



**TOP GLOVE CORPORATION BHD. (Company No. 474423-X)**

A Public Company Listed on Main Market of Bursa Malaysia  
 Manufacturer and Exporter of Latex Examination, Nitrile, Surgical, Household, Vinyl, Cleanroom, Industrial Gloves,  
 CPE & TPE

**The World's Largest Rubber Glove Manufacturer**

**Top Glove, Top Quality, Top Efficiency, Good Health, Safety First & Be Honest**

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**CONDENSED CONSOLIDATED INCOME STATEMENT  
 FOR THE FIRST QUARTER ENDED 30 NOVEMBER 2015**

	Current Quarter	Corresponding	Current Year	Corresponding
	Ended	Quarter Ended	To Date	Year To Date
	30-Nov-2015	30-Nov-2014	30-Nov-2015	30-Nov-2014
	RM'000	RM'000	RM'000	RM'000
Revenue	800,276	567,628	800,276	567,628
Operating Expenses	(646,336)	(510,537)	(646,336)	(510,537)
Other Operating Income	10,474	5,689	10,474	5,689
<b>Profit From Operations</b>	<b>164,414</b>	<b>62,780</b>	<b>164,414</b>	<b>62,780</b>
Finance Costs	(3,185)	(876)	(3,185)	(876)
Share of results of associates	39	(2,852)	39	(2,852)
<b>Profit Before Tax</b>	<b>161,268</b>	<b>59,052</b>	<b>161,268</b>	<b>59,052</b>
Taxation	(32,356)	(10,039)	(32,356)	(10,039)
<b>Profit Net of Tax</b>	<b>128,912</b>	<b>49,013</b>	<b>128,912</b>	<b>49,013</b>
<b>Profit Attributable to :</b>				
Owners of the Company	128,348	48,683	128,348	48,683
Minority Interest	564	330	564	330
	<b>128,912</b>	<b>49,013</b>	<b>128,912</b>	<b>49,013</b>
<b>Earnings Per Share (sen)</b>				
Basic	<b>20.64</b>	<b>7.85</b>	<b>20.64</b>	<b>7.85</b>
Diluted	<b>20.59</b>	<b>7.84</b>	<b>20.59</b>	<b>7.84</b>

The Condensed Consolidated Income Statement should be read in conjunction with the  
 Annual Financial Report for the financial year ended 31 August 2015

**TOP GLOVE CORPORATION BHD.**

(Company No. 474423-X)

(Incorporated in Malaysia)

**CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME  
FOR THE FIRST QUARTER ENDED 30 NOVEMBER 2015**

	<b>Current Quarter Ended</b>	<b>Corresponding Quarter Ended</b>	<b>Current Year To Date</b>	<b>Corresponding Year To Date</b>
	<b>30-Nov-2015</b>	<b>30-Nov-2014</b>	<b>30-Nov-2015</b>	<b>30-Nov-2014</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
Profit net of tax	128,912	49,013	128,912	49,013
<b>Other comprehensive income:</b>				
Net movement on available-for-sale financial assets	(82)	2,104	(82)	2,104
Foreign currency translation	(8,831)	5,185	(8,831)	5,185
<b>Other comprehensive income</b>	<b>(8,913)</b>	<b>7,289</b>	<b>(8,913)</b>	<b>7,289</b>
<b>Total comprehensive income</b>	<b>119,999</b>	<b>56,302</b>	<b>119,999</b>	<b>56,302</b>
<b>Total comprehensive income attributable to:</b>				
Owners of the Company	119,602	55,860	119,602	55,860
Minority Interest	397	442	397	442
	<b>119,999</b>	<b>56,302</b>	<b>119,999</b>	<b>56,302</b>

The Condensed Consolidated Income Statement should be read in conjunction with the  
Annual Financial Report for the financial year ended 31 August 2015

**TOP GLOVE CORPORATION BHD.**

(Company No. 474423-X)  
(Incorporated in Malaysia)

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION  
AS AT 30 NOVEMBER 2015**

	Unaudited as at 30-Nov-2015 RM'000	Audited as at 31-Aug-2015 RM'000
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	1,039,259	1,026,490
Land use rights	40,205	40,315
Investment properties	114,056	111,178
Investment in associates	5,265	5,140
Deferred tax assets	7,382	8,762
Investment securities	145	145
Goodwill	22,805	22,805
	<u>1,229,117</u>	<u>1,214,835</u>
<b>Current Assets</b>		
Inventories	227,849	252,115
Trade and other receivables	387,159	380,700
Other current assets	23,587	24,148
Investment securities	395,629	527,956
Cash and bank balances	469,573	288,176
Derivative financial instruments	903	-
	<u>1,504,700</u>	<u>1,473,095</u>
<b>Total Assets</b>	<u><u>2,733,817</u></u>	<u><u>2,687,930</u></u>
<b>EQUITY AND LIABILITIES</b>		
<b>Current Liabilities</b>		
Trade and other payables	362,573	326,174
Other current liabilities	37,228	29,625
Short term borrowings	397,277	530,333
Tax payable	38,708	25,348
Derivative financial instruments	-	9,211
	<u>835,786</u>	<u>920,691</u>
<b>Net Current Assets</b>	<u><u>668,914</u></u>	<u><u>552,404</u></u>
<b>Non-Current Liabilities</b>		
Long term borrowings	101,843	105,693
Deferred tax liabilities	47,158	47,153
	<u>149,001</u>	<u>152,846</u>
<b>Total Liabilities</b>	<u><u>984,787</u></u>	<u><u>1,073,537</u></u>
<b>Net Assets</b>	<u><u>1,749,030</u></u>	<u><u>1,614,393</u></u>
<b>Equity Attributable to Equity Holders of the Company</b>		
Share capital	313,454	312,092
Share premium	216,547	200,302
Treasury shares	(14,722)	(14,722)
Retained earnings	1,184,936	1,056,583
Other reserves	41,989	53,709
	<u>1,742,204</u>	<u>1,607,964</u>
<b>Minority Interest</b>	<u>6,826</u>	<u>6,429</u>
<b>Total Equity</b>	<u><u>1,749,030</u></u>	<u><u>1,614,393</u></u>
<b>Total Equity and Liabilities</b>	<u><u>2,733,817</u></u>	<u><u>2,687,930</u></u>
Net Tangible Assets per share (RM)	2.75	2.55
Net Assets per share (RM)	2.79	2.59

The Condensed Consolidated Balance Sheet should be read in conjunction with the  
Annual Financial Report for the financial year ended 31 August 2015

**TOP GLOVE CORPORATION BHD**

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(Incorporated in Malaysia)

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
FOR THE FIRST QUARTER ENDED 30 NOVEMBER 2015**

	←----- Attributable to Equity Holders of the Company -----→										
	Equity, total RM'000	Equity attributable to owners of the parent, total RM'000	Share Capital RM'000	Share Premium RM'000	Treasury Shares RM'000	Non distributable			Distributable		Minority Interest RM'000
					Foreign exchange reserve RM'000	Legal reserve RM'000	Share option reserve RM'000	Fair value adjustment reserve RM'000	Retained earnings RM'000		
<b>3 Months Ended 30 November 2015</b>											
Opening balance at 1 September 2015	1,614,393	1,607,964	312,092	200,302	(14,722)	42,292	3,781	7,714	(78)	1,056,583	6,429
Total comprehensive income	117,025	116,628	-	-	-	(8,664)	8	(2,982)	(82)	128,348	397
<b>Transactions with owners</b>											
Issuance of ordinary shares pursuant to ESOS	17,612	17,612	1,362	16,245	-	-	-	-	-	5	-
Closing balance at 30 November 2015	1,749,030	1,742,204	313,454	216,547	(14,722)	33,628	3,789	4,732	(160)	1,184,936	6,826
<b>3 Months Ended 30 November 2014</b>											
Opening balance at 1 September 2014	1,397,550	1,393,389	310,332	180,673	-	6,485	3,781	10,200	1,054	880,864	4,161
Total comprehensive income	56,302	55,860	-	-	-	5,073	-	-	2,104	48,683	442
<b>Transactions with owners</b>											
Issuance of ordinary shares pursuant to ESOS	643	643	15	53	-	-	-	575	-	-	-
Closing balance at 30 November 2014	1,454,495	1,449,892	310,347	180,726	-	11,558	3,781	10,775	3,158	929,547	4,603

The Condensed Consolidated Statement Of Changes In Equity should be read in conjunction with the Annual Financial Report for the financial year ended 31 August 2015

**TOP GLOVE CORPORATION BHD.**

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**CONDENSED CONSOLIDATED CASH FLOW STATEMENT  
FOR THE PERIOD ENDED 30 NOVEMBER 2015**

	<b>Current Year To Date Ended 30-Nov-2015 RM'000</b>	<b>Corresponding Year To Date Ended 30-Nov-2014 RM'000</b>
<b>Cash Flows From Operating Activities</b>		
Profit before taxation	161,268	59,052
Depreciation	27,350	23,375
Other adjustments	(15,787)	9,290
<b>Operating profit before changes in working capital</b>	<u>172,831</u>	<u>91,717</u>
<b>Changes in working capital</b>		
Net change in current assets	18,368	11,137
Net change in current liabilities	44,002	(24,579)
Cash flows from operating activities	<u>235,201</u>	<u>78,275</u>
Interest paid	(3,185)	(876)
Tax paid	(17,611)	(9,691)
<b>Net cash flows from operating activities</b>	<u>214,405</u>	<u>67,708</u>
<b>Cash flows from investing activities</b>		
Proceed /(purchase) of investment securities	132,245	(269,043)
Purchase of property, plant and equipment	(46,949)	(41,401)
Proceeds from disposal of property, plant and equipment	990	-
<b>Net cash flows generated from/(used in) investing activities</b>	<u>86,286</u>	<u>(310,444)</u>
<b>Cash flows from financing activities</b>		
Proceeds from issuance of shares	17,612	643
(Repayment)/additional of loans and borrowings	(136,906)	200,961
<b>Net cash flows (used in)/generated from financing activities</b>	<u>(119,294)</u>	<u>201,604</u>
<b>Net change in cash and cash equivalents</b>	181,397	(41,132)
<b>Cash and cash equivalents at beginning of year</b>	288,176	187,664
<b>Cash and cash equivalents at end of period</b>	<u>469,573</u>	<u>146,532</u>
<b>Breakdown of cash and cash equivalents at end of period</b>		
Cash and bank balances	<u>469,573</u>	<u>146,532</u>

The Condensed Consolidated Cash Flow Statements should be read in conjunction with the Annual Financial Report for the financial year ended 31 August 2015



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## NOTES TO THE INTERIM FINANCIAL STATEMENTS FOR THE FIRST QUARTER ENDED 30 NOVEMBER 2015

### 1. Basis of preparation

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

The interim financial report should be read in conjunction with the audited financial statements of the Group for the financial year ended 31 August 2015. The explanatory notes attached to the interim financial statements provide an explanation of events and transaction that are significant to the understanding of the changes in the financial position and performance of the Group since the financial year ended 31 August 2015.

The audited financial statements of the Group for the year ended 31 August 2015 were prepared in accordance with Malaysian Financial Reporting Standards ("MFRS"). The significant accounting policies and method of computations adopted in preparation of this interim financial report are consistent with those adopted in the audited financial statements of the Company for the financial year ended 31 August 2015.

### 2. Auditors' report

The audited financial statements for the financial year ended 31 August 2015 was not subject to any qualification.

### 3. Seasonal or cyclical factors

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

### 4. Extraordinary and exceptional items

There were no extraordinary and exceptional items of unusual nature affecting assets, liabilities, equity, net income, or cash flows in the interim financial period ended 31 August 2015.

### 5. Changes in estimates of amounts reported previously

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

## TOP GLOVE CORPORATION BHD.

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### NOTES TO THE INTERIM FINANCIAL STATEMENTS FOR THE FIRST QUARTER ENDED 30 NOVEMBER 2015 (CONTINUED)

#### 6. Changes in debts and equity securities

During the quarter ended 30 November 2015, a total of 2,724,400 new ordinary shares of RM0.50 each were issued and allotted pursuant to the exercise of the ESOS II. The details of the issued and paid-up capital of the Company as at 30 November 2015 are as follows:-

	No. of shares	RM
As at 31 August 2015	624,184,162	312,092,081
Ordinary shares issued pursuant to the ESOS	2,724,400	1,362,200
As at 30 November 2015	626,908,562	313,454,281

Other than the above, there were no issuance and repayment of debt and equity securities, share cancellations and resale of treasury shares for the financial year-to-date.

#### 7. Dividends paid

For the financial year ended 31 August 2015, the Company:-

- On 15 July 2015, paid a 1<sup>st</sup> Interim Single Tier Dividend of 8 sen per ordinary share amounting to RM49.42 million, which was declared on 17 June 2015 in conjunction with the 3<sup>rd</sup> quarter ended 31 May 2015 financial results announcement.
- On 15 October 2015, a Single Tier Final Dividend of 12 sen per ordinary share amounting to approximately RM74.83 million and on 2 November 2015, a Special Single Tier Final Dividend of 3 sen per ordinary share amounting to approximately RM18.71 million for the financial year ended 31 August 2015 was proposed. The proposed final and special dividend are subject to shareholders' approval at the forthcoming Annual General Meeting on 6 January 2016.

The total dividend paid and proposed by the Company in respect of the financial year ended 31 August 2015 is 23 sen per ordinary share represented by a payment of approximately RM142.96 million.

The Board of Directors of Top Glove has adopted a Dividend Policy to declare and pay annual dividends of not less than 50% of its profit after tax and minority interest in respect of future financial years.

Record of dividends paid:-

Financial Year	Net Dividend per share (sen)	Total Dividend (RM'000)
2015	8.00 (interim)	49,419
2014	16.00	99,009
2013	16.00	99,252
2012	16.00	99,038
2011	11.00	68,035
2010	16.00	98,877
2009	11.00	65,873
2008	5.50	32,389
2007	4.61	27,435
2006	3.67	21,173
2005	2.66	14,110
2004	2.36	12,295
2003	1.85	9,550
2002	0.56	2,808
2001	0.80	4,000
<b>Total</b>		<b>703,263</b>

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

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

## TOP GLOVE CORPORATION BHD.

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### NOTES TO THE INTERIM FINANCIAL STATEMENTS FOR THE FIRST QUARTER ENDED 30 NOVEMBER 2015 (CONTINUED)

#### 8. Segmental reporting

- a. Primary reporting segment – Geographical segments.

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

The Directors are of the opinion that all inter-segment transaction have been entered into the normal course of business and have been established on terms and conditions that are not materially different from those obtainable in transactions with unrelated parties.

#### **3 months ended 30 November 2015**

	Malaysia RM'000	Thailand RM'000	China RM'000	Others RM'000	Eliminations RM'000	Consolidated RM'000
<b><u>Revenue</u></b>						
External sales	664,416	61,363	29,564	44,933	-	800,276
Inter-segment sales	20,508	72,498	610	-	(93,616)	-
Total Revenue	<u>684,924</u>	<u>133,861</u>	<u>30,174</u>	<u>44,933</u>	<u>(93,616)</u>	<u>800,276</u>
<b><u>Result</u></b>						
Segment profit	135,623	15,446	3,256	10,089	-	164,414
Finance cost						(3,185)
Share of results of Associates						39
Profit before tax						<u>161,268</u>
<b><u>Assets</u></b>						
Segment assets	1,912,892	224,563	63,198	505,094	-	<u>2,705,747</u>
Goodwill						<u>22,805</u>
Investment in Associates						<u>5,265</u>
<b><u>Liabilities</u></b>						
Segment liabilities	794,123	81,171	15,816	93,677	-	<u>984,787</u>
<b><u>Other information</u></b>						
Capital expenditure	42,998	3,947	-	4	-	<u>46,949</u>

- b. Secondary reporting segment – Business segments

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

#### 9. Valuation of property and equipment

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

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

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



## TOP GLOVE CORPORATION BHD.

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### NOTES TO THE INTERIM FINANCIAL STATEMENTS FOR THE FIRST QUARTER ENDED 30 NOVEMBER 2015 (CONTINUED)

#### 11. Changes in the composition of the Group

There were no significant changes in the composition of the Group for the quarter under review, including business combination, acquisition or disposal of subsidiaries and long-term investment, restructuring and discontinuing operations.

#### 12. Contingent liabilities

There were no significant changes in contingent liabilities since the last annual balance sheet date and there were no contingent liabilities pending at the date of this report.

#### 13. Capital commitments

As at the end of the reporting quarter, the Company had commitments for approved and contracted for capital expenditures amounting approximately to RM58.6 million.

### ADDITIONAL INFORMATION REQUIRED BY BURSA MALAYSIA'S LISTING REQUIREMENTS

#### 14. Review of performance

Top Glove's performance for the first quarter ended 30 November 2015 ("1QFY16") compared with the corresponding period last financial year is as tabled below:

	1QFY16	1QFY15	Variance
	RM'mil	RM'mil	%
Revenue	800.3	567.6	41.0
PBT	161.3	59.1	172.9
PBT Margin	20.2%	10.4%	94.2

Top Glove once again delivering another record-breaking profit for the Group, as well as the glove industry. Revenue for the Group came in at an all-time quarterly high of RM800.3 million, a 41% growth against 1QFY15.

Meanwhile, Profit Before Tax (PBT) of RM161.3 million was 172.9% improved compared with 1QFY15. PBT margin also recorded a marked improvement at a robust 20.2% versus 10.4% 1QFY15.

Profit After Tax (PAT) was equally strong at RM128.9 million representing 46% of the net profit achieved for the entire FY2015. This also signifies growth of 163% and 24.9%, year-on-year and quarter-on-quarter respectively. Meanwhile, PAT margin stood at a robust 16.1%, almost doubling that of 1QFY15's PAT of 8.6%.

Sales volume (quantity sold) attained an all-time high, which signifies a growth of 15% against 1QFY15, largely attributed to nitrile glove sales which increased 54% compared with 1QFY15.

The excellent set of numbers came on the back of extensive internal improvements which have been continuously implemented across the Group's operations. These efforts, which focus intensively on automation, R&D and re-engineering, have led to enhanced quality output and substantially reduced downtime, resulting in increased levels of efficiency throughout the manufacturing process.

The strong US Dollar and lower raw material prices have further boosted the Group's performance. For 1QFY16 average latex prices increased by 1.4% to RM3.96/kg while average nitrile latex prices fell by 7.2% to USD1.03/kg compared with 1QFY15.

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**NOTES TO THE INTERIM FINANCIAL STATEMENTS  
FOR THE FIRST QUARTER ENDED 30 NOVEMBER 2015 (CONTINUED)****14. Review of performance (continued)**

The financial results of Top Glove since financial year 2005 are as follow:

RM 'mil	Financial year ended 31 August												Average margin (from year 2001- 1QFY16)
	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	1QFY16 (unaudited)	
Revenue	641.8	992.6	1,228.8	1,377.9	1,529.1	2,079.4	2,053.9	2,314.5	2,313.2	2,275.4	2,510.5	800.3	
EBITDA	89.2	130.3	175.7	197.8	287.5	364.7	207.3	310.0	323.3	312.1	466.5	191.8	
EBITDA margin	13.9%	13.1%	14.3%	14.4%	18.8%	17.5%	10.1%	13.4%	14.0%	13.7%	18.6%	24.0%	15.5%
PBT	65.7	91.8	118.6	134.6	222.0	305.0	145.5	240.7	242.2	216.3	363.5	161.3	
PBT margin	10.2%	9.2%	9.7%	9.8%	14.5%	14.7%	7.1%	10.4%	10.5%	9.5%	14.5%	20.2%	11.6%
Taxation	7.5	7.0	29.9	26.5	53.9	54.6	30.3	33.4	39.4	32.7	82.3	32.4	
PAT	58.2	84.8	88.7	108.1	168.1	250.4	115.1	207.3	202.8	183.6	281.2	128.9	
PAT margin	9.1%	8.5%	7.2%	7.8%	11.0%	12.0%	5.6%	9.0%	8.8%	8.1%	11.2%	16.1%	9.7%

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### NOTES TO THE INTERIM FINANCIAL STATEMENTS FOR THE FIRST QUARTER ENDED 30 NOVEMBER 2015 (CONTINUED)

#### 15. Quarterly profit before tax (PBT) comparison with preceding quarter

	1QFY16 RM'mil	4QFY15 RM'mil	Variance %
Revenue	800.3	709.4	12.8
PBT	161.3	134.3	20.1
PBT margin	20.2%	18.9%	6.9

Revenue increased by 12.8% to RM800.3 million, while Profit Before Tax rose by 20.1% to RM161.3 million. The increase mainly attributed ongoing efficiency and quality enhancement initiatives, low raw material prices and a stronger US Dollar. Raw material prices continued to trend down compared with 4QFY15, as average latex prices fell by 9.8% to RM3.96/kg and average nitrile latex price fell by 4.6% to USD1.03/kg in 1QFY16.

#### 16. Commentary on prospects and targets

To cater to the growing demand for rubber gloves, Top Glove will continue to expand its operations and build new optimised facilities with faster, more efficient and technologically-advanced production lines towards better profitability. Underway are expansion plans for Factory 27 in Lukut, Port Dickson (to commence production by February 2016) and Factory 6 in Thailand (to commence production by August 2016) as well as the construction of a new facility, Factory 30 (to commence production by February 2017). This will boost the number of production lines to 540 and capacity to 52 billion gloves per annum. To complement organic expansion, Top Glove is also aggressively pursuing M&A opportunities that synergise with its current business, in similar or related industries.

In recognition of its commitment in upholding the highest standards of corporate governance, a key priority for the Group, Top Glove was named one of the *Top 2 Publicly Listed Companies with Outstanding Achievement*, at the ASEAN Corporate Governance Outstanding Achievement Awards in Manila, in 2015. It also won an award for the Malaysia-Asean Corporate Governance Transparency Index, Findings and Recognition 2015, garnering the Minority Shareholder Watchdog Group *Annual CG Award* under four categories namely Most Improved, Long Term Value Creation (10 years), Diverse Board and Industry Excellence (Manufacturing), at a ceremony held in Kuala Lumpur. Additionally, Top Glove will be included in the FTSE4Good Bursa Malaysia Index effective 21 December 2015, which was designed to measure the performance of companies demonstrating good Environmental, Social and Governance (ESG) practices. In October 2015, it was also named *2015 Frost & Sullivan Asia Pacific Medical Glove Company of the Year*.

Notwithstanding its excellent performance, the Group is not complacent and remains mindful of challenges in the year ahead. While the US Dollar is expected to stay strong and raw materials prices to remain low, Top Glove anticipates that competition will continue to intensify in the nitrile glove segment, as major industry players expand their capacity. Increases in the cost of utilities and certain raw materials are also likely.

Nonetheless, Top Glove maintains that industry prospects are promising, reiterating that as an essential item in the healthcare sector, the demand for rubber gloves will keep growing steadily at a rate of 6% to 8% every year.

#### 17. Variance of actual profits from forecast profits

Not applicable as no profit forecast was issued.

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**NOTES TO THE INTERIM FINANCIAL STATEMENTS  
FOR THE FIRST QUARTER ENDED 30 NOVEMBER 2015 (CONTINUED)****18. Taxation**

	Quarter Ended		Year To Date Ended	
	30 Nov 2015 RM'000	30 Nov 2014 RM'000	30 Nov 2015 RM'000	30 Nov 2014 RM'000
Income tax				
- Current year	30,927	10,412	30,927	10,412
Real property gain tax	44	-	44	-
Deferred taxation	1,385	(373)	1,385	(373)
	<u>32,356</u>	<u>10,039</u>	<u>32,356</u>	<u>10,039</u>

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

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

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

**20. Purchase and disposal of quoted securities**

There was no purchase or disposal of quoted securities by the Group for the current quarter and financial year-to-date.

**21. Status of corporate proposals announced**

On 15 October 2015, the Company announced the following proposals:

- (i) a bonus issue of up to 630,697,962 new ordinary shares of RM0.50 each in Top Glove on the basis of 1 Bonus Share for every 1 existing Top Glove share held on an entitlement date to be determined later.
- (ii) the establishment of an employees' share grant plan of up to 15% of the issued and paid-up share capital of Top Glove (excluding treasury shares) for the eligible employees and executive directors of Top Glove and its subsidiaries.
- (iii) an increase in the authorized share capital of the Company from RM400,000,000 comprising 800,000,000 Top Glove Shares to RM800,000,000 comprising 1,600,000,000 Top Glove Shares.
- (iv) amendments to the Memorandum and Articles of Association of Top Glove.

Except for the above, there are no other corporate proposals not announced or outstanding as at 30 November 2015.

**22. Group borrowings**

The Group borrowings as at 30 November 2015 were as follows:-

	As at 30 Nov 2015 RM'000	As at 30 Nov 2014 RM'000
Short term borrowings		
Unsecured	317,910	223,042
Secured	79,367	89,575
	<u>397,277</u>	<u>312,617</u>
Long term borrowings		
Unsecured	98,634	66,391
Secured	3,209	2,672
	<u>101,843</u>	<u>69,063</u>
Total borrowings	<u>499,120</u>	<u>381,680</u>

Borrowings are mainly denominated in US Dollar amounting to USD113.4 million as at 30 Nov 2015 (30 Nov 2014: USD109.7 million; 31 Aug 2015: USD137.3 million).

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**NOTES TO THE INTERIM FINANCIAL STATEMENTS  
FOR THE FIRST QUARTER ENDED 30 NOVEMBER 2015 (CONTINUED)****23. Fair value hierarchy**

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

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

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

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

As at 30 November 2015, the Group held the following financial assets and liabilities that are measured at fair value :-

	Level 1 RM'000	Level 2 RM'000	Total RM'000
Assets measured at fair value:			
Available-for-sale financial assets	395,629	-	395,629
Liabilities measured at fair value:			
Derivative assets	-	903	903

**24. Realised and Unrealised Profits/Losses**

	<b>As at 30 Nov 2015 RM'000</b>	<b>As at 30 Nov 2014 RM'000</b>
Total retained earnings of the company and its subsidiaries:		
- Realised	1,222,302	982,136
- Unrealised	(14,981)	(37,882)
	<hr/>	<hr/>
	1,207,321	944,254
Less : Consolidation adjustments	(22,385)	(14,707)
	<hr/>	<hr/>
Total group retained earnings as per consolidated accounts	<u>1,184,936</u>	<u>929,547</u>

**25. Notes to the Statement of Comprehensive Income**

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

	<b>Quarter and Year To Date Ended 30 Nov 2015 RM'000</b>
Interest income	8,594
Other income including investment income	1,880
Interest expenses	(3,185)
Depreciation and amortisation	(27,350)
Foreign exchange loss	(10,945)
Fair value gain on foreign exchange contracts	10,115

**26. Material litigation**

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

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**NOTES TO THE INTERIM FINANCIAL STATEMENTS  
FOR THE FIRST QUARTER ENDED 30 NOVEMBER 2015 (CONTINUED)****27. Dividends**

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

The total dividend paid and proposed by the Company in respect of the financial year ended 31 August 2015 is 23 sen per ordinary share amounting to approximately RM142.96 million. The Company paid a First Single Tier Interim Dividend of 8 sen per ordinary share amounting to RM49.42 million on 15 July 2015. The Board of Directors has also proposed a Single Tier Final Dividend of 12 sen per ordinary share amounting to approximately RM74.83 million and a Special Single Tier Final Dividend of 3 sen per ordinary share amounting to approximately RM18.71 million for the financial year ended 31 August 2015. The proposed final and special dividend are subject to shareholders' approval at the forthcoming Annual General Meeting on 6 January 2016.

**28. Earnings per share**

	<b>Quarter Ended</b>		<b>Year To Date Ended</b>	
	<b>30 Nov 2015</b>	<b>30 Nov 2014</b>	<b>30 Nov 2015</b>	<b>30 Nov 2014</b>
Net profit attributable to owners of the Company shareholders (RM'000)	<u>128,348</u>	<u>48,683</u>	<u>128,348</u>	<u>48,683</u>
<b><u>Basic</u></b>				
Weighted average number of ordinary shares in issue ('000)	<u>621,803</u>	<u>620,472</u>	<u>621,803</u>	<u>620,472</u>
<b>Basic earnings per share (sen)</b>	<u>20.64</u>	<u>7.85</u>	<u>20.64</u>	<u>7.85</u>
<b><u>Diluted</u></b>				
Weighted average number of ordinary shares in issue ('000)	621,803	620,472	621,803	620,472
Effect of dilution : share options ('000)	<u>1,419</u>	<u>422</u>	<u>1,419</u>	<u>422</u>
Adjusted weighted average number of ordinary shares in issue and issuable ('000)	<u>623,222</u>	<u>620,894</u>	<u>623,222</u>	<u>620,894</u>
<b>Diluted earnings per share (sen)</b>	<u>20.59</u>	<u>7.84</u>	<u>20.59</u>	<u>7.84</u>