000	Note	Consolidated RM'000
31 August 2020								
Revenue								
External sales	6,223,145	540,005	127,500	-	346,777	-		7,237,427
Inter-segment sales	259,252	382,477	622	-	-	(642,351)	A	-
Total revenue	6,482,397	922,482	128,122	-	346,777	(642,351)		7,237,427
Results								
Interest income	104,570	262	505	1,030	509	(82,987)		23,889
Depreciation and amortisation	216,911	24,051	2,787	-	1,647	-		245,396
Segment profit/(loss)	1,920,336	199,619	40,280	3,241	37,902	(35,827)	B	2,165,551
Assets								
Additions to non-current assets*	627,709	113,012	3,229	-	72,042	-	C	815,992
Segment assets	6,585,924	541,836	177,081	147	358,643	1,042,333	D	8,705,964
Liabilities								
Segment liabilities	1,848,265	169,352	93,265	11	135,527	268,661	E	2,515,081
Other segment information								
Capital commitments	315,806	42,993	1,795	-	52,477	-		413,071

* Other than financial instruments and deferred tax assets

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 August 2021 (cont'd)

45. SEGMENT INFORMATION (CONT'D)

- A Inter-segment revenues are eliminated on consolidation.
- B The following items are added to/(deducted from) segment profit to arrive at profit before tax presented in the consolidated income statement:

	2021 RM'000	2020 RM'000
Share of results of an associate	2,644	(1,428)
Finance costs	(4,187)	(34,399)
	(1,543)	(35,827)

- C Additions to non-current assets consist of:

	2021 RM'000	2020 RM'000
Property, plant and equipment	1,334,018	806,400
Right-of-use assets	9,308	9,532
Investment properties	26,902	-
Intangible assets	207	32
Biological assets	546	28
	1,370,981	815,992

- D The following items are added to segment assets to arrive at total assets reported in the consolidated statement of financial position:

	2021 RM'000	2020 RM'000
Deferred tax assets (Note 21)	17,073	19,589
Investments in an associate (Note 20)	13,069	10,425
Intangible assets (Note 23)	1,008,795	1,012,319
Income tax recoverable	5,803	-
	1,044,740	1,042,333

- E The following items are added to segment liabilities to arrive at total liabilities reported in the consolidated statement of financial position:

	2021 RM'000	2020 RM'000
Income tax payable	450,023	126,673
Deferred tax liabilities (Note 21)	191,200	141,988
	641,223	268,661

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 August 2021 (cont'd)

46. DIVIDENDS

	Group and Company	
	2021 RM'000	2020 RM'000
In respect of the financial year ended 31 August 2021:		
Third tax exempt interim single tier dividend of 18 sen per share on 8,004,542,000 ordinary shares, declared on 9 June 2021 and paid on 7 July 2021	1,440,559	-
Second tax exempt interim single tier dividend of 25.2 sen per share on 8,004,018,000 ordinary shares, declared on 9 March 2021 and paid on 6 April 2021	2,017,607	-
First tax exempt interim single tier dividend of 16.5 sen per share on 8,022,604,000 ordinary shares, declared on 9 December 2020 and paid on 11 January 2021	1,323,582	-
In respect of the financial year ended 31 August 2020:		
Final tax exempt single tier dividend of 8.5 sen per share on 8,143,086,000 ordinary shares, declared on 23 September 2020 and paid on 3 November 2020	692,321	-
First tax exempt interim single tier dividend of 10 sen per share on 2,694,050,000 ordinary shares, declared on 11 June 2020 and paid on 9 July 2020	-	269,411
In respect of the financial year ended 31 August 2019:		
Final tax exempt single tier dividend of 4 sen per share on 2,559,814,000 ordinary shares, declared on 26 September 2019 and paid on 23 December 2019	-	102,393
	5,474,069	371,804

No dividend is payable for treasury shares held or cancelled.

47. FINANCIAL GUARANTEES

A nominal amount of RM459 million (2020: RM541 million) relating to corporate guarantees has been provided by the Company to banks for its subsidiaries' loans and borrowings.

As at reporting date, no values are ascribed on these guarantees and letter of undertaking provided by the Company to secure banking facilities described above as the directors regard the value of the credit enhancement provided by these guarantees as minimal and the probability of default, based on historical track records of the parties receiving the guarantees are remote.

48. SIGNIFICANT EVENTS

(a) Outbreak of Coronavirus ("COVID-19")

In March 2020, the World Health Organisation officially announced the outbreak of COVID-19 as a global pandemic. In order to combat the spread of COVID-19, the government of Malaysia had declared a Movement Control Order ("MCO") which encompasses restriction of movement and closure of premises, except for those involved in essential services. During this period, the Group had been granted approval by the Malaysian Government to continue its operations as the Group is in the essential industry to ensure the continuous supply of gloves to the healthcare workers and frontliners globally.

However, from 17 November 2020 to 14 December 2020, an Enhanced Movement Control Order ("EMCO") was imposed by the Malaysian Ministry of Health due to an outbreak of COVID-19 cases in the Group's workers' dormitories. The EMCO affected approximately 5,700 of the Group's workers in Meru, Klang and led the Group to halt work in stages at 28 of its manufacturing facilities. The closures resulted in a two to four-week delay in the deliveries of its products, as well as a longer lead time for fulfilling purchase orders. The EMCO was lifted on 14 December 2020 and the Group's factories reopened in stages subsequently.

Another EMCO was imposed across several districts in the states of Selangor and Kuala Lumpur in July 2021 as a result of rising number of COVID-19 cases in these areas, during which 30 of the Group's manufacturing facilities were not allowed to operate for 10 days. Additionally, facilities which were affected by a subsequent round of the MCO were only permitted to operate at 60%. However, with the vaccination rate amongst the Group's employees having exceeded 80%, these facilities have since been allowed to operate at full capacity.

The Group will continue to follow the various directives issued by the Governments of jurisdictions where its facilities are located and do its utmost to continue its operations with reinforced health and safety measures, including regular disinfection and sanitation of premises, temperature screening, provision of face masks to employees and visitors, and participation in local vaccination programmes, amongst others.

(b) U.S. Customs and Border Protection

On 15 July 2020, the U.S. Customs and Border Protection ("US CBP") had placed a Withhold Release Order ("WRO") on importing disposable rubber gloves manufactured by two subsidiaries of the Group, namely Top Glove Sdn. Bhd. and TG Medical Sdn. Bhd. to U.S. market. The action imposed by the US CBP was based on claims of forced labour in the Group's production process, mainly in relation to the remediation of recruitment fees paid to agents by the foreign workers who joined the Group prior to January 2019 without the knowledge of the Group. The Group has established a Zero Recruitment Fee Policy (the "Policy") since January 2019.

The Group appointed an independent consultant in July 2020 to assess the presence of forced labour by reference to the International Labour Organization's 11 Forced Labour Indicators ("ILO Indicators"). Following the completion of the independent consultant's verification work, an amount of RM136 million remediation payment was initially recommended by the independent consultant to compensate the foreign workers who paid recruitment fees to their recruitment agents and/or sub-agents prior to the implementation of the Policy in January 2019. Subsequently, the Group commenced making the remediation payments to its migrant workers since August 2020 and had completed all remediation payments amounting to a final total sum of RM150 million in April 2021. Additionally, the Group had also worked towards addressing the other ILO Indicators. On 22 April 2021, the independent consultant reported that the Group has achieved all green for all the 11 ILO Indicators.

On 29 March 2021, the US CBP announced a Finding against disposable gloves produced in Malaysia by the Group which allowed for the seizure of glove shipments at all U.S. ports of entry. However, this Finding has since been modified on 10 September 2021, after the US CBP had thoroughly reviewed evidence that the Group has addressed all indicators of forced labour identified at its Malaysian facilities, thereby enabling the Group to resume exporting gloves to the U.S..

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 August 2021 (cont'd)

48. SIGNIFICANT EVENTS (CONT'D)

(c) Corporate proposals announced

The Company had on 26 February 2021 announced the following proposals:

- (i) Proposed issuance of new shares;
- (ii) Proposed amendments; and
- (iii) Proposed dual primary listing of the ordinary shares in the Company on the Main Board of The Stock Exchange of Hong Kong Limited ("HKEX").

The application for the proposed listing of the Company on the HKEX which had a validity period of 6 months had lapsed on 26 August 2021. However, the Company is still pursuing the above proposals and intends to renew the application as soon as practicable.

49. SUBSEQUENT EVENT

A single tier final dividend in respect of the financial year ended 31 August 2021, of 5.4 sen per share on 8,007,085,000 ordinary shares amounting to RM432,454,000 had been declared on 17 September 2021 and paid on 15 October 2021. The financial statements for the current financial year do not reflect this dividend. Such dividend will be accounted for within equity as an appropriation of retained earnings for the financial year ending 31 August 2022.

50. AUTHORISATION OF FINANCIAL STATEMENTS FOR ISSUE

The financial statements for the year ended 31 August 2021 were authorised for issue in accordance with a resolution of the directors on 27 October 2021.

LIST OF PROPERTIES

As at 31 August 2021

	PARTICULARS OF PROPERTY	DATE OF ACQUISITION(A)/ REVALUATION(R)	AGE OF BUILDING, YEARS	TENURE	DESCRIPTION/ EXISTING USE	LAND AREA/ BUILD-UP AREA	AUDITED NET BOOK VALUE AS AT 31/08/2021, RM'000	
A) TOP GLOVE SDN. BHD.								
1)	Lot 4968, Jalan Teratai, Batu 6, Off Jalan Meru, 41050 Klang, Selangor.	EMR 6629, Lot 4968, Mukim Kapar, Daerah Klang, Selangor.	13/10/1993 (A)	27	Freehold	Factory/Glove manufacturing	2.51 acres/ 83,379 square feet	13,214
2)	No.23, Jalan Seri Kenangan 8, Taman Meru 3, Meru, 41050 Klang, Selangor.	HS (M) 10314, PT 15442, Mukim Kapar, Daerah Klang, Selangor.	23/05/1996 (A)	25	Freehold	Terrace house/ Accommodation for staff	1,608 square feet/ 1,350 square feet	63
3)	Lot 4908, Jalan Teratai, Batu 5½, Off Jalan Meru, 41050 Klang, Selangor.	EMR 6605, Lot 4908, Mukim Kapar, Daerah Klang, Selangor.	08/07/1997 (A)	24	Freehold	Terrace house/ Accommodation for worker	3 acres/ 54,140 square feet	1,746
4)	No.11, Jalan Mempari 11, Taman Bayu, Batu 5½, Jalan Meru, 41050 Klang, Selangor.	HS (M) 15238, PT 8349, HS (M) 15238, PT 8445, Mukim Kapar, Daerah Klang, Selangor.	15/09/1997 (A)	23	Freehold	Terrace house/ Accommodation for staff	1,300 square feet/ 1,100 square feet	82
5)	No.22, Jalan Mempari 1, Taman Bayu, Batu 5½, Jalan Meru, 41050 Klang, Selangor.	HS (M) 15304, PT 8419, Mukim Kapar, Daerah Klang, Selangor.	15/09/1997 (A)	23	Freehold	Terrace house/ Accommodation for staff	1,300 square feet/ 1,100 square feet	87
6)	No.18, Jalan Mempari 10, Taman Bayu, Batu 5½, Jalan Meru, 41050 Klang, Selangor.	HS (M) 15256, PT 8368, Mukim Kapar, Daerah Klang, Selangor.	23/10/1997 (A)	23	Freehold	Terrace house/ Accommodation for staff	1,300 square feet/ 1,100 square feet	87
7)	No.36, Jalan Mempari 1, Taman Bayu, Batu 5½, Jalan Meru, 41050 Klang, Selangor.	HS (M) 15297, PT 8411, Mukim Kapar, Daerah Klang, Selangor.	13/02/1998 (A)	23	Freehold	Terrace house/ Accommodation for staff	1,300 square feet/ 1,100 square feet	38
8)	Lot 18, 27, 38 & 57, Medan Tasek, Kawasan Perindustrian Tasek, 31400 Ipoh, Perak.	Lot 18, 27, 38 & 57, Medan Tasek, Kawasan Perindustrian Tasek, 31400 Ipoh, Perak.	22/11/1999 (A)	21	Leasehold (Expiring on: Lot 18 - 30/09/2072 Lot 27 - 28/12/2063 Lot 38 - 23/12/2069 Lot 57 - 01/10/2064)	Factory/Glove manufacturing	311,192 square feet/ 197,675 square feet	8,887
9)	Lot 5987, Jalan Teratai, Batu 5, Off Jalan Meru, 41050 Klang, Selangor.	EMR 8780, Lot 5987, Mukim Kapar, Daerah Klang, Selangor.	11/07/2000 (A)	21	Freehold	Factory/Glove manufacturing	2.8 acres/ 57,250 square feet	4,905
10)	Lot 4969, Jalan Teratai, Batu 6, Off Jalan Meru, 41050 Klang, Selangor.	GM 2143, Lot 4969, Mukim Kapar, Daerah Klang, Selangor.	11/10/2000 (A)	20	Freehold	Factory/Office building	3 acres/ 41,274 square feet	7,346
11)	Lot 4960, Jalan Teratai, Batu 6, Off Jalan Meru, 41050 Klang, Selangor.	GM 2326, Lot 4960, Mukim Kapar, Daerah Klang, Selangor.	24/09/2003 (A)	17	Freehold	Factory/Glove manufacturing	3 acres/ 58,240 square feet	7,090
12)	Lot 4970, Jalan Teratai, Batu 6, Off Jalan Meru, 41050 Klang, Selangor.	HS (M) 38148, PT Nos. 63271, Mukim Kapar, Daerah Klang, Selangor.	20/11/2003 (A)	17	Freehold	Factory/Glove manufacturing	3 acres/ 67,924 square feet	5,516
13)	Lot 4967, Jalan Teratai, Batu 6, Off Jalan Meru, 41050 Klang, Selangor.	GM 5584, Lot 4967, Mukim Kapar, Daerah Klang, Selangor.	19/03/2004 (A)	17	Freehold	Factory/Glove manufacturing	3 acres/ 58,240 square feet	6,542

LIST OF PROPERTIES

As at 31 August 2021 (cont'd)

	PARTICULARS OF PROPERTY	DATE OF ACQUISITION(A)/ REVALUATION(R)	AGE OF BUILDING, YEARS	TENURE	DESCRIPTION/ EXISTING USE	LAND AREA/ BUILD-UP AREA	AUDITED NET BOOK VALUE AS AT 31/08/2021, RM'000	
14)	Lot 4991, Jalan Bunga Raya, Batu 5½, Off Jalan Meru, 41050 Klang, Selangor.	HS (M) 39325, PT 64593, Mukim Kapar, Daerah Klang, Selangor.	19/10/2004 (A)	16	Freehold	Factory/Glove manufacturing	4.3 acres	3,242
15)	Lot 4947, Jalan Teratai, Batu 5½, Off Jalan Meru, 41050 Klang, Selangor.	GM 5101, Lot 4947, Mukim Kapar, Daerah Klang, Selangor.	23/11/2004 (A)	16	Freehold	Factory/Glove manufacturing	3 acres/ 58,240 square feet	11,060
16)	No.26, Jalan Abadi 10A/KU8, Taman Daya Maju, 41050 Klang, Selangor.	HS (M) 26112, PT 39636, Mukim Kapar, Daerah Klang, Selangor.	21/03/2005 (A)	16	Freehold	Terrace house/ Accommodation for staff	1,300 square feet/ 1,100 square feet	107
17)	No.21, Jalan Mempari 11, Taman Bayu, Batu 5½, Jalan Meru, 41050 Klang, Selangor.	HS (M) 15324, PT 8441, HS (M) 15242, PT 8353, Mukim Kapar, Daerah Klang, Selangor.	12/05/2005 (A)	16	Freehold	Terrace house/ Accommodation for staff	1,300 square feet/ 1,100 square feet	88
18)	No.37, Jalan Mempari 1, Taman Bayu, Batu 5½, Jalan Meru, 41050 Klang, Selangor.	HS (M) 18522, PT 24689, Mukim Kapar, Daerah Klang, Selangor.	12/05/2005 (A)	16	Freehold	Terrace house/ Accommodation for staff	1,300 square feet/ 1,100 square feet	101
19)	No.21, Jalan Sesenduk 20, Off Taman Meru Jaya, 41050 Klang, Selangor.	GM 7798, Lot 37307, Mukim Kapar, Daerah Klang, Selangor.	13/05/2005 (A)	16	Freehold	Terrace house/ Accommodation for staff	1,300 square feet/ 1,100 square feet	108
20)	No.23, Jalan Sesenduk 20, Off Taman Meru Jaya, 41050 Klang, Selangor.	GM 7797, Lot 37306, Mukim Kapar, Daerah Klang, Selangor.	13/05/2005 (A)	16	Freehold	Terrace house/ Accommodation for staff	1,300 square feet/ 1,100 square feet	108
21)	No.27, Lorong Tempinis 1, Pekan Meru, 42200 Klang, Selangor.	HS (M) 3773, PT 1286 & HS (M) 3685, PT 1285, Mukim Kapar, Daerah Klang, Selangor.	25/05/2005 (A)	16	Freehold	Terrace house/ Accommodation for staff	1,300 square feet/ 1,100 square feet	88
22)	No.57, Jalan Sesenduk 5, Taman Meru Utama, 41050 Klang, Selangor.	GM 7330, Lot 43375, Mukim Kapar, Daerah Klang, Selangor.	19/07/2005 (A)	16	Freehold	Terrace house/ Accommodation for staff	1,300 square feet/ 1,100 square feet	108
23)	No.51, Jalan Sesenduk 5, Taman Meru Utama, 41050 Klang, Selangor.	GM 7327, Lot 43372, Mukim Kapar, Daerah Klang, Selangor.	19/07/2005 (A)	16	Freehold	Terrace house/ Accommodation for staff	1,300 square feet/ 1,100 square feet	108
24)	No.67, Jalan Sesenduk 6, Taman Meru Utama, 41050 Klang, Selangor.	GM 7311, Lot 43353, Mukim Kapar, Daerah Klang, Selangor.	19/07/2005 (A)	16	Freehold	Terrace house/ Accommodation for staff	1,300 square feet/ 1,100 square feet	101
25)	No.65, Jalan Sesenduk 6, Taman Meru Utama, 41050 Klang, Selangor.	GM 7310, Lot 43352, Mukim Kapar, Daerah Klang, Selangor.	19/07/2005 (A)	16	Freehold	Terrace house/ Accommodation for staff	1,300 square feet/ 1,100 square feet	101
26)	Lot 4988, 5½ Miles, Sungai Binjai Road, 41050 Klang, Selangor.	GM 1584, Lot 4988, Mukim Kapar, Daerah Klang, Selangor.	10/10/2005 (A)	15	Freehold	Factory/Glove manufacturing	3 acres/ 12,141 square metres	13,053
27)	Lot 4989, Jalan Dahlia/KU8, Kawasan Perindustrian Meru Timur, 41050 Klang, Selangor.	GM 703, Lot 4989, Mukim Kapar, Daerah Klang, Selangor.	10/10/2005 (A)	15	Freehold	Factory/Glove manufacturing	3 acres/ 12,267 square metres	9,585
28)	No.41, Jalan Abadi 3, Taman Daya Meru, 41050 Klang, Selangor.	HS (M) 18218, PT 24467, Mukim Kapar, Daerah Klang, Selangor.	02/12/2005 (A)	15	Freehold	Terrace house/ Accommodation for staff	1,098 square feet	83

LIST OF PROPERTIES

As at 31 August 2021 (cont'd)

	PARTICULARS OF PROPERTY	DATE OF ACQUISITION(A)/ REVALUATION(R)	AGE OF BUILDING, YEARS	TENURE	DESCRIPTION/ EXISTING USE	LAND AREA/ BUILD-UP AREA	AUDITED NET BOOK VALUE AS AT 31/08/2021, RM'000	
29)	Lot 4986, Batu 5, Jalan Sungai Binjai, Mukim Kapar, Daerah Klang, Selangor.	GM 1102, Lot 4986, Mukim Kapar, Daerah Klang, Selangor.	24/02/2006 (A)	15	Freehold	Factory/Glove manufacturing	3 acres/12,141 square metres	7,686
30)	No.1, 3, 5 & 7, Jalan Abadi 1A/KU8, No.1 - 8, Jalan Abadi 1B/KU8, No.1, 3, 5 & 7, Jalan Abadi 1C/KU8, No.60, 62, 64, 66, 67, 69, 71, 73, 75 & 77, Jalan Abadi 4/KU8, No.49, 51, 53, 55, 57, 59, 62, 64, 66, 68, 70 & 72, Jalan Abadi 5/KU8, No.46, 48, 50, 52, 54 & 56, Jalan Abadi 6/KU8, Taman Daya Maju, 41050 Klang, Selangor.	HS (M) 10598 - 10601, PT 49525 - 49528, HS (M) 10605 - 28476, PT 40356 - 40363, HS (M) 28477 - 28480 & 28484, PT 40367 - 40370 & 40374, HS (M) 28481 - 28483 & 28486 - 28491, PT 40371 - 40373 & 40376 - 40381, HS (M) 28492 - 28497 & 28499 - 28504, PT 40382 - 40387 & 40389 - 40394, HS (M) 28505 - 28510, PT 40395 - 40400, Mukim Kapar, Daerah Klang, Selangor.	29/04/2006 (A)	15	Freehold	Terrace house/ Accommodation for staff	70,995 square feet	5,217
31)	Lot 4987, 5½ Miles, Sungai Binjai Road, Mukim Kapar, 41050 Klang, Selangor.	GM 2619, Lot 4987, Mukim Kapar, Daerah Klang, Selangor.	24/05/2006 (A)	15	Freehold	Factory/Glove manufacturing	3 acres/ 12,141 square metres	12,981
32)	Lot 4990, Jalan Bunga Raya, Batu 5½, Off Jalan Meru, 41050 Klang, Selangor.	GM 5116, Lot 4990, Mukim Kapar, Daerah Klang, Selangor.	05/03/2007 (A)	14	Freehold	Factory/Glove manufacturing	3 acres/ 12,267 square metres	8,559
33)	No.3, 5, 7, 9, 11, 13, 15, 17, 19, 21, 23, 25 & 27, Taman Mutiara, Tasek, 31400 Ipoh, Perak.	Lot 375847 - 375859, Tasek Mutiara, 31400 Ipoh, Perak.	02/11/2007 (A)	13	Freehold	Terrace house/ Accommodation for worker	1,400 square feet/ 1,625 square feet	1,621
34)	Lot 4946, Jalan Teratai, Batu 5½, Off Jalan Meru, 41050 Klang, Selangor.	GM 2574, Lot 4946, Mukim Kapar, Daerah Klang, Selangor.	14/01/2008 (A)	N/A	Freehold	Vacant	3 acres	2,718
35)	Lot 4949, Jalan Teratai, Batu 5½, Off Jalan Meru, 41050 Klang, Selangor.	GM 1728, Lot 4949, Mukim Kapar, Daerah Klang, Selangor.	18/01/2008 (A)	N/A	Freehold	Parking Lot	3 acres	3,101
36)	Lot 4961, Tempat Batu 5, Jalan Binjai, 41050 Klang, Selangor.	GM 525, Lot 4961, Mukim Kapar, Daerah Klang, Selangor.	17/09/2008 (A)	12	Freehold	Factory/Glove manufacturing	3 acres	9,821
37)	Lot 5094, Tempat Batu 4½, Jalan Sungai Binjai, 41050 Klang, Selangor.	GM 4326, Lot 5094, Mukim Kapar, Daerah Klang, Selangor.	03/10/2008 (A)	N/A	Freehold	Vacant	3 acres 5 pole	2,532
38)	Lot 5977 & 5975, Tempat Batu 4½, Jalan Sungai Binjai, 41050 Klang, Selangor.	GM 4436 & 4437, Lot 5977 & 5975, Mukim Kapar, Daerah Klang, Selangor.	03/10/2008 (A)	N/A	Freehold	Vacant	1.794 & 0.068 acres	1,531
39)	Lot 4941, Tempat Batu 6, Jalan Sungai Binjai, 41050 Klang, Selangor.	GM 2082, Lot 4941, Mukim Kapar, Daerah Klang, Selangor.	01/06/2009 (A)	N/A	Freehold	Vacant	3 acres	1,901

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	PARTICULARS OF PROPERTY	DATE OF ACQUISITION(A)/ REVALUATION(R)	AGE OF BUILDING, YEARS	TENURE	DESCRIPTION/ EXISTING USE	LAND AREA/ BUILD-UP AREA	AUDITED NET BOOK VALUE AS AT 31/08/2021, RM'000
40)	Lot 5139, Tempat Batu 6, Jalan Sungai Binjai, 41050 Klang, Selangor.	07/09/2009 (A)	N/A	Freehold	Vacant	4 acres 2 rood 25 pole	6,744
41)	Lot 5140, Tempat Batu 6, Jalan Sungai Binjai, 41050 Klang, Selangor.	30/11/2009 (A)	N/A	Freehold	Vacant	4 acres 3 rood	7,690
42)	No.7, Lorong Abadi 2, Batu 5½, Off Jalan Meru, Taman Daya Meru, 41050 Klang, Selangor.	04/12/2009 (A)	11	Freehold	Terrace house/ Accommodation for staff	111 square metres	94
43)	No.69, Jalan Sesenduk 6, No.57, Jalan Sesenduk 7, Taman Meru Utama, 41050 Klang, Selangor.	25/01/2010 (A)	11	Freehold	Terrace house/ Accommodation for worker and staff	133 square metres & 193 square metres	268
44)	Lot 12, Medan Tasek, Kawasan Perindustrian Tasek, 31400 Ipoh, Perak.	04/02/2010 (A)	11	Leasehold (Expiring on: 05/04/2066)	Factory/Office building	213,889 square feet/ 131,576 square feet	5,976
45)	No.8, 10, 12, 14, 16, 18, 20, 22, 24, 26, 28, 30, 32, 34, 36, 40, 42, 44 & 46, Jalan Sesenduk 21, Taman Meru Jaya, 41050 Klang, Selangor.	05/02/2010 (A)	11	Freehold	Terrace house/ Accommodation for staff	190 square metres/unit	2,875
46)	No.20, Jalan Sesenduk 19, Taman Meru Jaya, 41050 Klang, Selangor.	08/02/2010 (A)	11	Freehold	Terrace house/ Accommodation for staff	111 square metres	123
47)	No.31, Jalan Mempari 12, Taman Bayu, Batu 5, Jalan Meru, 41050 Klang, Selangor.	11/03/2010 (A)	11	Freehold	Terrace house/ Accommodation for staff	121 square metres	90
48)	No.3, Jalan Sesenduk 3C, Taman Meru Utama 55, 41050 Klang, Selangor.	21/04/2010 (A)	11	Freehold	Terrace house/ Accommodation for worker	127 square metres/unit	116
49)	No.1, Jalan Sesenduk 3C, Taman Meru Utama 5, 41050 Klang, Selangor.	27/05/2010 (A)	11	Freehold	Terrace house/ Accommodation for worker	261 square metres	214
50)	Lot 4985, Tempat Batu 5, Jalan Sungai Binjai, 41050 Klang, Selangor.	18/06/2010 (A)	4	Freehold	Factory/Glove manufacturing	3 acres	4,233

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As at 31 August 2021 (cont'd)

	PARTICULARS OF PROPERTY	DATE OF ACQUISITION(A)/ REVALUATION(R)	AGE OF BUILDING, YEARS	TENURE	DESCRIPTION/ EXISTING USE	LAND AREA/ BUILD-UP AREA	AUDITED NET BOOK VALUE AS AT 31/08/2021, RM'000
51)	No.25, Jalan Sesenduk 20, Taman Meru Jaya, 41050 Klang, Selangor.	31/07/2010 (A)	11	Freehold	Terrace house/ Accommodation for staff	121 square metres	125
52)	No.46, Jalan Sesenduk 7, Taman Meru Utama, Off Jalan Meru, 41050 Klang, Selangor.	31/07/2010 (A)	11	Freehold	Terrace house/ Accommodation for worker	121 square metres	122
53)	No.47, Jalan Sesenduk 7, Taman Meru Utama, 41050 Klang, Selangor.	13/08/2010 (A)	11	Freehold	Terrace house/ Accommodation for worker	121 square metres	130
54)	No.22, Jalan Sesenduk 19, Taman Meru Utama, 41050 Klang, Selangor.	03/09/2010 (A)	10	Freehold	Terrace house/ Accommodation for staff	111 square metres	115
55)	Lot 5991, Tempat Batu 4½, Jalan Sungai Binjai, 41050 Klang, Selangor.	30/09/2010 (A)	2	Freehold	Warehouse F4A	2.8 acres/ 1.0787 acres	14,734
56)	No.55, Jalan Sesenduk 7, Taman Meru Utama, 41050 Klang, Selangor.	29/10/2010 (A)	10	Freehold	Terrace house/ Accommodation for staff	121 square metres	131
57)	No.15, Jalan Abadi 10B/KU8, Taman Daya Maju, 41050 Klang, Selangor.	30/10/2010 (A)	10	Freehold	Terrace house/ Accommodation for staff	109 square metres	119
58)	Lot 4956, Tempat Batu 6, Jalan Sungai Binjai, 41050 Klang, Selangor.	19/11/2010 (A)	4	Freehold	Terrace house/ Accommodation for worker	1.2141 hectares	16,760
59)	No.25, Jalan Mempari 9, Taman Bayu, 41050 Klang, Selangor.	15/12/2010 (A)	10	Freehold	Terrace house/ Accommodation for staff	109 square metres	116
60)	No.22, Jalan Sesenduk 4, Taman Meru Utama, 41050 Klang, Selangor.	30/12/2010 (A)	10	Freehold	Terrace house/ Accommodation for staff	190 square metres	116
61)	No.26, Jalan Mempari 1, Taman Bayu, 41050 Klang, Selangor.	31/12/2010 (A)	10	Freehold	Terrace house/ Accommodation for staff	121 square metres	87
62)	HS (D) 129441, PT 62956, Jalan Bukit Kapar, 41050 Klang, Selangor.	28/02/2011 (A)	N/A	Freehold	Vacant	131,730 square metres	14,335
63)	No.30, Jalan Abadi 5, Taman Daya Maju, 41050 Klang, Selangor.	12/05/2011 (A)	10	Freehold	Terrace house/ Accommodation for staff	82 square metres	97
64)	Plot 7, Medan Tasek, Kawasan Perindustrian Tasek, 31400 Ipoh, Perak.	05/07/2011 (A)	10	Leasehold (Expiring on: 02/05/2067)	Factory/Glove manufacturing	87,756 square feet/ 48,352 square feet	11,785
65)	No.42, Jalan Mempari 10, Batu 5½, Jalan Meru, 41050 Klang, Selangor.	07/09/2011 (A)	9	Freehold	Terrace house/ Accommodation for staff	121 square metres	100



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	PARTICULARS OF PROPERTY	DATE OF ACQUISITION(A)/ REVALUATION(R)	AGE OF BUILDING, YEARS	TENURE	DESCRIPTION/ EXISTING USE	LAND AREA/ BUILD-UP AREA	AUDITED NET BOOK VALUE AS AT 31/08/2021, RM'000
66)	No.60, Jalan Mempari 10, Taman Bayu, Batu 5½, Jalan Meru, 41050 Klang, Selangor.	01/11/2011 (A)	9	Freehold	Terrace house/ Accommodation for staff	121 square metres	101
67)	No.58, Jalan Mempari 1, Taman Bayu, Batu 5½, Jalan Meru, 41050 Klang, Selangor.	15/11/2011 (A)	9	Freehold	Terrace house/ Accommodation for staff	121 square metres	94
68)	8-2, 8-3, 8-4, 8-5, Setia Avenue, Jalan Setia Prima (S), U13/5, Setia Alam, Seksyen U13, 40170, Shah Alam, Selangor.	01/02/2012 (A)	9	Freehold	Building	920.77 square metres	2,903
69)	No.64, Jalan Sesenduk 7, Off Jalan Meru, 41050 Klang, Selangor.	25/02/2012 (A)	9	Freehold	Terrace house/ Accommodation for staff	121 square metres	140
70)	No.21, Jalan Abadi 5, Taman Saujana Meru, 41050 Klang, Selangor.	21/03/2012 (A)	9	Freehold	Terrace house/ Accommodation for staff	121 square metres	78
71)	No.25, Jalan Abadi 10D/KU8, Taman Daya Maju, 41050 Klang, Selangor.	22/06/2012 (A)	9	Freehold	Terrace house/ Accommodation for staff	145 square metres	151
72)	No.47, Jalan Abadi 1A/KU8, Taman Daya Maju, 41050 Klang, Selangor.	19/07/2012 (A)	9	Freehold	Terrace house/ Accommodation for staff	130 square metres	137
73)	No.43, Jalan Abadi 1A/KU8, Taman Daya Maju, Batu 6½, Off Jalan Meru, 41050 Klang, Selangor.	19/07/2012 (A)	9	Freehold	Terrace house/ Accommodation for staff	130 square metres	137
74)	No.45, Jalan Abadi 1A/KU8, Taman Daya Maju, 41050 Klang, Selangor.	19/07/2012 (A)	9	Freehold	Terrace house/ Accommodation for staff	130 square metres	137
75)	No.49, Jalan Abadi 1A/KU8, Taman Daya Maju, 41050 Klang, Selangor.	19/07/2012 (A)	9	Freehold	Terrace house/ Accommodation for staff	130 square metres	137
76)	No.51, Jalan Abadi 1A/KU8, Taman Daya Maju, 41050 Klang, Selangor.	19/07/2012 (A)	9	Freehold	Terrace house/ Accommodation for staff	130 square metres	137
77)	No.53, Jalan Abadi 1A/KU8, Taman Daya Maju, 41050 Klang, Selangor.	19/07/2012 (A)	9	Freehold	Terrace house/ Accommodation for staff	130 square metres	137
78)	No.55, Jalan Abadi 1A/KU8, Taman Daya Maju, 41050 Klang, Selangor.	19/07/2012 (A)	9	Freehold	Terrace house/ Accommodation for staff	130 square metres	137
79)	No.57, Jalan Abadi 1A/KU8, Taman Daya Maju, 41050 Klang, Selangor.	19/07/2012 (A)	9	Freehold	Terrace house/ Accommodation for staff	130 square metres	137
80)	No.59, Jalan Abadi 1A/KU8, Taman Daya Maju, 41050 Klang, Selangor.	19/07/2012 (A)	9	Freehold	Terrace house/ Accommodation for staff	130 square metres	137

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	PARTICULARS OF PROPERTY	DATE OF ACQUISITION(A)/ REVALUATION(R)	AGE OF BUILDING, YEARS	TENURE	DESCRIPTION/ EXISTING USE	LAND AREA/ BUILD-UP AREA	AUDITED NET BOOK VALUE AS AT 31/08/2021, RM'000
81)	No.61, Jalan Abadi 1A/KU8, Taman Daya Maju, 41050 Klang, Selangor.	19/07/2012 (A)	9	Freehold	Terrace house/ Accommodation for staff	130 square metres	137
82)	No.63, Jalan Abadi 1A/KU8, Taman Daya Maju, 41050 Klang, Selangor.	19/07/2012 (A)	9	Freehold	Terrace house/ Accommodation for staff	130 square metres	137
83)	No.65, Jalan Abadi 1A/KU8, Taman Daya Maju, 41050 Klang, Selangor.	19/07/2012 (A)	9	Freehold	Terrace house/ Accommodation for staff	130 square metres	137
84)	No.67, Jalan Abadi 1A/KU8, Taman Daya Maju, 41050 Klang, Selangor.	19/07/2012 (A)	9	Freehold	Terrace house/ Accommodation for staff	130 square metres	137
85)	No.69, Jalan Abadi 1A/KU8, Taman Daya Maju, 41050 Klang, Selangor.	19/07/2012 (A)	9	Freehold	Terrace house/ Accommodation for staff	130 square metres	137
86)	No.71, Jalan Abadi 1A/KU8, Taman Daya Maju, Batu 6½, 41050 Klang, Selangor.	19/07/2012 (A)	9	Freehold	Terrace house/ Accommodation for staff	130 square metres	136
87)	No.24, Lorong Hamzah Alang 77B, Off Jalan Kapar Batu 9½, Taman Jaya, 42200 Kapar, Selangor.	28/09/2012 (A)	8	Freehold	Terrace house/ Accommodation for staff	120.75 square metres	97
88)	No.40, Jalan Mempari 10, Taman Bayu, Batu 5½, Jalan Meru, 41050 Klang, Selangor.	12/10/2012 (A)	8	Freehold	Terrace house/ Accommodation for staff	121 square metres	104
89)	No.6, Lorong Abadi 3, Pekan Meru, Taman Saujana Meru, 41050 Klang, Selangor.	30/10/2012 (A)	8	Freehold	Terrace house/ Accommodation for staff	111.483 square metres	104
90)	Lot 4982, 5 th Miles, Jalan Sungai Binjai, 41050 Klang, Selangor.	01/01/2013 (A)	2	Freehold	Factory / Glove manufacturing	1.2141 hectares	4,757
91)	Lot 4983, 5 th Miles, Jalan Sungai Binjai, 41050 Klang, Selangor.	01/01/2013 (A)	4	Freehold	Factory / Glove manufacturing	1.2141 hectares	41,056
92)	Lot 4984, 5 th Miles, Jalan Sungai Binjai, 41050 Klang, Selangor.	01/01/2013 (A)	4	Freehold	Factory / Glove manufacturing	1.2141 hectares	10,722
93)	No.28, Jalan Mempari 12, 5 th Miles, Jalan Meru, 41050 Klang, Selangor.	04/02/2013 (A)	8	Freehold	Terrace house/ Accommodation for staff	105 square metres	88
94)	Lot 4981, 5 th Miles, Jalan Sungai Binjai, 41050 Klang, Selangor.	06/06/2013 (A)	2	Freehold	Factory / Glove manufacturing	1.2141 hectares	7,102
95)	Lot 5105, 4½ Miles, Jalan Sungai Binjai, 41050 Klang, Selangor.	19/11/2013 (A)	2	Freehold	Warehouse	3.38 acres	26,573
96)	No.29, Jalan Abadi 1, Taman Daya Meru, Batu 5½, Jalan Meru, 41050 Klang, Selangor.	05/12/2013 (A)	7	Freehold	Terrace house/ Accommodation for staff	139 square metres	121

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	PARTICULARS OF PROPERTY	DATE OF ACQUISITION(A)/ REVALUATION(R)	AGE OF BUILDING, YEARS	TENURE	DESCRIPTION/ EXISTING USE	LAND AREA/ BUILD-UP AREA	AUDITED NET BOOK VALUE AS AT 31/08/2021, RM'000	
97)	Lot 4953, 5 th Miles, Jalan Sungai Binjai, 41050 Klang, Selangor.	GM 2645, Lot 4953, Mukim Kapar, Daerah Klang, Selangor.	27/02/2014 (A)	N/A	Freehold	Vacant	1.2141 hectares	9,391
98)	Lot 5136, 6 th Miles, Jalan Sungai Binjai, 41050 Klang, Selangor.	GM 3057, Lot 5136, Mukim Kapar, Daerah Klang, Selangor.	15/08/2014 (A)	N/A	Freehold	Vacant	1.8843 hectares	12,986
99)	Lot 5002, Batu 5½, Jalan Meru, 41050 Klang, Selangor.	GM 10245, Lot 5002, (Lot 23552), Mukim Kapar, Daerah Klang, Selangor.	29/09/2015 (A)	5	Freehold	Warehouse F1A	10,891 square metres	15,572
100)	Unit C-34-08, Phase 2D02, Trefoil, Level 34, Tower C, Seksyen U13, Jalan Setia Dagang, AH U13/AH, Setia Alam, 40170, Shah Alam, Selangor.	GRN 308223, Lot 61049, Daerah Petaling, Selangor.	16/12/2015 (A)	5	Freehold	Strata office	45.1 square metres	251
101)	Unit C-34-07, Phase 2D02, Trefoil, Level 34, Tower C, Seksyen U13, Jalan Setia Dagang, AH U13/AH, Setia Alam, 40170, Shah Alam, Selangor.	GRN 308223, Lot 61049, Daerah Petaling, Selangor.	05/01/2016 (A)	5	Freehold	Strata office	45.1 square metres	251
102)	Lot 5090, Batu 5½, Jalan Meru, 41050 Klang, Selangor.	GM 2361, Lot 5090, Mukim Kapar, Daerah Klang, Selangor.	01/12/2016 (A)	4	Freehold	Factory/Glove manufacturing	12,104.55 square metres	15,972
103)	Lot 5094 & 5977, Mukim Kapar, Daerah Klang, 41050 Klang, Selangor.	GM 4326, Lot 5094 & 5977, 4½ Mile Sungai Binjai Road, Mukim Kapar, Daerah Klang, Selangor.	26/01/2018 (A)	4	Freehold	Factory/ Water Process and Supply	1.794 acres	6,129
104)	No.257, 259, 261, 263, 265, Persiaran Taman Tasek, Taman Tasek Baru, Ipoh, Perak.	Lot 177895 to 177899, Mukim Hulu Kinta, Daerah Kinta, Perak.	03/04/2018 (A)	3	Leasehold (Expiring on: 03/07/2113)	Terrace house/ Accommodation for worker & staff	143 square metres/ unit	1,678
105)	Lot 4962, 5 th Miles, Sungai Binjai Road, Mukim Kapar, 41050 Klang, Selangor.	GM 5100, Lot 4962, Mukim Kapar, Daerah Klang, Selangor.	27/06/2018 (A)	3	Freehold	Factory/ Office Building	3 acres/ 30,304 square feet	17,774
106)	Lot 6494, 5 ¾ Miles, Lorong Sg Puluh, Mukim Kapar, 41050 Klang, Selangor.	GRN 52391, Lot 6494, Mukim Kapar, Daerah Klang, Selangor.	28/10/2020 (A)	N/A	Freehold	Vacant	4.2644 hectares	39,100
107)	Meru Courts Apartment, Batu 6, Jalan Meru, Mukim Kapar, 41050 Klang, Selangor.	GRN 44759, Lot 6495, Mukim Kapar, Daerah Klang, Selangor.	05/11/2020 (A)	< 1	Freehold	Apartment/ Accommodation for worker	8,058 square metres	17,941
108)	Lot 4930, PT 50022 to PT 50041 (20 lots), Jln Sg Binjai, Mukim Kapar, 41050 Klang, Selangor.	PT 50022 to 50041, HS (M) 32838 to HS (M) 32857, Mukim Kapar, Daerah Klang, Selangor.	06/11/2020 (A)	N/A	Freehold	Vacant	37,899.61 square feet	3,400
109)	Lot 6495, 5 ¾ Miles, Lorong Sg Puluh, Mukim Kapar, 41050 Klang, Selangor.	GRN 44759, Lot 6495, Mukim Kapar, Daerah Klang, Selangor.	16/11/2020 (A)	N/A	Freehold	Vacant	41,303.16 square metres	32,556
110)	Lot 5116, 6 th Miles, Sungai Binjai Road, Mukim Kapar, 41050 Klang, Selangor.	GM 1270, Lot 5116, Mukim Kapar, Daerah Klang, Selangor.	10/12/2020 (A)	N/A	Freehold	Vacant	1.2141 hectares	5,400
111)	Lot 5117, 6 th Miles, Sungai Binjai Road, Mukim Kapar, 41050 Klang, Selangor.	GM 15902 Lot 5117, Mukim Kapar, Daerah Klang, Selangor.	10/12/2020 (A)	N/A	Freehold	Vacant	1.2141 hectares	5,400

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B) TG MEDICAL SDN. BHD.								
1)	Lot 5091, Jalan Teratai, Batu 5, Off Jalan Meru, 41050 Klang, Selangor.	GM 3989, Lot 5091, 4½ Miles, Sungai Binjai Road, Mukim Kapar, Daerah Klang, Selangor.	25/10/1995 (A)	25	Freehold	Factory/Glove manufacturing	3 acres/ 68,490 square feet	6,921
2)	No.19, Jalan Mempari 11, Batu 5½, Jalan Meru, 41050 Klang, Selangor.	HS (M) 15241, PT 8352, HS (M) 15325, PT 8442, Batu 6, Jalan Sungai Binjai, Mukim Kapar, Daerah Klang, Selangor.	08/05/1998 (A)	23	Freehold	Terrace house/ Accommodation for staff	1,300 square feet/ 1,100 square feet	80
3)	Lot 5972 & 5974, Jalan Teratai, Batu 5, Jalan Meru, 41050 Klang, Selangor.	GM 4098 & 4099, Lot 5972 & 5974, 4½ Miles, Sungei Benjai Road, Mukim Kapar, Daerah Klang, Selangor.	01/07/1999 (A)	22	Freehold	Factory/Glove manufacturing	Approx 1.7935 acres/ 47,200 square feet	3,172
4)	Lot 5104, Jalan Teratai, Batu 5, Off Jalan Meru, 41050 Klang, Selangor.	GM 5064, Lot 5104, 12½ Miles, Sungei Berinai Road, Mukim Kapar, Daerah Klang, Selangor.	29/03/2004 (A)	17	Freehold	Factory/Glove manufacturing	3 acres/ 54,600 square feet	6,494
5)	No.1, 3, 5, 7, 9 & 11, Jalan Abadi 10D/KU8, Taman Daya Maju, Meru, 41050 Klang, Selangor. No.1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11 & 12, Jalan Abadi 10C/KU8, Taman Daya Maju, Meru, 41050 Klang, Selangor. No.1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11 & 12, Jalan Abadi 10A/KU8, Taman Daya Maju, Meru, 41050 Klang, Selangor. No.1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11 & 12, Jalan Abadi 10B/KU8, Taman Daya Maju, Meru, 41050 Klang, Selangor. No.85, 87, 89, 91, 93 & 95, Jalan Abadi 1/KU8, Taman Daya Maju, Meru, 41050 Klang, Selangor.	HS (M) 33205 - HS (M) 33252, PT 50423 - PT 50470, Mukim Kapar, Daerah Klang, Selangor.	12/07/2007 (A)	14	Freehold	Terrace house/ Accommodation for staff and worker	Approx 108.85 square metres/unit	5,926
6)	Lot 5975, Tempat Batu 4½, Jalan Sungai Binjai, 41050 Klang, Selangor.	GM 4437, Lot 5975, Mukim Kapar, Daerah Klang, Selangor.	03/10/2008 (A)	N/A	Freehold	Vacant	0.0275 hectares/ 2,960 square feet	201
C) TOP GLOVE ENGINEERING SDN. BHD.								
1)	GRN 285705, Lot 213, Seksyen 2, Pekan Bukit Changgang, Daerah Kuala Langat, Selangor.	GRN 285705, Lot 213, Seksyen 2, Pekan Bukit Changgang, Daerah Kuala Langat, Selangor.	18/04/1996 (A)	N/A	Freehold	Land	3.39 acres/ 13,716 square metres	2,303
2)	GRN 285706, Lot 214, Seksyen 2, Pekan Bukit Changgang, Daerah Kuala Langat, Selangor.	GRN 285706, Lot 214, Seksyen 2, Pekan Bukit Changgang, Daerah Kuala Langat, Selangor.	18/04/1996 (A)	N/A	Freehold	Land	3.39 acres/ 13,711 square metres	2,303

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As at 31 August 2021 (cont'd)

	PARTICULARS OF PROPERTY	DATE OF ACQUISITION(A)/ REVALUATION(R)	AGE OF BUILDING, YEARS	TENURE	DESCRIPTION/ EXISTING USE	LAND AREA/ BUILD-UP AREA	AUDITED NET BOOK VALUE AS AT 31/08/2021, RM'000	
3)	GRN 285707, Lot 215, Seksyen 2, Pekan Bukit Changgang, Daerah Kuala Langat, Selangor.	18/04/1996 (A)	N/A	Freehold	Land	3.39 acres/ 13,708 square metres	2,302	
4)	GRN 285708, Lot 216, Seksyen 2, Pekan Bukit Changgang, Daerah Kuala Langat, Selangor.	12/06/2012 (A)	N/A	Freehold	Land	19.83 acres	11,606	
5)	GRN 285709, Lot 217, Seksyen 2, Pekan Bukit Changgang, Daerah Kuala Langat, Selangor.	12/06/2012 (A)	N/A	Freehold	Land	7.91 acres	5,152	
6)	GRN 285710, Lot 218, Seksyen 2, Pekan Bukit Changgang, Daerah Kuala Langat, Selangor.	12/06/2012 (A)	N/A	Freehold	Land	6.77 acres	3,965	
7)	B-28-03 Setia City Residence, No.6, Jalan Setia Dagang AH U13/AH, Setia Alam, Seksyen U13, 40170 Shah Alam, Selangor.	30/09/2016 (A)	< 1	Freehold	Accommodation for staff	113.43 square metres	729	
8)	B-28-3A Setia City Residence, No.6, Jalan Setia Dagang AH U13/AH, Setia Alam, Seksyen U13, 40170 Shah Alam, Selangor.	30/09/2016 (A)	< 1	Freehold	Accommodation for staff	97.08 square feet	636	
9)	No.11, Jalan Setia Wawasan U13/35D, Bandar Setia Alam, 40170 Shah Alam, Selangor.	HS (D) 291298, PT 32069, Mukim Bukit Raja, Daerah Petaling, Selangor.	05/01/2017 (A)	4	Freehold	Bungalow/ Accommodation for staff	397 square metres	1,685
10)	No.13, Jalan Setia Wawasan U13/35D, Bandar Setia Alam, 40170 Shah Alam, Selangor.	HS (D) 291299, PT 32070, Mukim Bukit Raja, Daerah Petaling, Selangor.	05/01/2017 (A)	4	Freehold	Bungalow/ Accommodation for staff	397 square metres	1,678
D) TOP GLOVE MEDICAL (THAILAND) CO. LTD.								
1)	188, Moo 5, Kamchanawanich Road, Tambon Samnakkham, Sadao, Songkhla 90320, Thailand.	60199, 60200, 60201 & 60202, Tambon Samnakkham, Sadao, Songkhla 90320, Thailand.	28/02/2003 (A)	N/A	Freehold	Land	15.8 acres	3,399 (Thai Baht 26.26 mil)
			28/02/2003 (A)	18	Freehold	Factory/Office building	9,504 square metres	6,055 (Thai Baht 47.25 mil)
			28/02/2003 (A)	18	Freehold	Accommodation for worker	1,200 square metres	1,266 (Thai Baht 9.88 mil)
			01/12/2011 (A)	9	Freehold	Factory building	5,134.5 square metres	3,025 (Thai Baht 23.61 mil)
			01/12/2011 (A)	9	Freehold	Accommodation for worker	882 square metres	1,210 (Thai Baht 9.44 mil)

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As at 31 August 2021 (cont'd)

	PARTICULARS OF PROPERTY	DATE OF ACQUISITION(A)/ REVALUATION(R)	AGE OF BUILDING, YEARS	TENURE	DESCRIPTION/ EXISTING USE	LAND AREA/ BUILD-UP AREA	AUDITED NET BOOK VALUE AS AT 31/08/2021, RM'000	
2)	Title Deed No.39553, Moo.5 Pruteaw, Kamchanawanich Road, Tambon Samnakkham, Ampur Sadao, Songkhla 90320, Thailand.	Title Deed No. 39553, Moo.5 Pruteaw, Kamchanawanich Road, Tambon Samnakkham, Ampur Sadao, Songkhla 90320, Thailand.	03/03/2005 (A)	N/A	Freehold	Pond	Approx 2.8 acres	731 (Thai Baht 5.70 mil)
3)	Nor. Sor. 3 Kor No. 637 & 638, Tambon Samnakkham, Ampur Sadao, Songkhla 90320, Thailand.	Nor. Sor. 3 Kor No. 637 & 638, Tambon Samnakkham, Ampur Sadao, Songkhla 90320, Thailand.	16/11/2010 (A)	N/A	Freehold	Land	Approx 32 acres	6,302 (Thai Baht 49.18 mil)
4)	Title Deed No.38237 & 38236, Tambon Samnakkham, Ampur Sadao, Songkhla 90320, Thailand.	Title Deed No. 38237 & 38236, Tambon Samnakkham, Ampur Sadao, Songkhla 90320, Thailand.	01/12/2016 (A)	N/A	Freehold	Land	Approx 21 acres	6,702 (Thai Baht 52.31 mil)
5)	Title Deed No.35843 Tambon Samnakkham, Ampur Sadao, Songkhla 90320, Thailand.	Title Deed No.35843 Tambon Samnakkham, Ampur Sadao, Songkhla 90320, Thailand.	27/09/2019 (A)	N/A	Freehold	Land	Approx 2.37 acres	591 (Thai Baht 4.61 mil)
E) TG MEDICAL (U.S.A.), INC.								
1)	165 - 167 North Aspan Avenue, Azusa, CA 91702, USA.	Assessor's ID #8615 018 010	31/03/2005 (A)	16	Freehold	Warehouse/ Office building	25,878 square feet	8,190 (USD 1.97 mil)
2)	153 - 155 North Aspan Avenue, Azusa, CA 91702, USA.	Assessor's ID #8615 018 011	31/07/2013 (A)	8	Freehold	Warehouse/ Office building	25,950 square feet	11,555 (USD 2.77 mil)
F) TOP GLOVE TECHNOLOGY (THAILAND) CO., LTD.								
1)	188, Moo 5, Tambol Pangla, Ampur Sadao, Songkhla 90170, Thailand.	Channod No.52538, 52539 & 52540, Tambol Pangla, Ampur Sadao, Songkhla, Thailand.	23/02/2006 (A)	15	Freehold	Factory/ Office building	Approx 40.4 acres/ 47,816.68 square metres	16,705 (Thai Baht 130.37 mil)
G) GREAT GLOVE (XINGHUA) CO., LTD.								
1)	No. 4 Shazhuang Road, Economic Development District, Xinghua City, 225700 Jiang Su Province, P.R.China.	No. 4 Shazhuang Road, Economic Development District, Xinghua City, 225700 Jiang Su Province, P.R.China.	13/10/2005 (A)	15	Leasehold (Expiring on: Sept 2056)	Factory/ Office building, Industrial usage	112,234.48 square metres/ 30,646.96 square metres	12,745 (RMB 19.77 mil)
H) B TECH INDUSTRY CO., LTD.								
1)	268 M.5 T. Kampanghet A.Rattaphum, Songkhla 90180, Thailand.	1. Nor Sor 3 Kor No. 2361 2. Nor Sor 4 Jor No. 5943 3. Nor Sor 4 Jor No. 5944 4. Nor Sor 4 Jor No. 5947 5. Nor Sor 4 Jor No. 5948 6. Nor Sor 4 Jor No. 5949 7. Nor Sor 4 Jor No. 5950 8. Nor Sor 4 Jor No. 5951	01/08/2006 (A)	15	Freehold	Factory/ Office building	Approx 44,718 square metres/ 8,754 square metres	6,177 (Thai Baht 48.20mil)
			21/08/2009 (A)	12	Freehold	Waste water pond	Approx 18.64 acres	

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As at 31 August 2021 (cont'd)

	PARTICULARS OF PROPERTY	DATE OF ACQUISITION(A)/ REVALUATION(R)	AGE OF BUILDING, YEARS	TENURE	DESCRIPTION/ EXISTING USE	LAND AREA/ BUILD-UP AREA	AUDITED NET BOOK VALUE AS AT 31/08/2021, RM'000	
I) FLEXITECH SDN. BHD.								
1)	Lot 128, Jalan 8, Komplek Olak Lempit, Mukim Tanjung 12, 42700 Banting, Selangor.	HS (M) 5719, PT 4049, Komplek Perabot Olak Lempit, Mukim Tanjung Dua Belas, Daerah Kuala Langat, Selangor.	02/08/2005 (A)	16	Leasehold (Expiring on: 26/09/2087)	Production/ Warehouse	Approx 11,916 square metres/ 6,183 square metres	9,426
2)	Lot 127, Jalan 6, Komplek Olak Lempit, Mukim Tanjung 12, 42700 Banting, Selangor.	HS (M) 5735, PT 4065, Komplek Perabot Olak Lempit, Mukim Tanjung Dua Belas, Daerah Kuala Langat, Selangor.	15/09/2005 (A)	15	Leasehold (Expiring on: 26/09/2087)	Accommodation for worker	Approx 11,916 square metres/ 6,826 square metres	3,290
3)	Lot 124, Jalan 8, Komplek Olak Lempit, Mukim Tanjung 12, 42700 Banting, Selangor.	HS (M) 5721, PT 4051, Komplek Perabot Olak Lempit, Mukim Tanjung Dua Belas, Daerah Kuala Langat, Selangor.	08/01/2009 (A)	12	Leasehold (Expiring on: 26/09/2087)	Production/ Office building	Approx 11,966 square metres/ 10,172 square metres	5,523
4)	Lot 126, Jalan 8, Komplek Olak Lempit, Mukim Tanjung 12, 42700 Banting, Selangor.	HS (M) 5720, PT 4050, Komplek Perabot Olak Lempit, Mukim Tanjung Dua Belas, Daerah Kuala Langat, Selangor.	08/01/2009 (A)	12	Leasehold (Expiring on: 26/09/2087)	Production/ Office building	Approx 11,966 square metres/ 6,813 square metres	4,660
5)	No.11, Jalan Emas 28, Bandar Sungai Emas, 42700 Banting, Selangor.	GRN 108819, Lot 630, Seksyen 5, Pekan Sungai Manggis, Mukim Tanjong Dua Belas, Daerah Kuala Langat, Selangor.	29/04/2013 (A)	8	Freehold	Accommodation for staff	Approx 130 square metres	192
6)	No.7, Jalan Emas 28, Bandar Sungai Emas, 42700 Banting, Selangor.	GRN 108817, Lot 628, Seksyen 5, Pekan Sungai Manggis, Mukim Tanjong Dua Belas, Daerah Kuala Langat, Selangor.	19/06/2013 (A)	8	Freehold	Accommodation for staff	Approx 130 square metres	202
J) TOP QUALITY GLOVE SDN. BHD.								
1)	Lot 2604, Mukim Tanjong Dua Belas, Daerah Kuala Langat, Selangor.	GRN 47717, Lot 2604, Mukim Tanjong Dua Belas, Daerah Kuala Langat, Selangor.	25/01/2013 (A)	N/A	Freehold	Land	Approx 1.9526 hectares/4 acres 3 road 12 pole	4,385
2)	Lot 2605, Mukim Tanjong Dua Belas, Daerah Kuala Langat, Selangor.	GRN 47718, Lot 2605, Mukim Tanjong Dua Belas, Daerah Kuala Langat, Selangor.	25/01/2013 (A)	N/A	Freehold	Land	Approx 2.031 hectares/5 acres 0 road 3 pole	4,561
3)	Lot 2615, Mukim Tanjong Dua Belas, Daerah Kuala Langat, Selangor.	GRN 47724, Lot 2615, Mukim Tanjong Dua Belas, Daerah Kuala Langat, Selangor.	25/01/2013 (A)	N/A	Freehold	Land	Approx 1.7376 hectares/4 acres 1 road 7 pole	3,902
4)	Lot 2616, Mukim Tanjong Dua Belas, Daerah Kuala Langat, Selangor.	GRN 47725, Lot 2616, Mukim Tanjong Dua Belas, Daerah Kuala Langat, Selangor.	25/01/2013 (A)	N/A	Freehold	Land	Approx 2.0942 hectares/5 acres 0 road 28 pole	4,703
5)	Lot 5135, Jalan Dahlia, Off Jalan Meru, 41050 Klang, Selangor.	GM 5061, Lot 5135, Mukim Kapar, Daerah Klang, Selangor.	10/07/2014 (A)	N/A	Freehold	Vacant	Approx 4.656 acres/ 202,827 square feet	13,646

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As at 31 August 2021 (cont'd)

	PARTICULARS OF PROPERTY	DATE OF ACQUISITION(A)/ REVALUATION(R)	AGE OF BUILDING, YEARS	TENURE	DESCRIPTION/ EXISTING USE	LAND AREA/ BUILD-UP AREA	AUDITED NET BOOK VALUE AS AT 31/08/2021, RM'000	
6)	Lot 4977 & 4978, Jalan Dahlia, Off Jalan Meru, 41050 Klang, Selangor.	HS (M) 40486, PT 67437, Lot 4977 & 4978, Mukim Kapar, Daerah Klang, Selangor.	01/12/2016 (A)	N/A	Freehold	Land	5.45 acres/ 2.21 hectares	18,755
7)	Lot 5144, 6 th Miles, Sungai Binjai Road, 41050 Klang, Selangor.	GM 2306, Lot 5144, Mukim Kapar, Daerah Klang, Selangor.	01/12/2016 (A)	4	Freehold	Factory/Building	Double storey office building 8,874 square feet with 2 single storey warehouse 83,087 square feet	6,700
7)	Lot 5144, 6 th Miles, Sungai Binjai Road, 41050 Klang, Selangor.	GM 2306, Lot 5144, Mukim Kapar, Daerah Klang, Selangor.	28/12/2016 (A)	2	Freehold	Factory	Approx 202,824.4 square feet	38,280
8)	Lot 5145, 6 th Miles, Sungai Binjai Road, 41050 Klang, Selangor.	GM 5605, Lot 5145, Mukim Kapar, Daerah Klang, Selangor.	28/12/2016 (A)	N/A	Freehold	Vacant	Approx 201,468.1 square feet	17,984
9)	Lot 5133, Jalan Dahlia, Off Jalan Meru, 41050 Klang, Selangor.	GM 6046, Lot 5133, Mukim Kapar, Daerah Klang, Selangor.	31/08/2021 (R)	N/A	Freehold	Vacant	Approx 1.897 hectares	14,739
10)	Lot 5054, Jalan Kenangan KU8, Meru, 41050 Klang, Selangor.	GM 2642, Lot 5054, Mukim Kapar, Daerah Klang, Selangor.	11/07/2017 (A)	N/A	Freehold	Vacant	Approx 12,267 square metres	11,638
11)	Lot 5057, Jalan Kenangan KU8, Meru, 41050 Klang, Selangor.	GM 5276, Lot 5057, Mukim Kapar, Daerah Klang, Selangor.	15/09/2017 (A)	N/A	Freehold	Vacant	Approx 1.2267 hectares	11,067
12)	Lot 67330, Off Jalan Bunga Raya, 5½ Mile, Jalan Meru, 41050 Klang, Selangor.	Geran Mukim 277, Lot 5049, Geran Mukim 149, Lot 5050, Mukim Kapar, Daerah Klang, Selangor.	11/04/2018 (A)	N/A	Freehold	Land	2.091 hectares	19,975
12)	Lot 67330, Off Jalan Bunga Raya, 5½ Mile, Jalan Meru, 41050 Klang, Selangor.	Geran Mukim 149, Lot 5050, Mukim Kapar, Daerah Klang, Selangor.	11/04/2018 (A)	2	Freehold	Factory/Building	119,353.58 square feet	43,151
13)	Lot 6472, Lorong Sg Puloh/KU6, Kawasan Perindustrian Sungai Puloh, 42100 Klang, Selangor.	GM 52371, Lot 6472, Mukim Kapar, Daerah Klang, Selangor.	10/07/2018 (A)	3	Freehold	Factory	Approx 34,499 square metres	65,661
14)	Lot 47442, Mukim Hulu Kinta, Daerah Kinta, Perak.	GRN 378905, Lot 47442, Mukim Hulu Kinta, Daerah Kinta, Perak.	14/02/2019 (A)	N/A	Leasehold	Land	217,456 square feet	8,643
15)	Lot 4981 & 4982, Jalan Dahlia/KU8, Kawasan Perindustrian Meru Timur, 41050 Klang, Selangor.	GM 5117, Lot 4981, GM 4325, Lot 4982, Mukim Kapar, Daerah Klang, Selangor.	06/05/2019 (A)	2	Freehold	Factory	9,609 square metres	40,533
16)	Lot 4948, Tempat Batu 5, Jalan Binjai, 41050 Klang, Selangor.	GM 1821, Lot 4948, Mukim Kapar, Daerah Klang, Selangor.	24/10/2019 (A)	N/A	Freehold	Land	Approx 1.2141 hectares	11,979
17)	Lot 12, Jalan Banting Dengkil, Kampong Olak Lempit, 42799 Banting, Selangor.	H.S.(D) 41180 & 41181, No. P.T. 43686, Seksyen 2, Pekan Bukit Changgang, Daerah Kuala Langat, Selangor.	13/07/2020 (A)	N/A	Freehold	Land	Approx 67.647 square metres	106,075
18)	Lot 2606, Mukim Tanjong Dua Belas, Daerah Kuala Langat, Selangor.	GRN 47719, Lot 2606, Mukim Tanjong Dua Belas, Daerah Kuala Langat, Selangor.	27/07/2020 (A)	N/A	Freehold	Land	Approx 1.9779 hectares /4 acres 3 road 22 pole	4,677
19)	Lot 2619, Mukim Tanjong Dua Belas, Daerah Kuala Langat, Selangor.	GRN 33015, Lot 2619, Mukim Tanjong Dua Belas, Daerah Kuala Langat, Selangor.	14/08/2020 (A)	N/A	Freehold	Land	Approx 2.1347 hectares /5 acres 1 road 4 pole	5,731

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As at 31 August 2021 (cont'd)

	PARTICULARS OF PROPERTY	DATE OF ACQUISITION(A)/ REVALUATION(R)	AGE OF BUILDING, YEARS	TENURE	DESCRIPTION/ EXISTING USE	LAND AREA/ BUILD-UP AREA	AUDITED NET BOOK VALUE AS AT 31/08/2021, RM'000	
20)	Lot 4963, Tempat Batu 5, Jalan Sungei Binjai, 41050 Klang, Selangor.	GM 319, Lot 4963, Mukim Kapar, Daerah Klang, Selangor.	21/08/2020 (A)	N/A	Freehold	Land	Approx 1.2141 hectares	11,080
21)	Lot 13, Pekan Bukit Changgang, 42700 Banting, Selangor.	GR 232381, Lot 13, Seksyen 2, Pekan Bukit Changgang, Daerah Kuala Langat, Selangor.	11/11/2020 (A)	N/A	Freehold	Land	Approx 6.0930 hectares	37,546
22)	Lot 204 Seksyen 2, Pekan Bukit Changgang, Daerah Kuala Langat, Selangor.	GR 285695, Lot 204, Seksyen 2, Pekan Bukit Changgang, Daerah Kuala Langat, Selangor.	15/12/2020 (A)	N/A	Freehold	Land	Approx 3.9710 hectares	15,497
23)	Lot 2618, Mukim Tanjung Dua Belas, Daerah Kuala Langat, Selangor.	GR 60388, Lot 2618, Mukim Tanjung Dua Belas, Daerah Kuala Langat, Selangor.	12/03/2021 (A)	N/A	Freehold	Land	Approx 1.8489 hectares	6,754
24)	Lot 2617, Mukim Tanjung Dua Belas, Daerah Kuala Langat, Selangor.	GR 47726, Lot 2617, Mukim Tanjung Dua Belas, Daerah Kuala Langat, Selangor.	06/04/2021 (A)	N/A	Freehold	Land	Approx 2.1499 hectares	7,696
25)	Lot 2600, Mukim Tanjung Dua Belas, Daerah Kuala Langat, Selangor.	GR 47741, Lot 2600, Mukim Tanjung Dua Belas, Daerah Kuala Langat, Selangor.	10/05/2021 (A)	N/A	Freehold	Land	Approx 1.9880 hectares	5,093
26)	Lot 2601, Mukim Tanjung Dua Belas, Daerah Kuala Langat, Selangor.	PT 51671, H.S.(D) 48660, Lot 2601, Mukim Tanjung Dua Belas, Daerah Kuala Langat, Selangor.	25/05/2021 (A)	N/A	Freehold	Land	Approx 0.8107 hectares	2,075
27)	Lot 2631, Mukim Tanjung Dua Belas, Daerah Kuala Langat, Selangor.	GR 47745, Lot 2631, Mukim Tanjung Dua Belas, Daerah Kuala Langat, Selangor.	25/05/2021 (A)	N/A	Freehold	Land	Approx 0.8574 hectares	2,196
K) GMP MEDICARE SDN. BHD.								
1)	Lot 4985, Tempat Batu 5, Jalan Sungai Binjai, 41050 Klang, Selangor.	GM 2321, Lot 4985, Mukim Kapar, Daerah Klang, Selangor.	18/06/2010 (A)	11	Freehold	Factory/Glove manufacturing	3 acres	9,586
2)	Lot 2431, Mukim Port Dickson, Sendayan, 71100 Silliau, Port Dickson, Negeri Sembilan.	Lot 11558, (Baki Lot 2431, PA 50813) Mukim Port Dickson, Daerah Port Dickson, Negeri Sembilan.	06/12/2012 (A)	Phase 1: 22 years Phase 2: 19 years	Freehold	Factory/Glove manufacturing	16.7 acres/ 22,000 square metres	24,868
3)	Lot 4991, Jalan Bunga Raya, Batu 5½, Off Jalan Meru, 41050 Klang, Selangor.	HS (M) 39325, PT 64593, Mukim Kapar, Daerah Klang, Selangor.	01/08/2013 (A)	8	Freehold	Factory/Glove manufacturing	75,669 square feet	9,345
4)	Lot 3726, Kawasan Perindustrian Nilai, Mukim Setul, Daerah Seremban, 71800 Nilai, Negeri Sembilan.	GRN 164813, Lot 8196, Mukim Setul, Daerah Seremban, Negeri Sembilan.	14/08/2017 (A)	N/A	Freehold	Land	Approx 4.326 acres	19,752
5)	Lot 3726, Kawasan Perindustrian Nilai, Mukim Setul, Daerah Seremban, 71800 Nilai, Negeri Sembilan.	Lot 3726, Kawasan Perindustrian Nilai, Mukim Setul, Daerah Seremban, 71800 Nilai, Negeri Sembilan.	14/08/2017 (A)	4	Freehold	Factory/Glove manufacturing	Approx 14,256 square metres/ 153,450 square feet	6,970

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	PARTICULARS OF PROPERTY	DATE OF ACQUISITION(A)/ REVALUATION(R)	AGE OF BUILDING, YEARS	TENURE	DESCRIPTION/ EXISTING USE	LAND AREA/ BUILD-UP AREA	AUDITED NET BOOK VALUE AS AT 31/08/2021, RM'000	
L) TOP GLOVE PROPERTIES SDN. BHD.								
1)	No.16, Persiaran Setia Dagang, Bandar Setia Alam, Seksyen U13, 40170 Shah Alam, Selangor.	HS (D) 277347, PT 29363, Mukim Bukit Raja, Daerah Petaling, Selangor.	21/09/2011 (A)	9	Freehold	Office Tower	2 acres	163,900
2)	No.18, Persiaran Setia Dagang, Bandar Setia Alam, Seksyen U13, 40170 Shah Alam, Selangor.	HS (D) 293019, PT 32307, Mukim Bukit Raja, Daerah Petaling, Selangor.	31/08/2021 (R)	N/A	Freehold	Open Space Carpark	6,070.30 square metres	26,100
3)	No.20, Persiaran Setia Dagang, Bandar Setia Alam, Seksyen U13, 40170 Shah Alam, Selangor.	HS (D) 293020, PT 32308, Mukim Bukit Raja, Daerah Petaling, Selangor.	31/08/2021 (R)	N/A	Freehold	Open Space Carpark	5,403 square metres	23,400
M) PT. AGRO PRATAMA SEJAHTERA								
1)	The City Tower, 12 th Floor 1N, JL. MH Thamrin No.81, Jakarta Pusat 10310, Indonesia.	Bangka Belitung Province	01/10/2012 (A)	8	Leasehold (Expiring on: 18/03/2071)	Industrial Forest Plantation	30,773 hectares	20,833 (IDR 71.84 bil)
N) TG PORCELAIN SDN. BHD.								
1)	Lot 4946, Jalan Teratai, Batu 6, Off Jalan Meru, 41050 Klang, Selangor.	Lot 4946, Jalan Teratai, Batu 6, Off Jalan Meru, 41050 Klang, Selangor.	01/05/2018 (A)	3	Freehold	Factory/Former Manufacturing	52,513.14 square feet	6,266
O) ASPION GROUP								
1)	Lot 7, Jalan Hi Tech 12, Kulim Hi Tech Park (Phase 3), 09090 Kulim, Kedah.	Lot 7 (PT2487), Kulim Hi-Tech Park, Bandar Kulim, Daerah Kulim, Kedah.	04/07/2013 (A)	N/A	Leasehold (Expiring on 03/07/2073)	Land Factory	2,252,052 square feet 1,316,383 square feet	44,133 25,710
2)	Lot E4(3) [PT 4093], No. 2, Jalan 8, Kawasan Perindustrian Pengkalan Chepa II, 16100 Kota Bharu, Kelantan.	Lot No 5052, Mukim Panchor, Daerah Kota Bharu, Kelantan.	05/04/2018 (A) 05/04/2018 (A)	N/A 16	Leasehold (Expiring on: 15/02/2063)	Land Factory/Office	2.184 hectares 9,496.09 square metres	4,798 7,617
3)	PLO 9 & 18, Jalan Mahsuri 1, 7.5km Jalan Mersing, Kawasan Perindustrian Kluang, 86007 Kluang, Johor.	PTD 84462, Mukim Kluang, Daerah Kluang, Johor.	05/04/2018 (A) 05/04/2018 (A)	N/A 10	Leasehold (Expiring on: 28/08/2053)	Land Factory Building	2.2781 hectares 12,225.98 square metres	2,829 9,222
4)	Lot E4(4) [PT 4094], Jalan 8, Kawasan Perindustrian Pengkalan Chepa II, 16100 Kota Bharu, Kelantan.	Lot No 5053, Mukim Panchor, Daerah Kota Bharu, Kelantan.	05/04/2018 (A) 05/04/2018 (A)	N/A 13	Leasehold (Expiring on: 15/02/2063)	Land Factory Building	2.341 hectares 14,604.21 square metres	5,141 8,229
5)	Lot E4(6) & Lot E4(7) [PT 4091 & PT 4092], Kawasan Perindustrian Pengkalan Chepa II, 16100 Kota Bharu, Kelantan.	Lot No 5050, 5051, Mukim Panchor, Daerah Kota Bharu, Kelantan.	05/04/2018 (A) 05/04/2018 (A) 05/04/2018 (A)	N/A 15 7	Leasehold (Expiring on: 15/02/2063) Freehold	Land/ Biomass plant Factory/ Warehouse Office building/ Warehouse	Lot 5050: 2.640 hectares Lot 5051: 2.366 hectares 10,546.36 square metres 2.64 hectares	10,675 5,879 4,868

LIST OF PROPERTIES

As at 31 August 2021 (cont'd)

	PARTICULARS OF PROPERTY	DATE OF ACQUISITION(A)/ REVALUATION(R)	AGE OF BUILDING, YEARS	TENURE	DESCRIPTION/ EXISTING USE	LAND AREA/ BUILD-UP AREA	AUDITED NET BOOK VALUE AS AT 31/08/2021, RM'000
6)	PLO 5, Jalan Mahsuri 1, 7.5KM, Jalan Mersing, Kawasan Perindustrian Kluang, 86000 Kluang, Johor.	05/04/2018 (A) 05/04/2018 (A)	N/A 33	Leasehold (Expiring on: 01/10/2049)	Land Factory/Glove manufacturing	3 acres 7,515.14 square metres	1,517 3,323
7)	PLO 12, Jalan Mahsuri 1, 7.5KM, Jalan Mersing, Kawasan Perindustrian Kluang, 86000 Kluang, Johor.	05/04/2018 (A) 05/04/2018 (A)	N/A 14	Leasehold (Expiring on: 07/11/2050)	Land Factory/Glove manufacturing	3.206 acres 8,929.41 square metres	1,198 3,901
8)	Lot 366, GM 2547, Mukim of Kluang, Daerah Kluang, Johor.	05/04/2018 (A)	N/A	Freehold	Agricultural land	1.467 hectares	363
P) GREAT GLOVE (THAILAND) CO., LTD.							
1)	180/3 Moo.7, Srisonthon Rd., T.Srisonthon, A.Thalang, Phuket 83110 Thailand.	28/02/2006 (A) 01/10/2016 (A)	15 4	Freehold	Building Block A Building Block B	3,832 square metres 4,616 square metres	2,865 (Thai Baht 22.36 mil) 8,012 (Thai Baht 62.53 mil)
2)	Title Deed No.64761, 64762, 64763, Moo.7 Srisonthon Rd., T.Srisonthon, A.Thalang, Phuket 83110 Thailand.	Title Deed No.64761, 64762, 64763, Moo.7 Srisonthon Rd., T.Srisonthon, A.Thalang, Phuket 83110 Thailand.	05/09/2019 (A)	N/A	Freehold	Pond	Approx 13.5 acres 2,467 (Thai Baht 19.25 mil)
Q) TG FMT SDN. BHD.							
1)	Lot 4987, Jalan Bunga Raya, Batu 6 Off Jalan Meru, 41050 Klang, Selangor.	Block B, Lot 4987, Jalan Bunga Raya, Batu 6 Off Jalan Meru, 41050 Klang, Selangor.	01/06/2017 (A)	4	Freehold	Building	31,345 square feet 3,854
R) EASTERN PRESS SDN. BHD.							
1)	Lot 1, Jalan Paku 16/6, 40000 Shah Alam, Selangor.	HS (D) 167430, Lot 1, Mukim Damansara, Petaling Jaya, Selangor.	05/01/2018 (A)	7	Leasehold (Expiring on: 03/04/2068)	Production use	3,121.44 square metres/ 1,148.84 square metres
2)	Lot 3, Jalan Paku 16/6, 40000 Shah Alam, Selangor.	Q.T. R. 4248 L.O.No Lot 3, Jalan Paku 2/6, Mukim Damansara, District Klang.	05/01/2018 (A)	31	Leasehold (Expiring on: 03/04/2068)	Production use	1,774.39 square metres/ 1,038.19 square metres
3)	Lot 5, Jalan Paku 16/6, 40000 Shah Alam, Selangor.	Kawasan Kilang Berderet Seksyen 16, Shah Alam, Selangor.	05/01/2018 (A)	34	Leasehold (Expiring on: 03/04/2068)	Production use	1,774.39 square metres/ 1,209.96 square metres
4)	Lot 13 & Lot 15, Jalan Paku 2/6, 40000 Shah Alam, Selangor.	Q.T. R. 4253 & 4254, Jalan Paku 2/6, Mukim of Damansara, District Klang.	05/01/2018 (A)	25	Leasehold (Expiring on: 15/01/2068)	Production use	Lot 13: 1,755.81 square metres/ 951.6 square metres Lot 15: 1,718.65 square metres/ 1,137.51 square metres

LIST OF PROPERTIES

As at 31 August 2021 (cont'd)

	PARTICULARS OF PROPERTY	DATE OF ACQUISITION(A)/ REVALUATION(R)	AGE OF BUILDING, YEARS	TENURE	DESCRIPTION/ EXISTING USE	LAND AREA/ BUILD-UP AREA	AUDITED NET BOOK VALUE AS AT 31/08/2021, RM'000
5)	Unit B2-602 Block 2, Pangsapuri Anggerik Indah, Jalan Sempadan 16/7, Seksyen 16, 40200 Shah Alam, Selangor.	Lot 10970, Section 16, Shah Alam/Petaling/ Pajakan Negeri 110147 Apartment.	05/01/2018 (A)	23	Leasehold (Expiring on: 01/03/2099)	Workers apartment	823 square feet 59
6)	Unit B2-604 Block 2, Pangsapuri Anggerik Indah, Jalan Sempadan 16/7, Seksyen 16, 40200 Shah Alam, Selangor.	Lot 10970, Section 16, Shah Alam/Petaling/ Pajakan Negeri 110147 Apartment.	05/01/2018 (A)	23	Leasehold (Expiring on: 01/03/2099)	Workers apartment	740 square feet 65
7)	Lot 9, Jalan Paku 16/6, 40000 Shah Alam, Selangor.	HS (D) 167468, No 9, Mukim Damansara, Daerah Petaling, Selangor.	30/08/2018 (A)	3	Leasehold (Expiring on: 03/04/2068)	Production use	1,774.39 square metres/ 989.14 square metres
8)	Lot 7, Jalan Paku 16/6, 40000 Shah Alam, Selangor.	HS (D) 308675, Lot 7, Mukim Damansara, Daerah Petaling, Selangor.	21/12/2018 (A)	2	Leasehold (Expiring on: 03/04/2068)	Production use	1,774.39 square metres/ 973.39 square metres
9)	Unit 7-10-1, Suria Avenue, Lot 1, Jalan Dawai 16/2, Seksyen 16, 40200 Shah Alam, Selangor.	Lot 745, Section 16, Shah Alam/Petaling/ Pajakan Negeri 24691/M1/10/145 Apartment.	21/02/2019 (A)	2	Leasehold (Expiring on: 22/01/2072)	Workers apartment	894 square feet 272
10)	Unit 9-10-1, Suria Avenue, Lot 1, Jalan Dawai 16/2, Seksyen 16, 40200 Shah Alam, Selangor.	Lot 745, Section 16, Shah Alam/Petaling/ Pajakan Negeri 24691/M1/10/145 Apartment.	21/02/2019 (A)	2	Leasehold (Expiring on: 22/01/2072)	Workers apartment	1,006 square feet 272
11)	Lot 11, Jalan Paku 16/6, 40000 Shah Alam, Selangor.	HS (D) 79920, No 11, Mukim Damansara, Daerah Petaling, Selangor.	08/05/2019 (A)	2	Leasehold (Expiring on: 15/01/2068)	Production use	1,774.39 square metres/ 772.06 square metres
S) TOP GLOVE VIETNAM COMPANY LIMITED							
1)	Land Lot A_8B_CN, Bau Bang Industrial Park, Lai Uyen Town, Bau Bang District, Binh Duong Province, Vietnam.	Land Lot A_8B_CN, Bau Bang Industrial Park, Lai Uyen Town, Bau Bang District, Binh Duong Province, Vietnam.	07/05/2018 (A)	3	Leasehold (Expiring on: 20/06/2057)	Production Office Warehouse	218,212 square metres 73,681 (USD 17.67 mil)

ANALYSIS OF SHAREHOLDINGS

As at 27 October 2021

Share Capital

Total Issued Shares : 8,207,013,034 Ordinary Shares (including 199,913,800 Treasury Shares)
Types of Shares : Ordinary Shares
Voting Rights : One (1) vote per Ordinary Share on a poll

1. DISTRIBUTION OF SHAREHOLDINGS

Size of Holdings	No. of Holders [^]	% [^]	No. of Holdings [^]	% [^]
1 to 99	571	0.44	12,366	0.00
100 to 1,000	35,922	27.68	23,761,104	0.30
1,001 to 10,000	68,964	53.13	288,095,062	3.60
10,001 to 100,000	21,796	16.79	600,843,264	7.50
100,001 to 400,354,960 (less than 5% of Issued Shares)	2,542	1.96	5,324,325,924	66.50
400,354,961 (5% of Issued Shares) and above	3	0.00	1,770,061,514	22.11
Total	129,798	100.00	8,007,099,234*	100.00

Note:

[^] Excluding Treasury Shares

* Out of the total holdings of 8,007,099,234 shares, 612,170,048 shares were traded in Singapore Exchange Securities Trading Limited

2. SUBSTANTIAL SHAREHOLDERS

The Substantial Shareholders of the Company based on the Register of Substantial Shareholders of the Company and their respective shareholdings are as follows:

No.	Name of Substantial Shareholders	No. of Ordinary Shares Held			
		Direct	% [^]	Indirect	% [^]
1.	Tan Sri Dr <u>Lim</u> Wee Chai	2,159,032,356	26.964	680,191,448 *	8.495
2.	Puan Sri Tong Siew Bee	22,562,876	0.282	2,816,660,928 **	35.177
3.	Lim Hooi Sin	100,061,244	1.250	2,738,962,560 ***	34.207
4.	Lim Jin Feng	200,000	0.002	2,738,962,560 ***	34.207
5.	Firstway United Corp	554,966,328	6.931	-	-
6.	Employees Provident Fund Board	498,567,966	6.227	-	-

Note:

[^] Calculated based on 8,007,099,234 Ordinary Shares (Issued share capital of 8,207,013,034 Ordinary Shares less Treasury Shares of 199,913,800)

* Deemed interested by virtue of the shareholding of Puan Sri Tong Siew Bee, Mr. Lim Hooi Sin, Mr. Lim Jin Feng, Firstway United Corp, Top Fortress Ventures Limited and TS Dr Lim WC (L) Foundation in Top Glove

** Deemed interested by virtue of the shareholding of Tan Sri Dr Lim Wee Chai, Mr. Lim Hooi Sin, Mr. Lim Jin Feng, Firstway United Corp, Top Fortress Ventures Limited and TS Dr Lim WC (L) Foundation in Top Glove

*** Deemed interested by virtue of the shareholding of Tan Sri Dr Lim Wee Chai, Puan Sri Tong Siew Bee, Firstway United Corp, Top Fortress Ventures Limited and TS Dr Lim WC (L) Foundation in Top Glove

ANALYSIS OF SHAREHOLDINGS

As at 27 October 2021 (cont'd)

3. DIRECTORS' SHAREHOLDINGS

The Directors' Shareholdings of Top Glove based on the Register of Directors' Shareholdings and/or Record of Depositors are as follows:

No.	Name of Directors	No. of Ordinary Shares Held			
		Direct	% [^]	Indirect	% [^]
1.	Tan Sri Dr <u>Lim</u> Wee Chai	2,159,032,356	26.964	680,191,448 *	8.495
2.	Tan Sri Rainer Althoff	2,000	0.000	-	-
3.	Dato' Lee Kim Meow	1,782,000	0.022	120,000 **	0.001
4.	Puan Sri Tong Siew Bee	22,562,876	0.282	2,816,660,928 ***	35.177
5.	Lim Hooi Sin	100,061,244	1.250	2,738,962,560 ****	34.207
6.	Lim Cheong Guan	418,000	0.005	-	-
7.	Dato' Lim Han Boon	260,000	0.003	-	-
8.	Datuk Noripah Kamso	205,000	0.003	-	-
9.	Sharmila Sekarajasekaran	30,037,500	0.375	1,200,000 *****	0.015
10.	Datuk Dr. Norma Mansor	-	-	32,900 *****	0.000
11.	Azrina Arshad	10,000	0.000	-	-
12.	Lim Andy	307,500	0.004	-	-

Note:

[^] Calculated based on 8,007,099,234 Ordinary Shares (Issued share capital of 8,207,013,034 Ordinary Shares less Treasury Shares of 199,913,800)

* Deemed interested by virtue of the shareholding of Puan Sri Tong Siew Bee, Mr. Lim Hooi Sin, Mr. Lim Jin Feng, Firstway United Corp, Top Fortress Ventures Limited and TS Dr Lim WC (L) Foundation in Top Glove

** Deemed interested through his wife, Madam Chung Lee Moy

*** Deemed interested by virtue of the shareholding of Tan Sri Dr Lim Wee Chai, Mr. Lim Hooi Sin, Mr. Lim Jin Feng, Firstway United Corp, Top Fortress Ventures Limited and TS Dr Lim WC (L) Foundation in Top Glove

**** Deemed interested by virtue of the shareholding of Tan Sri Dr Lim Wee Chai, Puan Sri Tong Siew Bee, Firstway United Corp, Top Fortress Ventures Limited and TS Dr Lim WC (L) Foundation in Top Glove

***** Deemed interested by virtue of her direct interest in Trinity Worldwide Holdings Limited

***** Deemed interested through her husband, Shamsuddin Bin Ali Hussin

The Directors' Share Options held under the Employees' Share Option Scheme of the Company based on the Register of Directors' Shareholding are as follows:

No.	Name of Directors	No. of Options Held	
		Direct	Indirect
1.	Tan Sri Dr <u>Lim</u> Wee Chai	3,131,700	871,100 *
2.	Tan Sri Rainer Althoff	-	-
3.	Dato' Lee Kim Meow	-	-
4.	Puan Sri Tong Siew Bee	127,500	3,875,300 **
5.	Lim Hooi Sin	600,500	3,259,200 ***
6.	Lim Cheong Guan	577,500	-
7.	Dato' Lim Han Boon	-	-
8.	Datuk Noripah Kamso	-	-
9.	Sharmila Sekarajasekaran	-	-
10.	Datuk Dr. Norma Mansor	-	-
11.	Azrina Arshad	-	-
12.	Lim Andy	-	-

Note:

* Deemed interested through Puan Sri Tong Siew Bee, Mr. Lim Hooi Sin and Mr. Lim Jin Feng's options held in Top Glove

** Deemed interested through Tan Sri Dr Lim Wee Chai, Mr. Lim Hooi Sin and Mr. Lim Jin Feng's options held in Top Glove

*** Deemed interested through Tan Sri Dr Lim Wee Chai and Puan Sri Tong Siew Bee's options held in Top Glove

ANALYSIS OF SHAREHOLDINGS

As at 27 October 2021 (cont'd)

4. THIRTY (30) LARGEST SECURITIES ACCOUNT HOLDERS AS PER THE RECORD OF DEPOSITORS

No.	Names	Shareholdings	% [^]
1.	CIMSEC Nominees (Tempatan) Sdn. Bhd. - CIMB for Tan Sri Dr Lim Wee Chai (PB)	743,833,200	9.29
2.	Citigroup Nominees (Asing) Sdn. Bhd. - Exempt An for The Central Depository (Pte) Limited	612,170,048	7.65
3.	Citigroup Nominees (Tempatan) Sdn. Bhd. - Employees Provident Fund Board	414,058,266	5.17
4.	Citigroup Nominees (Tempatan) Sdn. Bhd. - Exempt An for Bank of Singapore Limited (Local)	225,200,000	2.81
5.	CIMSEC Nominees (Asing) Sdn. Bhd. - CIMB for Firstway United Corp (PB)	182,245,528	2.28
6.	Citigroup Nominees (Asing) Sdn. Bhd. - Exempt An for UBS AG Singapore (Foreign)	166,230,000	2.08
7.	CIMB Group Nominees (Tempatan) Sdn. Bhd. - Pledged securities account – DBS Bank Ltd for Tan Sri Dr Lim Wee Chai (SG1400360353)	150,000,000	1.87
8.	Tan Sri Dr Lim Wee Chai	143,478,700	1.79
9.	MFP Capital Corporation	125,952,922	1.57
10.	UOBM Nominees (Tempatan) Sdn. Bhd. - United Overseas Bank Nominees (Pte) Ltd for Tan Sri Dr Lim Wee Chai	122,100,000	1.52
11.	Kumpulan Wang Persaraan (Diperbadankan)	121,735,550	1.52
12.	HSBC Nominees (Tempatan) Sdn. Bhd. - Pledged securities account – HBAP SG for Tan Sri Dr Lim Wee Chai (PB-SGDIV)	114,000,000	1.42
13.	UOBM Nominees (Tempatan) Sdn. Bhd. - United Overseas Bank Nominees (Pte) Ltd for Tan Sri Dr Lim Wee Chai	105,900,000	1.32
14.	Maybank Nominees (Tempatan) Sdn. Bhd. - Nomura Singapore Limited for Tan Sri Dr Lim Wee Chai (419597)	90,000,000	1.12
15.	HSBC Nominees (Asing) Sdn. Bhd. - JPMCB NA for Vanguard Emerging Markets Stock Index Fund	73,683,690	0.92
16.	HSBC Nominees (Asing) Sdn. Bhd. - J.P. Morgan Securities PLC	72,427,124	0.90
17.	HSBC Nominees (Asing) Sdn. Bhd. - JPMCB NA for Vanguard Total International Stock Index Fund	68,951,098	0.86
18.	Cartaban Nominees (Asing) Sdn. Bhd. - Exempt An for State Street Bank & Trust Company (West CLT OD67)	65,331,394	0.82
19.	Lim Hooi Sin	61,736,760	0.77
20.	Citigroup Nominees (Tempatan) Sdn. Bhd. - Exempt An for AIA Bhd.	60,926,200	0.76
21.	Maybank Nominees (Tempatan) Sdn. Bhd. - Maybank Trustees Berhad for Public Ittikal Fund (N14011970240)	60,000,000	0.75
22.	RHB Capital Nominees (Asing) Sdn. Bhd. - Pledged securities account for Firstway United Corp (RHB Bank (L) Ltd)	59,600,000	0.74
23.	Cartaban Nominees (Tempatan) Sdn. Bhd. - Exempt An for LGT Bank AG (Local)	57,940,000	0.72
24.	Cartaban Nominees (Tempatan) Sdn. Bhd. - PAMB for Prulink Equity Fund	56,686,600	0.71
25.	Tan Sri Dr Lim Wee Chai	55,800,000	0.70
26.	Maybank Nominees (Tempatan) Sdn. Bhd. - Maybank Trustees Berhad for Public Regular Savings Fund (N14011940100)	48,269,500	0.60
27.	Citigroup Nominees (Tempatan) Sdn. Bhd. - Bank of Singapore Limited for Tan Sri Dr Lim Wee Chai	48,000,000	0.60
28.	Cartaban Nominees (Asing) Sdn. Bhd. - State Street Australia Fund Remi for Retail Employees Superannuation Trust	47,837,189	0.60
29.	RHB Nominees (Tempatan) Sdn. Bhd. - Tan Sri Dr Lim Wee Chai	46,856,200	0.59
30.	Tan Sri Dr Lim Wee Chai	46,853,256	0.59
	Total	4,247,803,225	53.05

Note:

[^] Calculated based on 8,007,099,234 Ordinary Shares (Issued share capital of 8,207,013,034 Ordinary Shares less Treasury Shares of 199,913,800)

NOTICE OF THE TWENTY THIRD ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the Twenty Third Annual General Meeting (“23rd AGM”) of Top Glove Corporation Bhd (“Top Glove” or “Company”) will be conducted virtually for the purpose of considering and if thought fit, passing with or without modifications, the resolutions set out in this notice:

Day and Date	: Thursday, 6 January 2022
Time	: 10:30 a.m.
Broadcast Venue	: TG Grand Ballroom Level 9, Top Glove Tower, 16, Persiaran Setia Dagang, Setia Alam, Seksyen U13, 40170 Shah Alam, Selangor Darul Ehsan, Malaysia (Members/Proxies/Corporate Representatives will not be allowed to be physically present at the Broadcast Venue)
Online Meeting Platform	: Securities Services ePortal https://sshsb.net.my/
Modes of Communication	: 1. Typed text in the Online Meeting Platform 2. Email your questions to topglovecosec@topglove.com.my prior to the 23 rd AGM

AGENDA

- To receive the Audited Financial Statements for the financial year ended 31 August 2021 together with the Reports of the Directors and the Auditors thereon.

Please refer to Explanatory Note 1

- To re-elect the following Directors who retire pursuant to Article 94 of the Company's Constitution and being eligible, have offered themselves for re-election:

- Lim Hooi Sin
- Dato' Lee Kim Meow
- Azrina Arshad

(Resolution 1)
(Resolution 2)
(Resolution 3)

Please refer to Explanatory Note 2

- To approve the payment of Directors' fees for the financial year ended 31 August 2021.

Please refer to Explanatory Note 3

(Resolution 4)

- To approve the payment of Directors' benefits (excluding Directors' fees) to the Non-Executive Directors up to an amount of RM300,000.00 from 7 January 2022 until the next Annual General Meeting of the Company to be held in year 2023.

Please refer to Explanatory Note 4

(Resolution 5)

- To re-appoint Messrs. Ernst & Young PLT as Auditors of the Company until the conclusion of the next Annual General Meeting and to authorise the Directors to fix their remuneration.

Please refer to Explanatory Note 5

(Resolution 6)

6. As Special Business

To consider and, if thought fit, with or without any modification, to pass the following resolutions which will be proposed as Ordinary Resolutions:

NOTICE OF THE TWENTY THIRD ANNUAL GENERAL MEETING

(a) Ordinary Resolution No. 1

Authority to Issue Shares pursuant to the Companies Act 2016 (“the Act”)

“**THAT** subject to the Act, the Constitution of the Company, and the approvals from Bursa Malaysia Securities Berhad (“**Bursa Securities**”) and any relevant governmental/regulatory authority, the Directors of the Company be and are hereby empowered, pursuant to the Act, to issue and allot shares in the Company, at any time to such persons and upon such terms and conditions and for such purposes as the Directors may, in their absolute discretion, deem fit, provided that the aggregate number of shares issued pursuant to this resolution does not exceed ten per centum (10%) of the total number of issued shares of the Company for the time being; **AND THAT** the Directors be and are also empowered to obtain the approval for the listing of and quotation for the additional shares so issued on Bursa Securities; **AND FURTHER THAT** such authority shall commence immediately upon the passing of this resolution and continue to be in force until the conclusion of the next Annual General Meeting of the Company.”

Please refer to Explanatory Note 6

(Resolution 7)

(b) Ordinary Resolution No. 2

Proposed Renewal of Share Buy-Back Authority

“**THAT** subject to the Companies Act 2016 (“**the Act**”), the Company’s Constitution, Bursa Malaysia Securities Berhad (“**Bursa Securities**”) Main Market Listing Requirements (“**Main LR**”) and the approvals of all relevant governmental and/or regulatory authorities (if any), the Company be and is hereby authorised to purchase such amount of ordinary shares in the Company (“**Proposed Share Buy-Back**”) as may be determined by the Board of Directors (“**Board**”) from time to time through Bursa Securities upon such terms and conditions as the Board may deem fit and expedient in the interest of the Company provided that the aggregate number of shares purchased pursuant to this resolution shall not exceed ten per centum (10%) of the total number of issued shares of the Company;

THAT the maximum amount of funds to be utilised for the purpose of the Proposed Share Buy-Back shall not exceed the aggregate retained profits of the Company based on its audited financial statements for the financial year ended 31 August 2021 of RM2,492,055,000;

THAT at the discretion of the Board, the shares of the Company to be purchased are proposed to be cancelled and/or retained as treasury shares and/or distributed as dividends and/or resold on Bursa Securities and/or transferred the shares for the purposes of or under an employees’ share scheme in the manner as prescribed by the Act, rules, regulations and orders made pursuant to the Act and Bursa Securities Main LR and any other relevant authorities for the time being in force;

THAT such authority shall commence immediately upon passing of this resolution until:

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

whichever is the earlier;

AND THAT the Board be and is hereby authorised to take such steps to give full effect to the Proposed Share Buy-Back with full power to assent to any condition, modification, variation and/or amendment as may be imposed by the relevant authorities and/or to do all such acts and things as the Board may deem fit and expedient in the best interest of the Company.”

Please refer to Explanatory Note 7

(Resolution 8)

- 7. To transact any other ordinary business for which due notice shall have been given.

By Order of the Board of Directors

CHUA SIEW CHUAN
SSM PC No.: 201908002648
MAICSA No.: 0777689
Chartered Secretary

CHIN MUN YEE
SSM PC No.: 201908002785
MAICSA No.: 7019243
Chartered Secretary

LIM KEAT SEE
SSM PC No.: 201908001159
MAICSA No.: 7020290
Chartered Secretary

Shah Alam
12 November 2021

NOTES:

1. The 23rd AGM will be conducted virtually through live streaming and online remote voting via the Remote Participation and Voting (“**RPV**”) facilities to be provided by SS E Solutions Sdn. Bhd. via Securities Services ePortal’s platform at <https://sshsb.net.my/>. Please follow the procedures provided in the Administrative Details for the 23rd AGM in order to register, participate and vote remotely via the RPV facilities.
2. The Broadcast Venue is strictly for the purpose of complying with Section 327(2) of the Companies Act 2016 (“**the Act**”) and Article 64A of the Company’s Constitution which require the Chairman of the Meeting to be present at the main venue of the Meeting. Members/proxies/corporate representatives will not be allowed to be physically present at the Broadcast Venue.
3. In respect of deposited securities, only members whose names appear in the Record of Depositors on 31 December 2021 (General Meeting Record of Depositors) shall be eligible to participate in the 23rd AGM.
4. A member of the Company entitled to participate and vote at the 23rd AGM is entitled to appoint not more than two (2) proxies to participate, speak and vote in his/her stead. A proxy may but need not be a member of the Company and a member may appoint any person to be his/her proxy. There shall be no restriction as to the qualification of the proxy. A proxy appointed by the member shall have the same rights as the member to participate, speak and vote at the 23rd AGM. The members or their proxies or their corporate representatives may submit questions to the Company at topglovecosec@topglove.com.my prior to the 23rd AGM or via real time submission of typed texts through a text box within Securities Services ePortal’s platform during live streaming of the 23rd AGM as the primary mode of communication. In the event of any technical glitch in the primary mode of communication, shareholders, proxies and corporate representatives may email their questions to eservices@sshsb.com.my during the 23rd AGM.
5. Where a holder appoints more than one (1) proxy, the appointment shall be invalid unless he/she specifies the proportion of his/her shareholdings to be represented by each proxy.
6. The instrument appointing a proxy or representative and the duly registered power of attorney or other authority, if any, shall be in writing under the hand of the appointor or his/her attorney duly appointed under a Power of Attorney or, if such appointor is a corporation, either under its seal or under the hand of an officer or attorney duly appointed under a Power of Attorney.
7. Where a member of the Company is an exempt authorised nominee which holds ordinary shares in the Company for multiple beneficial owners in one (1) securities account (“**Omnibus Account**”), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each Omnibus Account it holds.
8. The instrument appointing a proxy may be made via hardcopy or by electronic means in the following manner and must be received by the Company not less than forty-eight (48) hours before the time appointed for holding the 23rd AGM or at any adjournment thereof:

NOTICE OF THE TWENTY THIRD ANNUAL GENERAL MEETING

(i) In Hardcopy Form

The proxy form shall be deposited at the Share Registrar's office, Securities Services (Holdings) Sdn. Bhd. at Level 7, Menara Milenium, Jalan Damanlela, Pusat Bandar Damansara, Damansara Heights, 50490 Kuala Lumpur, Wilayah Persekutuan, Malaysia.

(ii) By Electronic Means

The proxy form shall be electronically lodged via Securities Services ePortal's platform at <https://sshsb.net.my/> or by fax to +603 2094 9940 or by email to eservices@sshsb.com.my.

EXPLANATORY NOTES:

1. Audited Financial Statements for the financial year ended 31 August 2021

The Audited Financial Statements under Agenda 1 is meant for discussion only as the provision of Section 340(1) of the Act does not require the Audited Financial Statements to be formally approved by the shareholders. As such, this item is not put forward for voting.

2. Re-election of Directors who retire by rotation pursuant to Article 94 of the Company's Constitution

Article 94 of the Company's Constitution provides that one-third (1/3) of the Directors of the Company for the time being shall retire by rotation at an Annual General Meeting ("AGM") of the Company. All the Directors shall retire from office once at least in each three (3) years but shall be eligible for re-election.

The Board of Directors ("Board") through the Board Nomination and Remuneration Committee has conducted an assessment on all the Directors via the Board Effectiveness Evaluation 2021, facilitated by an independent expert, KPMG Management & Risk Consulting Sdn. Bhd. The Board is satisfied with the individual performance of the following retiring Directors. The Board endorsed the Board Nomination and Remuneration Committee's recommendation on the re-election of the retiring Directors.

The Board agreed to propose to the shareholders for re-election of the following retiring Directors, based on the following justifications:

Director subject to re-election pursuant to Article 94	Statement of Support by the Board
Lim Hooi Sin	<ol style="list-style-type: none"> Having served Top Glove Group for more than 27 years, he is familiar with the Company's business operations and continued to take a holistic approach in managing the business operations of the Group. His wealth of experience in sales and marketing enable him to assist the Company in overseeing the business operations of all overseas subsidiaries.
Dato' Lee Kim Meow	<ol style="list-style-type: none"> Having served Top Glove Group for more than 24 years, his vast experience in the Company enables him to provide strategic advice to the Chairman and the Board. He drives the strategic plans set by the Board. He is recognised for his valuable contribution in the rubber glove industry in Malaysia as well as ASEAN region, which enable him to provide valuable insights during the Board's strategic meeting. He had demonstrated active participation in the Boardroom and served as one of the main spokespersons for the Company, representing the Company well in the public.
Azrina Arshad	<ol style="list-style-type: none"> She has fulfilled the criteria of independence contained in the Corporate Governance Guide issued by Bursa Securities. She remains objective and independent in expressing her view and actively participating in the Board's deliberations and decision-making process. Her previous experience in the fields of architectural are highly valued by the Company in advising the Company in its existing and future expansion plan. She is regarded as valuable addition to the boardroom having showed her commitment in the sustainability development of the Company. She is not involved in any potential conflict of interest that might adversely affect her ability to perform her duties properly.

NOTICE OF THE TWENTY THIRD ANNUAL GENERAL MEETING

Puan Sri Tong Siew Bee, the Non-Independent Non-Executive Director of the Company who has served on the Board for more than 21 years and who retires by rotation in accordance with Article 94 of the Company's Constitution, has notified the Board that she does not wish to seek for re-election as Director. Hence, she shall retire as Director at the conclusion of the 23rd AGM.

The profiles of the Directors who are standing for re-election are stated on pages 17, 20 and 26 of the Integrated Annual Report 2021.

Any Director referred to in Resolutions 1 to 3, who is a shareholder of the Company will abstain from voting on the resolution in respect of his/her re-election at the 23rd AGM.

3. Determination and Payment of Directors' Fees

Paragraph 7.24 of Bursa Securities Main LR stipulates that the fees of Directors and any benefits payable to Directors shall be subject to annual shareholders' approval at a general meeting. Therefore, shareholders' approval is required for the determination and payment of Directors' fees amounting to RM1,831,500 for the financial year ended 31 August 2021.

The following table outlines the Directors' fees structure for financial year ended 31 August 2021:

	Annual Fees (RM)
Board	
Executive Chairman	150,000
Managing Director	130,000
Executive Director and Non-Executive Director	120,000
Senior Independent Non-Executive Director	128,000
Board Audit Committee	7,000
Board Risk Committee	7,000
Board Nomination and Remuneration Committee	4,000
Board Sustainability Committee	4,000

4. Directors' Benefits (excluding Directors' Fees)

The Directors' benefits (excluding Directors' fees) comprise the meeting allowances payable to the Non-Executive Directors. The meeting allowances are fixed as follows:

Type of Meeting	Meeting Allowance per Meeting (RM)	
	Chairman	Non-Executive Director/Member
Board	Nil	1,500
General	Nil	1,500
Board Committee	1,200	1,000

In determining the estimated total Directors' benefits (excluding Directors' fees) for the period commencing 7 January 2022 until the next AGM ("Relevant Period"), the size of the Board and Board Committees as well as the estimated number of meetings scheduled to be held during the Relevant Period were taken into consideration. As there is no change to the fixed meeting allowance, the Board is recommending an estimated total amount of RM300,000 as per previous AGM.

Subject to the shareholders' approval of Ordinary Resolutions 4 and 5, the payment for fees will be made to the Directors after the AGM while Directors' benefits will be made by the Company as and when incurred. The Board opined that the payments to the Directors are just and equitable taking into account their roles and responsibilities towards the Group and the services that they have rendered to the Company.

Directors who are also shareholders of the Company will abstain from voting on the resolution in respect of the fees and benefits payable to him/her.

NOTICE OF THE TWENTY THIRD ANNUAL GENERAL MEETING

5. Re-appointment of Auditors

The Board Audit Committee and the Board have considered the re-appointment of Messrs. Ernst & Young PLT as Auditors of the Company, are satisfied with the performance, competency, audit approach and independence of Messrs. Ernst & Young PLT and viewed that they have met the relevant criteria prescribed by Paragraph 15.21 of Bursa Securities Main LR.

The Board endorsed the Board Audit Committee's recommendation to seek for shareholders' approval to re-appoint Messrs. Ernst & Young PLT as external auditors of the Company until the conclusion of the next AGM and to authorise the Directors to fix their remuneration.

6. Authority to Issue Shares pursuant to the Act

The proposed adoption of Ordinary Resolution No. 1 is for the purpose of granting a renewed general mandate ("General Mandate") and empowering the Directors of the Company, pursuant to the Act, to issue and allot new shares in the Company from time to time provided that the aggregate number of shares issued pursuant to the General Mandate does not exceed ten per centum (10%) of the total number of issued shares of the Company for the time being. The General Mandate, unless revoked or varied by the Company in general meeting, will expire at the conclusion of the next AGM of the Company.

The General Mandate will provide flexibility to the Company for allotment of shares for any possible fundraising activities, including but not limited to placement of shares for the purpose of funding future investment project(s), working capital and/or acquisition(s).

As at the date of this Notice, there were no new shares issued pursuant to the mandate granted to the Directors at the Twenty Second ("22nd") AGM held on 6 January 2021 and which will lapse at the conclusion of the 23rd AGM.

7. Proposed Renewal of Authority for Share Buy-Back

The proposed adoption of Ordinary Resolution No. 2 is for the purpose of renewing the authority granted by the shareholders of the Company at the 22nd AGM held on 6 January 2021. The aforesaid proposed renewal will allow the Board to exercise the power of the Company to purchase not more than ten per centum (10%) of the total number of issued shares of the Company at any time within the time period stipulated in Bursa Securities Main LR.

Personal Data Privacy:

By submitting an instrument appointing a proxy(ies) and/or representative(s) to participate and vote at the 23rd AGM and/or any adjournment thereof, a member of the Company (i) consents to the collection, use and disclosure of the member's personal data by the Company (or its agents) for the purpose of the processing and administration by the Company (or its agents) of proxies and representatives appointed for the 23rd AGM (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the 23rd AGM (including any adjournment thereof), and in order for the Company (or its agents) to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the "Purposes"), (ii) warrants that where the member discloses the personal data of the member's proxy(ies) and/or representative(s) to the Company (or its agents), the member has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by the Company (or its agents) of the personal data of such proxy(ies) and/or representative(s) for the Purposes, and (iii) agrees that the member will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the member's breach of warranty.

STATEMENT ACCOMPANYING NOTICE OF AGM

As at the date of this Notice, there are no individuals who are standing for election as Directors (excluding the above Directors who are standing for re-election) at this 23rd AGM.

ADMINISTRATIVE DETAILS FOR 23RD ANNUAL GENERAL MEETING

In light of the recent COVID pandemic and as a precautionary measure, Top Glove Corporation Bhd ("Top Glove") will conduct its 23rd Annual General Meeting ("AGM") on a virtual basis by way of live streaming and online remote voting via Remote Participation and Voting ("RPV") facilities which are available on Securities Services ePortal, details as set out below:

Day and Date	: Thursday, 6 January 2022
Time	: 10:30 a.m.
Broadcast Venue	: TG Grand Ballroom Level 9, Top Glove Tower, 16, Persiaran Setia Dagang, Setia Alam, Seksyen U13, 40170 Shah Alam, Selangor Darul Ehsan, Malaysia (Members/Proxies/Corporate Representatives will not be allowed to be physically present at the Broadcast Venue)
Online Meeting Platform	: Securities Services ePortal https://sshsb.net.my/
Modes of Communication	: 1. Typed text in the Online Meeting Platform 2. Email your questions to topglovecosec@topglove.com.my prior to the AGM

Remote Participation and Voting

- Only shareholders whose names appear on the General Meeting Record of Depositors as at 31 December 2021 shall be eligible to participate in the AGM or appoint proxy(ies) or corporate representative(s) to participate and/or vote on his/her behalf.
- Since the AGM will be conducted virtually, shareholders/proxies/corporate representatives will not be allowed to be physically present at the Broadcast Venue.
- Shareholders who wish to participate at the AGM are required to (i) register as a user of the Securities Services ePortal no later than 12:30 p.m. on Wednesday, 5 January 2022 **AND** (ii) register for the remote participation via <https://sshsb.net.my/> no later than the 'Questions and Answer' session or when the Chairman announces that the AGM registration is closed, whichever is the earlier. *Please refer to the Securities Services ePortal User Guide in Appendix I.*
- Securities Services ePortal allows individual and body corporate shareholders, through their appointed representatives to:
 - Submit proxy forms electronically;
 - Register for RPV at meeting;
 - Attend and participate in the meeting via live streaming; and
 - Vote online on resolutions tabled at meeting.

- Please note that no recording or photography of the AGM proceedings is allowed and must ensure that you are connected to the internet at all times in order to participate and vote when the AGM has commenced. Therefore, it is your responsibility to ensure that connectivity for the duration of the AGM is maintained.

Appointment of Proxy

- If a shareholder is unable to participate at the AGM via the RPV facilities, he/she may appoint not more than two (2) proxies to participate, speak and vote on his/her behalf. He/she may also appoint the Chairman of the Meeting as his/her proxy and indicate the voting instructions in the proxy form.
- If you wish to participate at the AGM yourself, please do not submit any proxy form. A shareholder will not be allowed to participate at the AGM if his/her proxy(ies) has/have been appointed to participate at the AGM, unless he revokes the proxy appointment and registers for the AGM.
- The appointment of proxy may be made in a hardcopy form or by electronic means as follows:

In Hardcopy Form

The proxy form shall be deposited at the Share Registrar's office, Securities Services (Holdings) Sdn. Bhd. at Level 7, Menara Milenium, Jalan Damanela, Pusat Bandar Damansara, Damansara Heights, 50490 Kuala Lumpur, Wilayah Persekutuan, Malaysia, no later than **10:30 a.m. on Tuesday, 4 January 2022.**

ADMINISTRATIVE DETAILS FOR 23RD ANNUAL GENERAL MEETING

By Electronic Means

The proxy form shall be electronically lodged via Securities Services ePortal's platform at <https://sshbsb.net.my/> or by fax to +603 2094 9940 or by email to eservices@sshbsb.com.my no later than **10:30 a.m. on Tuesday, 4 January 2022**. Please refer to the *Securities Services ePortal User Guide in Appendix I*.

- Appointed proxies need not register for remote participation but are required to register as the users of the Securities Services ePortal **no later than 12:30 p.m. on Monday, 3 January 2022**.
- If you have submitted your proxy form and subsequently decide to appoint another person or wish to participate personally in the AGM, please write in to eservices@sshbsb.com.my no later than **10:30 a.m. on Tuesday, 4 January 2022** to revoke the earlier appointed proxy.

For shareholders whose shares are traded on Singapore Exchange Securities Trading Limited, please refer to the instruction on the Voting Instruction Form A and Form B.

Submission of Questions

- Shareholders that wish to post questions to the Chairman/Board/Management can email their questions to topglovecosec@topglove.com.my no later than **10:30 a.m. on Wednesday, 5 January 2022**.
- Shareholders may also submit their questions to the Chairman/Board/Management via the real time submission of typed texts through a text box within Securities Services ePortal's platform before the start or during the live streaming of the AGM.
- The Chairman/Board/Management will endeavour to respond to relevant questions during the AGM or by email after the AGM.

Poll Voting

- The voting at the AGM will be conducted by poll in accordance with Paragraph 8.29A of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad. The poll will be conducted by way of electronic voting. Poll Administrators and Independent Scrutineers will be appointed to conduct the polling process and verify the results of the poll, respectively.
- Access to eVoting will be opened from the commencement of the AGM until the end of the voting session which will be announced by the Chairman of the AGM. Please refer to the *Securities Services ePortal User Guide in Appendix I*.

Door Gift

- Shareholders/proxies who had (i) logged in to Securities Services ePortal on 6 January 2022 AND (ii) casted their vote during the AGM are entitled for a TGeBuy AGM eVoucher ("AGM eVoucher") worth RM80 when purchasing Top Glove products via its online platform at <https://tgebuy.com/>.
- An individual who is a shareholder or a proxy or a corporate representative is only entitled to ONE AGM eVoucher worth RM80. No additional AGM eVoucher will be given in the event that a shareholder is also an appointed proxy(ies)/corporate representative(s).
- Shipping fees will be waived if the purchase value is above RM120 (only applicable to addresses in Malaysia). No self-collection of purchase is allowed.
- The AGM eVoucher code will be emailed to eligible shareholders/proxies/corporate representatives on 9 January 2022 and the AGM eVoucher will remain valid until 9 March 2022. The said eVoucher can only be redeemed once.

Enquiries for AGM

- If you have any enquiry relating to the Securities Services ePortal or proxy appointment prior to the AGM, please contact our Poll Administrator during office hours (Monday to Friday from 8:30 a.m. to 12:15 p.m. and 1:15 p.m. to 5:30 p.m., excluding public holidays):

Poll Administrator: SS E Solutions Sdn. Bhd.

Contact Person:

- Mr. Wong Piang Yoong : +603 2084 9168
- Mr. Jerry Tan Hor Seng : +603 2084 9165
- Puan Nurhayati Ang : +603 2084 9162
- Ms. Lee Pei Yeng : +603 2084 9169
- Ms. Rachel Ou : +603 2084 9161
- Ms. Evangeline Yeoh : +603 2084 9007

Email: eservices@sshbsb.com.my

- If you have any enquiry relating to the AGM Administrative Details prior to the AGM, please contact Top Glove Corporate Services Department during office hours (Monday to Friday from 8:30 a.m. to 6:00 p.m., excluding public holidays):

Company : Top Glove Corporation Bhd

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

Contact No. : +6016 737 7113

Email : topglovecosec@topglove.com.my

ADMINISTRATIVE DETAILS FOR 23RD ANNUAL GENERAL MEETING

Appendix I

Securities Services ePortal User Guide

Before the AGM

A) Sign up for a user at Securities Services ePortal

Step 1:

Visit <https://sshbsb.net.my/> to sign up a user account (registration is free). Please click on 'SIGN UP' to begin. You will be prompted to fill in your details and also to upload a copy of your MyKad (front and back separately) or passport.

Step 2:

A notification email will be sent to you within one (1) working day. Please verify your user account within seven (7) days of the notification email (Note: Your registered email address is your User ID).

Notes:

- This is a **ONE-TIME Registration**. If you already have a user account of Securities Services ePortal, you need not register again.
- To register for the meeting under (B) below, please sign up for a user account **no later than 12.30 p.m. on Wednesday, 5 January 2022**.

B) Registration for Remote Participation

MUST DO THIS STEP FOR SHAREHOLDER WHO WISHES TO PARTICIPATE AND VOTE AT OUR AGM

Step 1:

Log on to <https://sshbsb.net.my/> with your registered User ID (email address) and password.

Step 2:

Look for "Top Glove Corporation Bhd" under Company Name and "23rd AGM on 6 January 2022 at 10:30 a.m.: Registration for Remote Participation" under the Corporate Exercise/ Event tab and Click ">".

Step 3:

Select whether you are participating as

- Individual Shareholder; or
- Corporate or Authorised Representative of a body corporate¹, and Click "Submit".

Notes:

- All shareholders must register for remote participation at the meeting and are **highly encouraged to register as early as possible and before the AGM date and time** in order to ensure timely access to the meeting. Access shall be granted only to eligible shareholders in accordance with the *General Meeting Record of Depositors as at 31 December 2021*.
- If you wish to participate remotely at the AGM, please register no later than the 'Questions and Answer' session or when the Chairman announces that the meeting registration is closed, whichever is the earlier.
- A copy of your eRegistration for remote participation can be accessed via My Records.
- Your registration will apply to all the **CDS account(s)** of each individual shareholder/body corporate shareholder that you represent. If you are both an individual shareholder and representative of body corporate(s), you need to register as an individual and also as a representative for each body corporate.
- As the meeting will be conducted on a virtual basis and only the Chairman and other essential individuals will be present at the broadcast venue, we highly encourage all shareholders to remotely participate and vote at the meeting, failing which, you may appoint the Chairman of the meeting as proxy or your own proxy(ies) to represent you.

For shareholder whose shares are traded on Singapore Exchange Securities Trading Limited, please also refer to the instructions on the Voting Instruction Form (Form A or Form B). The remote access user ID and password will be emailed to you once your eRegistration for remote participation has been approved.

**ADMINISTRATIVE DETAILS FOR
23RD ANNUAL GENERAL MEETING**

**ADMINISTRATIVE DETAILS FOR
23RD ANNUAL GENERAL MEETING**

Appendix I

Appendix I

C) Submission of eProxy Form

**PLEASE DO NOT SUBMIT PROXY FORM IF YOU
ARE REGISTERING TO PARTICIPATE IN THE MEETING**

- Step 1:**
Log on to <https://sshsb.net.my/> with your registered User ID (email address) and password.
- Step 2:**
Look for “**Top Glove Corporation Bhd**” under Company Name and “**23rd AGM on 6 January 2022 at 10:30 a.m.: Submission of Proxy Form**” under Corporate Exercise/Event and Click “>”.
- Step 3:**
Select whether you are submitting the proxy form as
(1) Individual Shareholder; or
(2) Corporate or Authorised Representative of a body corporate¹
- Step 4:**
Enter your CDS account number or the body corporate’s CDS account number.
- Step 5:**
Enter the information of your proxy(ies) and the proportion of securities (in %) to be represented by your proxy(ies).
- Step 6:**
Proceed to indicate how your votes are to be casted against each resolution.
- Step 7:**
Review and confirm your proxy form details before submission.

- Notes:**
1. Please submit your proxy form no later than **10:30 a.m. on Tuesday, 4 January 2022** if you wish to appoint proxy(ies) to participate on behalf.
 2. A copy of your submitted eProxy Form can be accessed via My Records.
 3. You need to submit your eProxy Form for every CDS account(s) you have or represent.
 4. **Appointed proxies need not register for remote participation under (B) above but if they are not registered users of the ePortal, they will need to sign up a user account under (A) above no later than 12:30 p.m. on Monday, 3 January 2022.**
 5. Upon processing the proxy forms, remote participation access will be granted automatically to the proxy(ies) instead of the shareholder, provided the proxy(ies) must be a registered user of the ePortal, failing which, the proxy will not be able to participate at the AGM.
 6. Upon verification by the Poll Administrator with the General Meeting Record of Depositors as at 31 December 2021, you will receive an email advising you if you or your proxy is eligible to participate at the AGM.

For shareholder whose shares are traded on Singapore Exchange Securities Trading Limited, please also refer to the instructions on the Voting Instruction Form (Form A or Form B).

On the AGM Day (Thursday, 6 January 2022 @ 10:30 a.m.)

A) Joining the Live Stream Meeting

- Step 1:**
Log on to <https://sshsb.net.my/> with your registered User ID (email address) and password.
- Step 2:**
Look for “**Top Glove Corporation Bhd**” under Company Name and “**23rd AGM on 6 January 2022 at 10:30 a.m.: Live Stream Meeting**” under the Corporate Exercise/Event and click “>” to join the AGM.

- Notes:**
1. You can start to log in 1 hour before the commencement of the AGM.
 2. If you have any questions that you wish to raise, please use the text box to submit your question. The Chairman/Board will endeavour to respond to your question during the AGM.
 3. Quality of the live streaming is dependent on the stability of the internet connection at the location of the user.

B) Remote Online Voting during the AGM

- Step 1:**
If you are logged on to the ePortal and already accessing the Live Stream Meeting, click on “**Proceed to Vote**” displayed below the Live Stream player to begin voting on the resolutions.
- OR
- If you are not logged on yet, log on to <https://sshsb.net.my/> with your registered User ID (email address) and password.
- Look for “**Top Glove Corporation Bhd**” under Company Name and “**23rd AGM on 6 January 2022 at 10:30 a.m.: Remote Voting**” under the Corporate Exercise/Event and click “>” to remotely cast and submit your votes online for the resolutions tabled at the AGM.

- Step 2:**
Cast your votes by clicking on the radio buttons against each resolution, acknowledge the Terms and Conditions of use and Privacy Policy, review your casted votes and submit the votes.

- Step 3:**
Upon casting your votes, you will be redirected back to the Live Stream. The message “Voted” will be displayed below the Live Stream.

- Notes:**
1. Access to eVoting will be opened on the aforementioned date and time.
 2. Your votes casted will apply throughout **ALL** the CDS accounts you represent as an individual shareholder, corporate/ authorised representative and proxy.
 3. Where you are attending as a proxy, and the shareholder who appointed you has indicated how the votes are to be casted, we will take the shareholder’s indicated votes in the proxy form.
 4. Access to eVoting will be closed as directed by the Chairman. A copy of your submitted eVoting can be accessed via My Records.

C) End of Remote Participation

The live streaming will end upon the announcement by the Chairman on the closure of the AGM.

¹ For body corporates, the appointed Corporate/Authorised Representative must upload the evidence of authority (e.g. Certificate of Appointment of Corporate Representative, Power of Attorney, letter of authority or other documents proving authority). Any document that are not in English or Bahasa Malaysia must be accompanied by a certified translation in English in one (1) file. The original evidence of authority and translation thereof, if required, have to be submitted to the Share Registrar’s office, Securities Services (Holdings) Sdn. Bhd. at Level 7, Menara Milenium, Jalan Damanlela, Pusat Bandar Damansara, Damansara Heights, 50490 Kuala Lumpur, Malaysia for verification before the registration closing date and time.



Your One Stop PPE & Healthcare eStore

A quality product by:



Online eStore of Top Glove



Join the TGeBuy Family enjoy manufacturer direct price !

Exclusive member benefits only for
our shareholders & business partners!

1. **RM50** New user voucher with min spend of RM250

** Limited to 1 time redemption per user & first 1,000 redemptions per month [valid from 12 Nov 2021 to 31 Dec 2021]*

2. Free shipping within Klang Valley
3. Double reward points
4. Free gift with min spend

**Terms & conditions apply*

RM50 voucher code :
TGNEW50

Redeem your RM50 voucher
Scan the QR code & sign up
as member now!



Our Commitments:



Our Products:

Surgical Gloves



Examination Gloves



Food Handling Gloves



Home Care



Personal Care



Dental Dam



Face Mask



Exercise Band



Condom



Tourniquet



www.tgebuy.com

PROXY FORM

* I/We, _____ Email: _____

NRIC/Passport/Registration No.: _____ Tel: _____

CDS Account No.: _____ Number of Shares Held: _____

Address: _____

being a member of **TOP GLOVE CORPORATION BHD [Registration No.: 199801018294 (474423-X)]** hereby appoint:

1) Name of Proxy: _____ NRIC/Passport No.: _____

Address: _____

Email: _____ Tel: _____ Percentage of Shares Represented: _____ %

2) Name of Proxy: _____ NRIC/Passport No.: _____

Address: _____

Email: _____ Tel: _____ Percentage of Shares Represented: _____ %

or failing him/her, the CHAIRMAN OF THE MEETING as my/our proxy to vote for me/us, and on my/our behalf at the Twenty Third Annual General Meeting ("AGM") of the Company to be held virtually at the Broadcast Venue at TG Grand Ballroom, Level 9, Top Glove Tower, 16, Persiaran Setia Dagang, Setia Alam, Seksyen U13, 40170 Shah Alam, Selangor Darul Ehsan, Malaysia on Thursday, 6 January 2022 at 10:30 a.m.

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

NO.	RESOLUTIONS	FOR	AGAINST
ORDINARY BUSINESS			
1.	To re-elect the Director, Lim Hooi Sin.		
2.	To re-elect the Director, Dato' Lee Kim Meow.		
3.	To re-elect the Director, Azrina Arshad.		
4.	To approve the payment of Directors' fees.		
5.	To approve the payment of Directors' benefits (excluding Directors' fees).		
6.	To re-appoint Messrs. Ernst & Young PLT as Auditors of the Company.		
SPECIAL BUSINESS			
7.	Authority to issue shares pursuant to the Companies Act 2016.		
8.	Proposed Renewal of Share Buy-Back Authority.		

Signed on this _____ day of _____ 2021/2022

Signature of Member / Common Seal

Notes:

1. The AGM will be conducted virtually through live streaming and online remote voting via the Remote Participation and Voting ("RPV") facilities to be provided by SS E Solutions Sdn. Bhd. via Securities Services ePortal's platform at <https://sshsb.net.my/>. Please follow the procedures provided in the Administrative Details for the AGM in order to register, participate and vote remotely via the RPV facilities.
2. The Broadcast Venue is strictly for the purpose of complying with Section 327(2) of the Companies Act 2016 and Article 64A of the Company's Constitution which require the Chairman of the Meeting to be present at the main venue of the Meeting. Members/proxies/corporate representatives will not be allowed to be physically present at the Broadcast Venue.
3. In respect of deposited securities, only members whose names appear in the Record of Depositors on 31 December 2021 (General Meeting Record of Depositors) shall be eligible to participate in the AGM.
4. A member of the Company entitled to participate and vote at the AGM is entitled to appoint not more than two (2) proxies to participate, speak and vote in his/her stead. A proxy may but need not be a member of the Company and a member may appoint any person to be his/her proxy. There shall be no restriction as to the qualification of the proxy. A proxy appointed by the member shall have the same rights as the member to participate, speak and vote at the AGM. The members or their proxies or their corporate representatives may submit questions to the Company at topglovecosec@topglove.com.my prior to the AGM or via real time submission of typed texts through a text box within Securities Services ePortal's platform during live streaming of the AGM as the primary mode of communication. In the event of any technical glitch in the primary mode of communication, shareholders, proxies and corporate representatives may email their questions to eservices@sshsb.com.my during the AGM.
5. Where a holder appoints more than one (1) proxy, the appointment shall be invalid unless he/she specifies the proportion of his/her shareholdings to be represented by each proxy.
6. The instrument appointing a proxy or representative and the duly registered power of attorney or other authority, if any, shall be in writing under the hand of the appointor or his/her attorney duly appointed under a Power of Attorney or, if such appointor is a corporation, either under its seal or under the hand of an officer or attorney duly appointed under a Power of Attorney.
7. Where a member of the Company is an exempt authorised nominee which holds ordinary shares in the Company for multiple beneficial owners in one (1) securities account ("Omnibus Account"), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each Omnibus Account it holds.
8. The instrument appointing a proxy may be made via hardcopy or by electronic means in the following manner and must be received by the Company not less than forty-eight (48) hours before the time appointed for holding the AGM or at any adjournment thereof:
 - (i) **In Hardcopy Form**
The proxy form shall be deposited at the Share Registrar's office, Securities Services (Holdings) Sdn. Bhd. at Level 7, Menara Milenium, Jalan Damanlela, Pusat Bandar Damansara, Damansara Heights, 50490 Kuala Lumpur, Wilayah Persekutuan, Malaysia.
 - (ii) **By Electronic Means**
The proxy form shall be electronically lodged via Securities Services ePortal's platform at <https://sshsb.net.my/> or by fax to +603 2094 9940 or by email to eservices@sshsb.com.my.

3. Fold this flap for sealing

2. Then, fold here

STAMP

TOP GLOVE CORPORATION BHD
[Registration No.: 199801018294 (474423-X)]
 c/o: Securities Services (Holdings) Sdn. Bhd.
 Level 7, Menara Milenium
 Jalan Damanlela, Pusat Bandar Damansara
 Damansara Heights
 50490 Kuala Lumpur,
 Wilayah Persekutuan,
 Malaysia

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 Tel : 603-5544 6400 Fax : 603-5544 6810
 www.sirim-qas.com.my

INDEPENDENT ASSURANCE STATEMENT

Scope and Objective

SIRIM QAS International Sdn. Bhd., a Conformity Assessment Body in Malaysia, with extensive expertise and experience in the provision of sustainability-related assurance services, was engaged by Top Glove Corporation Bhd (hereafter referred to as Top Glove) to perform an independent verification and provide assurance of the Top Glove Sustainability Statement 2021. The main objective of the verification process is to provide assurance to Top Glove and its stakeholders of the accuracy and reliability of the information presented in this statement. This was established through checking and verifying claims made in the statement. The verification audit by SIRIM QAS International covered all sustainability-related activities which had been included in Top Glove Sustainability Statement 2021 – Creating Sustainable Value section.

The management of Top Glove was responsible for the preparation of the Sustainability Statement. The objectivity and impartiality of this verification statement is assured as no member of the verification team and no other employee of SIRIM QAS International was involved in the preparation of any part of the Top Glove Sustainability Statement and Integrated Annual Report 2021.

Verification team

The verification team from SIRIM QAS International consists of:

- 1) Ms. Aernida Abdul Kadir : Team Leader
- 2) Ms. Kamini Sooriamoorthy : Team Member
- 3) Ms. Farhanah Md. Shah : Team Member



Methodology

The verification process was carried out by SIRIM QAS International in October 2021. It involved the following activities:

- Reviewing and verifying the accuracy of data collected from various sources and that are presented in the statement;
- Reviewing of internal and external documentation and displays such as awards, press releases, media publications, internal newsletters, internal systems, etc.;
- Interviewing of key personnel responsible for collating information and writing various parts of the statement in order to substantiate the veracity of the claims;
- Evaluating the adequacy of the Sustainability Statement of Top Glove and its overall presentation against the GRI Standards requirement.

During the verification process, issues were raised, and clarifications were sought from the management of Top Glove relating to the accuracy of some of the data and contents contained in the statement. The statement was subsequently reviewed and revised by Top Glove in response to the findings of the verification team. It can be confirmed that changes that have been incorporated into the final version of the statement satisfactorily addressed the issues that had been raised.

Limitation

The verification process was subjected to the following limitations:

- The scope of work did not involve verification of information reported in the Top Glove Integrated Annual Report 2021;
- The verification was designed to provide limited assurance irrespective of the organization's ability to achieve its objectives, targets or expectations on sustainability-related issues;
- The verification process did not include physical inspections of any of Top Glove's corporate offices and operating assets. It has been carried out through remote assessment during Malaysia Movement Control Order; and
- The verification team did not verify any contractor or third party data.

Materiality Matters

The materiality assessment process allowed Top Glove to gain information on topics pertinent to their stakeholders. In 2021, Top Glove has conducted their formal and comprehensive materiality assessment to enable better disclosure of the level of impact of each material issue along with the value chain. Apart from the online stakeholders' survey, Top Glove had commissioned an independent study to align with industry peers locally, regionally, and globally by considering the global megatrends and top risks in short, medium and long term, into their materiality assessment process. The in-depth materiality assessment reveals seventeen (17) topics considered important by Top Glove stakeholders, highlighting the latest priorities, considering the impact from the pandemic. The significant material matters, among others consist of the product quality and safety, occupational health and safety including infectious disease, labour management relations, human rights and environmental compliance.

Greenhouse Gases (GHG) emissions and Carbon footprint

The Top Glove's GHG emissions reporting is at Group level and has included Direct (Scope 1) GHG Emissions, Energy Indirect (Scope 2) GHG Emissions and Other Indirect (Scope 3) GHG Emissions. The GHG emission quantification has been carried out internally in accordance with the requirements of the Greenhouse Gas Protocol, A Corporate Accounting and Reporting Standard with the use of several publicly available emissions tool with specific assumptions and estimations aptly recorded and maintained, for the following emissions sources:

- The Scope 1 emissions from fuel consumed i.e. natural gas, biomass and coal, in the manufacturing activities;
- The Scope 2 emissions resulting from electricity consumption;
- The Scope 3 covers emissions from air business travel and scheduled wastes management.

For the environmental monitoring, Top Glove has established an internal team managing the collections and data compilations on energy and water consumption, effluents and waste generation. The monitoring activities adhering to Top Glove own-developed procedure to ensure Top Glove manages their environmental impact appropriately.

CORPORATE SONG

Conclusion

Based on the scope of the verification process, the following represents SIRIM QAS International's opinion:

- The level of accuracy of data included in the Top Glove Sustainability Statement 2021 is fair and acceptable;
- The sustainability statement was prepared in accordance with the GRI Standards: Core Option;
- The overall statement content and quality were well established. The level of sustainability performance information in the statement was found to be acceptable;
- The information has been presented in an appropriate manner;
- The personnel responsible were able to demonstrate the origin(s) and interpretation of data contained in the statement;
- Top Glove Corporation Bhd has satisfactorily addressed, in the final version of the statement, all issues that had been raised during the assessment;
- The sustainability statement provides a reasonable and balanced presentation of the sustainability performance of Top Glove Corporation Bhd.

Prepared by:



AERNIDA ABDUL KADIR

Team Leader
Management System Certification
Department
SIRIM QAS International Sdn. Bhd.
Date : 2 November 2021

Approved by:



MOHD HAMIM BIN IMAM MUSTAIN

Senior General Manager
Management System Certification
Department
SIRIM QAS International Sdn. Bhd.
Date : 2 November 2021

Note:

This Independent Assurance Statement has been issued based on the content verified prior to the approval date. SIRIM QAS International Sdn Bhd shall not be responsible for any changes or additions made after the referred date.

ENGLISH



All over the world, We are known,
For our superior quality gloves,
Through the years we have grown,
We have shown,
Our gloves stand out superior in the world,
Top Glove is the best, Better than the rest,
Quality, Reliability and Consistency,
Remain our policy,
At Top Glove's Group of Companies.

BAHASA MALAYSIA



Dari mulanya, hingga terkini,
Nama Top Glove diberi,
Pengeluar sarung tangan yang berkualiti,
Yakinlah hasil pengeluaran kami,
Yang bermutu dan berkualiti tinggi,
Sentiasa menuju kejayaan,
Untuk mencapai keunggulan.

MANDARIN



顶级的名誉 闻名世界
品质优良的顶级手套
历经多年的努力与成长
我们成功站在世界的顶端
顶级的手套 我们的骄傲
品质好 可信赖及依靠
是我们一直维护的宗旨
在顶级手套公司集团
语述：顶级手套
继续创新与迈进是我们的义务

THAI



ทั่วโลกนั้นยอมรับว่าเรานั้นคือ
ผู้นำคนสูงมือที่พร้อมและคุณภาพดี
เราสร้างสรรค,เราเติบโต เรามั่นคง
เพื่อก้าวไปสู่สากล ด้วยมือเรา
ทอปโกลฟดีกว่าใคร เราทำงานด้วยใจ
คุณภาพดี และบริการที่ดี
เพื่อความไว้วางใจ เรายินดีรับใช้
ทอปโกลฟนั้นใจ คุณภาพต้องที่นี้

TOP GLOVE

TOP QUALITY, TOP EFFICIENCY

**INTEGRATED
ANNUAL
REPORT
2021**

FINANCIAL YEAR ENDED
31 AUGUST 2021

Exports to

**195 Countries
Worldwide**



50
FACTORIES



810
PRODUCTION LINES



22,000
EMPLOYEES



100 Billion
GLOVES PER ANNUM

TOP GLOVE CORPORATION BHD
Registration No.: 199801018294 (474423-X)

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WEBSITE

