



## TOP GLOVE CORPORATION BHD.

Company No.199801018294 [474423-X]

The World's Largest Manufacturer of Gloves

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### CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS FOR THE FOURTH QUARTER ENDED 31 AUGUST 2021

	Current Quarter Ended	Corresponding Quarter Ended	Current Year To Date	Corresponding Year To Date
	31 Aug 2021 RM'000	31 Aug 2020 RM'000	31 Aug 2021 RM'000	31 Aug 2020 RM'000
Revenue	2,116,391	3,110,226	16,402,950	7,237,427
Operating expenses	(1,412,822)	(1,638,787)	(6,363,670)	(5,090,093)
Other operating income	27,128	20,669	104,874	54,044
<b>Profit from operations</b>	<b>730,697</b>	<b>1,492,108</b>	<b>10,144,154</b>	<b>2,201,378</b>
Finance costs	(1,026)	(3,309)	(4,118)	(34,399)
Share of result of associate	(155)	(1,094)	2,644	(1,428)
<b>Profit before tax</b>	<b>729,516</b>	<b>1,487,705</b>	<b>10,142,680</b>	<b>2,165,551</b>
Taxation	(98,060)	(276,677)	(2,157,835)	(376,721)
<b>Profit net of tax</b>	<b>631,456</b>	<b>1,211,028</b>	<b>7,984,845</b>	<b>1,788,830</b>
<b>Profit attributable to:</b>				
Owners of the parent	607,947	1,177,580	7,870,874	1,752,584
Holder of Perpetual Sukuk	12,943	25,605	51,350	25,605
Non controlling interests	10,566	7,843	62,621	10,641
	<b>631,456</b>	<b>1,211,028</b>	<b>7,984,845</b>	<b>1,788,830</b>
<b>Earnings per share attributable to owners of the parent, sen:</b>				
<b>Basic</b>	<b>7.59</b>	<b>14.53</b>	<b>97.88</b>	<b>21.96</b>
<b>Diluted</b>	<b>7.59</b>	<b>14.39</b>	<b>97.80</b>	<b>21.78</b>

The Condensed Consolidated Statement of Profit or Loss should be read in conjunction with the Annual Financial Report for the financial year ended 31 August 2020.

**TOP GLOVE CORPORATION BHD.**

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(Incorporated in Malaysia)

**CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME  
FOR THE FOURTH QUARTER ENDED 31 AUGUST 2021**

	Current Quarter Ended	Corresponding Quarter Ended	Current Year To Date	Corresponding Year To Date
	31 Aug 2021	31 Aug 2020	31 Aug 2021	31 Aug 2020
	RM'000	RM'000	RM'000	RM'000
Profit net of tax	631,456	1,211,028	7,984,845	1,788,830
<b>Other comprehensive income/(loss):</b>				
<i>Items that may be reclassified subsequently to profit or loss:</i>				
Net movement on debt instrument at fair value through other comprehensive income	505	0	1,844	(2,084)
Foreign currency translation differences of foreign operations	(29,597)	(9,990)	(21,801)	(7,521)
Cash flow hedge	0	95,289	2,690	77,601
<b>Other comprehensive (loss)/income, net of tax</b>	<b>(29,092)</b>	<b>85,299</b>	<b>(17,267)</b>	<b>67,996</b>
<b>Total comprehensive income</b>	<b>602,364</b>	<b>1,296,327</b>	<b>7,967,578</b>	<b>1,856,826</b>
<b>Total comprehensive income attributable to:</b>				
Owners of the parent	579,829	1,263,222	7,855,059	1,821,022
Holder of Perpetual Sukuk	12,943	25,605	51,350	25,605
Non controlling interests	9,592	7,500	61,169	10,199
	<b>602,364</b>	<b>1,296,327</b>	<b>7,967,578</b>	<b>1,856,826</b>
The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Annual Financial Report for the financial year ended 31 August 2020.				

**TOP GLOVE CORPORATION BHD.**

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**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION  
AS AT 31 AUGUST 2021**

	Unaudited as at 31 Aug 2021 RM'000	Audited as at 31 Aug 2020 RM'000
<b>ASSETS</b>		
<b>Non current assets</b>		
Property, plant and equipment	4,021,781	3,010,233
Right-of-use assets	202,391	201,425
Investment property	163,900	163,900
Investment in an associate	13,069	10,425
Deferred tax assets	9,138	19,589
Biological assets	429	28
Investment securities: Unquoted securities	392	392
Intangible assets	1,008,795	1,012,319
	<b>5,419,895</b>	<b>4,418,311</b>
<b>Current assets</b>		
Inventories	1,179,499	530,729
Trade and other receivables	685,579	798,805
Other current assets	60,655	74,884
Derivative financial instruments	2,249	45
Investment securities: Money market funds	1,323,178	1,674,631
Investment securities: Debt securities	307,255	0
Cash and bank balances	878,256	1,208,559
	<b>4,436,671</b>	<b>4,287,653</b>
<b>Total assets</b>	<b>9,856,566</b>	<b>8,705,964</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Current liabilities</b>		
Trade and other payables	643,983	810,824
Contract liabilities	774,912	879,386
Loans and borrowings	312,704	314,199
Lease liabilities	5,797	1,442
Income tax payable	389,455	126,673
	<b>2,126,851</b>	<b>2,132,524</b>
<b>Net current assets</b>	<b>2,309,820</b>	<b>2,155,129</b>
<b>Non current liabilities</b>		
Loans and borrowings	146,002	226,340
Lease liabilities	9,594	9,672
Deferred tax liabilities	185,385	141,988
Provisions	8,448	4,557
	<b>349,429</b>	<b>382,557</b>
<b>Total liabilities</b>	<b>2,476,280</b>	<b>2,515,081</b>
<b>Net assets</b>	<b>7,380,286</b>	<b>6,190,883</b>
<b>Equity attributable to owners of the parent</b>		
Share capital	1,841,654	1,675,704
Treasury shares	(1,413,274)	(1,519)
Retained earnings	5,503,593	3,131,530
Other reserves	100,248	65,040
	<b>6,032,221</b>	<b>4,870,755</b>
Perpetual Sukuk	1,295,262	1,295,262
Non controlling interests	52,803	24,866
<b>Total equity</b>	<b>7,380,286</b>	<b>6,190,883</b>
<b>Total equity and liabilities</b>	<b>9,856,566</b>	<b>8,705,964</b>
<b>Net assets per share attributable to ordinary equity holders of the parent, RM</b>	<b>0.75</b>	<b>0.60</b>

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Annual Financial Report for the financial year ended 31 August 2020.

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
AS AT 31 AUGUST 2021**

	Attributable to owners of the parent												Non controlling interests RM'000
	Total equity RM'000	Total equity attributable to owners of the parent RM'000	Share capital RM'000	Treasury shares RM'000	Non distributable			Distributable			Perpetual sukuk RM'000		
Foreign exchange reserve RM'000					Legal reserve RM'000	Share option reserve RM'000	Cash flow hedge reserve RM'000	Other reserve RM'000	Fair value adjustment reserve RM'000	Retained earnings RM'000			
<b>12 months ended 31 August 2021</b>													
<b>Opening balance at 1 September 2020</b>	<b>6,190,883</b>	<b>4,870,755</b>	<b>1,675,704</b>	<b>(1,519)</b>	<b>44,549</b>	<b>10,088</b>	<b>5,319</b>	<b>(2,690)</b>	<b>7,774</b>	<b>0</b>	<b>3,131,530</b>	<b>1,295,262</b>	<b>24,866</b>
Profit net of tax	7,984,845	7,870,874	0	0	0	0	0	0	0	0	7,870,874	51,350	62,621
Other comprehensive income/(loss)	(17,267)	(15,815)	0	0	(20,349)	0	0	2,690	0	1,844	0	0	(1,452)
<b>Total comprehensive income</b>	<b>7,967,578</b>	<b>7,855,059</b>	<b>0</b>	<b>0</b>	<b>(20,349)</b>	<b>0</b>	<b>0</b>	<b>2,690</b>	<b>0</b>	<b>1,844</b>	<b>7,870,874</b>	<b>51,350</b>	<b>61,169</b>
<b>Transactions with owners</b>													
Issuance of ordinary shares pursuant to ESOS	57,560	57,560	57,560	0	0	0	0	0	0	0	0	0	0
Issuance of ordinary shares pursuant to conversion of exchangeable bonds	104,387	104,387	104,387	0	0	0	0	0	0	0	0	0	0
Issuance of shares to non controlling interests	300	0	0	0	0	0	0	0	0	0	0	0	300
Share options granted under ESOS	33,983	33,983	0	0	0	0	33,983	0	0	0	0	0	0
Transfer from share option reserve/ retained earnings	0	0	4,003	0	0	16,802	(4,714)	0	4,952	0	(21,043)	0	0
Transfer to employee share grant scheme	8,641	8,641	0	12,340	0	0	0	0	0	0	(3,699)	0	0
Purchase of treasury shares	(1,424,095)	(1,424,095)	0	(1,424,095)	0	0	0	0	0	0	0	0	0
Distribution to holders of Perpetual Sukuk	(51,350)	0	0	0	0	0	0	0	0	0	0	(51,350)	0
Dividends on ordinary shares/ non controlling interests	(5,507,601)	(5,474,069)	0	0	0	0	0	0	0	0	(5,474,069)	0	(33,532)
<b>Total transactions with owners</b>	<b>(6,778,175)</b>	<b>(6,693,593)</b>	<b>165,950</b>	<b>(1,411,755)</b>	<b>0</b>	<b>16,802</b>	<b>29,269</b>	<b>0</b>	<b>4,952</b>	<b>0</b>	<b>(5,498,811)</b>	<b>(51,350)</b>	<b>(33,232)</b>
<b>Closing balance at 31 August 2021</b>	<b>7,380,286</b>	<b>6,032,221</b>	<b>1,841,654</b>	<b>(1,413,274)</b>	<b>24,200</b>	<b>26,890</b>	<b>34,588</b>	<b>0</b>	<b>12,726</b>	<b>1,844</b>	<b>5,503,593</b>	<b>1,295,262</b>	<b>52,803</b>
<b>12 months ended 31 August 2020</b>													
<b>Opening balance at 1 September 2019</b>	<b>2,553,577</b>	<b>2,536,519</b>	<b>788,326</b>	<b>(1,781)</b>	<b>51,628</b>	<b>10,088</b>	<b>8,995</b>	<b>(80,291)</b>	<b>5,926</b>	<b>2,084</b>	<b>1,751,544</b>	<b>0</b>	<b>17,058</b>
Profit net of tax	1,788,830	1,752,584	0	0	0	0	0	0	0	0	1,752,584	25,605	10,641
Other comprehensive income/(loss)	67,996	68,438	0	0	(7,079)	0	0	77,601	0	(2,084)	0	0	(442)
<b>Total comprehensive income</b>	<b>1,856,826</b>	<b>1,821,022</b>	<b>0</b>	<b>0</b>	<b>(7,079)</b>	<b>0</b>	<b>0</b>	<b>77,601</b>	<b>0</b>	<b>(2,084)</b>	<b>1,752,584</b>	<b>25,605</b>	<b>10,199</b>
<b>Transactions with owners</b>													
Issuance of ordinary shares pursuant to ESOS	166,813	166,813	166,813	0	0	0	0	0	0	0	0	0	0
Issuance of ordinary shares pursuant to conversion of exchangeable bonds	709,673	709,673	709,673	0	0	0	0	0	0	0	0	0	0
Issuance of shares to non controlling interests	75	0	0	0	0	0	0	0	0	0	0	0	75
Share options granted under ESOS	7,404	7,404	0	0	0	0	7,404	0	0	0	0	0	0
Transfer from share option reserve/ retained earnings	0	0	10,892	0	0	0	(11,080)	0	1,848	0	(1,660)	0	0
Transfer to employee share grant scheme	1,128	1,128	0	262	0	0	0	0	0	0	866	0	0
Distribution to holders of Perpetual Sukuk	(25,605)	0	0	0	0	0	0	0	0	0	0	(25,605)	0
Issuance of Perpetual Sukuk	1,295,262	0	0	0	0	0	0	0	0	0	0	1,295,262	0
Dividends on ordinary shares/ non controlling interests	(374,270)	(371,804)	0	0	0	0	0	0	0	0	(371,804)	0	(2,466)
<b>Total transactions with owners</b>	<b>1,780,480</b>	<b>513,214</b>	<b>887,378</b>	<b>262</b>	<b>0</b>	<b>0</b>	<b>(3,676)</b>	<b>0</b>	<b>1,848</b>	<b>0</b>	<b>(372,598)</b>	<b>1,269,657</b>	<b>(2,391)</b>
<b>Closing balance at 31 August 2020</b>	<b>6,190,883</b>	<b>4,870,755</b>	<b>1,675,704</b>	<b>(1,519)</b>	<b>44,549</b>	<b>10,088</b>	<b>5,319</b>	<b>(2,690)</b>	<b>7,774</b>	<b>0</b>	<b>3,131,530</b>	<b>1,295,262</b>	<b>24,866</b>

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 2020.

**TOP GLOVE CORPORATION BHD.**

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(Incorporated in Malaysia)

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS  
AS AT 31 AUGUST 2021**

	<b>Current Year To Date Ended 31 Aug 2021 RM'000</b>	<b>Corresponding Year To Date Ended 31 Aug 2020 RM'000</b>
<b>Operating activities</b>		
Profit before tax	10,142,680	2,165,551
Depreciation and amortisation	308,508	245,396
Other adjustments	(12,650)	37,649
<b>Operating cash flows before changes in working capital</b>	<b>10,438,538</b>	<b>2,448,596</b>
<b>Changes in working capital</b>		
Net changes in current assets	(519,380)	127,771
Net changes in current liabilities	(265,564)	1,141,888
<b>Cash flows from operating activities</b>	<b>9,653,594</b>	<b>3,718,255</b>
Interest paid	(3,495)	(31,456)
Income taxes paid	(1,841,143)	(229,945)
<b>Net cash flows generated from operating activities</b>	<b>7,808,956</b>	<b>3,456,854</b>
<b>Investing activities</b>		
Withdrawal/(placement) of money market funds	351,453	(1,670,567)
(Investment in)/disposal of debt securities	(301,041)	83,221
Purchase of property, plant and equipment	(1,348,648)	(815,915)
Proceeds from disposal of property, plant and equipment	802	7,414
Interest received	61,153	23,889
<b>Net cash flows used in investing activities</b>	<b>(1,236,281)</b>	<b>(2,371,958)</b>
<b>Financing activities</b>		
Dividends paid on ordinary shares	(5,474,069)	(371,804)
Dividends paid on non controlling interests	(33,532)	(2,466)
Issuance of shares to non controlling interests	300	75
Proceeds from issuance of ordinary shares pursuant to ESOS	57,560	166,813
Purchase of treasury shares	(1,424,095)	0
Payment of principal portion of lease liabilities	(4,930)	(2,237)
Proceeds from issuance of perpetual Sukuk	0	1,295,262
Distribution paid to Perpetual Sukuk holders	(51,350)	(25,605)
Drawdown/(repayment) of loans and borrowings	27,138	(1,102,157)
<b>Net cash flows used in financing activities</b>	<b>(6,902,978)</b>	<b>(42,119)</b>
<b>Net (decrease)/increase in cash and cash equivalents</b>	<b>(330,303)</b>	<b>1,042,777</b>
<b>Cash and cash equivalents at 1 September 2020 / 2019</b>	<b>1,208,559</b>	<b>165,782</b>
<b>Cash and cash equivalents at 31 August 2021 / 2020</b>	<b>878,256</b>	<b>1,208,559</b>

The Condensed Consolidated Cash Flow Statement should be read in conjunction with the Annual Financial Report for the financial year ended 31 August 2020.

**NOTES TO THE INTERIM FINANCIAL STATEMENTS  
FOR THE FOURTH QUARTER ENDED 31 AUGUST 2021**

**1. Basis of preparation**

The interim financial report is unaudited and has been prepared in accordance with Malaysian 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 2020. 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 2020.

The audited financial statements of the Group for the year ended 31 August 2020 were prepared in accordance with Malaysian Financial Reporting Standards ("MFRS"). The significant accounting policies and method of computations adopted in preparation of this interim financial report are consistent with those adopted in the audited financial statements of the Group for the financial year ended 31 August 2020 except for the adoption of the following amendments to MFRSs:

**Description**

Amendments to MFRS 3: Definition of a Business

Amendments to MFRS 9, MFRS 139 and MFRS 7: Interest Rate Benchmark Reform

Amendments to MFRS 101 and MFRS 108: Definition of Material

Amendment to MFRS 16 Leases: Covid-19-Related Rent Concessions

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

**2. Auditors' report**

The audited financial statements for the financial year ended 31 August 2020 was not subject to any qualification.

**3. Seasonal or cyclical factors**

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

**4. Extraordinary and exceptional items**

There were no extraordinary and exceptional items of unusual nature affecting assets, liabilities, equity, net income, or cash flows in the interim financial period ended 31 August 2021.

**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.

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### NOTES TO THE INTERIM FINANCIAL STATEMENTS FOR THE FOURTH QUARTER ENDED 31 AUGUST 2021 (CONTINUED)

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

- a) As at the quarter ended 31 August 2021, a total of 313,100 new ordinary shares were issued pursuant to the exercise of the ESOS. Details of the issued and paid up capital of the Company as at 31 August 2021 are as follows:

	No. of shares	RM'000
As at 31 May 2021	8,206,550,934	1,840,872
Ordinary shares issued pursuant to the ESOS	313,100	782
As at 31 August 2021	8,206,864,034	1,841,654

- b) During the year, the Company repurchased 200,167,700 ordinary shares from the open market for a total consideration of RM1.42 billion, which was financed by internally generated funds.
- c) During the current quarter, a total of 2,238,700 treasury shares were transferred to eligible employees under the employee share grant scheme for RM8,641,000. The difference between the transferred treasury shares and the cost of the treasury shares was recognised in equity.

As at 31 August 2021, of the total 8,206,864,034 issued and fully paid ordinary shares, 199,913,800 ordinary shares are held as treasury shares by the Company.

Other than the above, there were no issuance and repayment of debt and equity securities, share cancellations and resale of treasury shares in the current quarter and financial year ended 31 August 2021.

#### 7. Dividends paid

The Board of Directors of Top Glove has adopted a Dividend Policy to declare and pay annual dividends of 50% of its profit after tax and minority interest in respect of future financial years. Additionally, a special dividend of 20% for the second quarter ended 28 February 2021 and the third quarter ended 31 May 2021 has also been declared and paid.

Record of dividends paid:

Financial Year	Net Dividend per share (sen)*	Total Dividend Paid (RM'000)
9MFY2021	59.70	4,781,748
2020	11.83	961,731
2019	2.50	191,960
2018	2.83	217,282
2017	2.42	181,936
2016	2.42	181,647
2015	1.92	143,143
2014	1.33	99,009
2013	1.33	99,252
2012	1.33	99,038
2011	0.92	68,035
2010	1.33	98,877
2009	0.92	65,873
2008	0.46	32,389
2007	0.38	27,435
2006	0.31	21,173
2005	0.22	14,110
2004	0.20	12,295
2003	0.15	9,550
2002	0.05	2,808
2001	0.07	4,000
<b>Total</b>		<b>7,313,291</b>

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

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

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### NOTES TO THE INTERIM FINANCIAL STATEMENTS FOR THE FOURTH QUARTER ENDED 31 AUGUST 2021 (CONTINUED)

#### 8. Segmental reporting

- a. Primary reporting segment – Geographical segments.

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

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

#### 12 months ended 31 August 2021

	Malaysia RM'000	Thailand RM'000	China RM'000	Others RM'000	Eliminations RM'000	Consolidated RM'000
<u>Revenue</u>						
External sales	13,940,439	1,201,574	429,917	831,020	0	16,402,950
Intersegment sales	506,781	459,480	1,206	1,298	(968,765)	0
Total Revenue	<u>14,447,220</u>	<u>1,661,054</u>	<u>431,123</u>	<u>832,318</u>	<u>(968,765)</u>	<u>16,402,950</u>
<u>Result</u>						
Segment profit	8,918,729	833,118	219,988	172,319	0	10,144,154
Finance cost	(1,992)	(527)	0	(1,599)	0	(4,118)
Share of result of associate	2,644	0	0	0	0	<u>2,644</u>
Profit before tax						<u>10,142,680</u>
<u>Assets</u>						
Segment assets	6,782,861	1,012,993	238,171	791,539	1,031,002	<u>9,856,566</u>
Intangible assets	1,008,795	0	0	0	0	<u>1,008,795</u>
<u>Liabilities</u>						
Segment liabilities	1,453,389	145,407	14,293	239,370	623,821	<u>2,476,280</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, plant and equipment

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

#### 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.



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### **NOTES TO THE INTERIM FINANCIAL STATEMENTS FOR THE FOURTH QUARTER ENDED 31 AUGUST 2021 (CONTINUED)**

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

During the quarter under review, a wholly-owned subsidiary TG Worldwide Sdn. Bhd. and a wholly-owned indirect subsidiary TG Efficient Sdn. Bhd. have been added to the Group.

Other than the above, there were no other significant changes in the composition of the Group, including business combination, acquisition or disposal of subsidiaries and long-term investment, restructuring and discontinuing operations.

#### **12. Contingent liabilities**

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

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

#### **13. Capital commitments**

As at the end of the reporting quarter, the Group had approved and contracted for capital expenditures amounting approximately to RM1.06 billion.

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

#### 14. Review of performance

A comparison of Top Glove's performance for the fourth quarter ended 31 August 2021 ("4QFY2021") and the full financial year 2021 ("FY2021") with the corresponding period last financial year are as follows:

	4QFY2021	4QFY2020	Variance	FY2021	FY2020	Variance
	RM'mil	RM'mil	%	RM'mil	RM'mil	%
Revenue	2,116	3,110	(32)	16,403	7,237	127
Operating profit	731	1,492	(51)	10,144	2,201	361
Profit before interest and tax	716	1,480	(52)	10,086	2,176	364
Profit before tax	730	1,488	(51)	10,143	2,166	368
Profit after tax	631	1,211	(48)	7,985	1,789	346
Profit attributable to owners of the parent	608	1,178	(48)	7,871	1,753	349

For FY2021, Top Glove's Sales Revenue amounted to RM16.40 billion, soaring 127% from FY2020. Profit after tax also grew to RM7.98 billion, a 346% jump compared with the previous financial year. Meanwhile, the Group's net cash position as at 31 August 2021 remained healthy at RM2.05 billion.

Sales Revenue for 4QFY2021 amounted to RM2.12 billion, softer by 32% versus 4QFY2020, while Profit after tax came in at RM631 million, easing 48% compared to the corresponding period in the previous year. Sales Volume was also 33% lower year-on-year.

The Group's commendable yearly financial performance was attributed to strong glove demand coupled with elevated average selling prices (ASPs) driven by the ongoing pandemic. Meanwhile, its 4QFY2021 results were softer on the back of normalising demand, following mass vaccine rollout on a global scale, leading to lower sales volume and ASPs, which were not matched by a corresponding reduction in raw material prices. This was further affected by the Finding imposed by the U.S. Customs and Border Protection (CBP), impacting sales volume and profit. The Finding has since been lifted on 10 September 2021, enabling Top Glove Malaysia to resume exporting gloves to the U.S.A.

Performance was also affected by the Enhanced Movement Control Order (EMCO) during which the glove industry in the state of Selangor was not allowed to operate for 10 days, which involved 50% of Top Glove's factories; as well as a subsequent round of the Movement Control Order (MCO) during which the affected facilities were only permitted to operate at 60%. The reduced output adversely impacted utilisation, driving costs upward.

Raw material prices were generally on an uptrend in FY2021, with average natural latex concentrate prices up by 29% to RM5.73/kg, whilst average nitrile latex prices rose by 106% to USD2.11/kg versus FY2020, driven by increased demand and supply shortage. However, raw material prices trended downward in 4QFY2021 albeit not rapidly enough to offset the slowdown in ASPs.

Notwithstanding this, in line with Top Glove's commitment to reward its approximately 136,000 public shareholders, the total dividend payout for 4QFY2021 is 71%, comprising a special dividend payout of 21% plus 50% in line with the Company's dividend policy. This amounts to a total dividend of 5.4 sen per share, comprising a final dividend of 3.8 sen per share and a special dividend of 1.6 sen per share. The ex date for the dividend is 1 October 2021, while the payment date is 15 October 2021. The total dividend declared for FY2021 amounts to approximately RM5.21 billion or 65.1 sen per share, which represents a 452% increase from the full year dividend for FY2020 of 11.8 sen per share.

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The financial results of Top Glove since financial year 2008 are as follows:

RM'mil	Financial year ended 31 August													
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021 (unaudited)
Revenue	1,378	1,529	2,079	2,054	2,315	2,313	2,275	2,511	2,889	3,409	4,221	4,801	7,237	16,403
EBITDA	198	288	365	197	298	311	302	442	525	489	694	687	2,421	10,394
EBITDA margin	14%	19%	18%	10%	13%	13%	13%	18%	18%	14%	16%	14%	33%	63%
PBT	135	222	305	146	241	242	216	364	442	393	523	424	2,166	10,143
PBT margin	10%	15%	15%	7%	10%	11%	10%	15%	15%	12%	12%	9%	30%	62%
Taxation	27	54	55	30	33	39	33	82	80	55	90	56	377	2,158
PAT	108	168	250	115	207	203	184	281	362	339	433	368	1,789	7,985
PAT margin	8%	11%	12%	6%	9%	9%	8%	11%	13%	10%	10%	8%	25%	49%

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#### 15. Comparison of quarterly financial results with preceding quarter

	4QFY2021 RM'mil	3QFY2021 RM'mil	Variance %
Revenue	2,116	4,163	(49)
Operating profit	731	2,604	(72)
Profit before interest and tax	716	2,588	(72)
Profit before tax	730	2,604	(72)
Profit after tax	631	2,064	(69)
Profit after tax attributable to owners of the parent	608	2,036	(70)

For the quarter ended 4QFY2021, the Group's Sales Revenue was RM2.12 billion, 49% lower compared to 3QFY2021, whilst Profit after tax was 69% lower at RM631 million. The Group's weaker quarter-on-quarter performance for 4QFY2021 came on the back of reduced sales volume, which was affected by the Finding imposed by the U.S. CBP, the effects of which were felt for the full 3 months of 4QFY2021 compared to two months in 3QFY2021. Additionally, the aforementioned EMCO was imposed in 4QFY2021, during which the Group's operations in Selangor were not permitted to operate for 10 days, and subsequent to which the Group's facilities could only operate at 60% capacity under the MCO. On top of these external restrictions, ASPs declined at a steeper rate than raw material prices, thereby reducing profit margins for 4QFY2021.

Raw material prices for the quarter ended 4QFY2021 softened from 3QFY2021, with average natural latex concentrate prices reducing by 10% from RM6.31/kg to RM5.65/kg, whilst nitrile latex price eased 4% from USD2.31/kg to USD2.21/kg.

#### 16. Commentary on prospects and targets

The Group is pleased that following the [Modification of the Finding by the U. S. CBP](#), Top Glove's Malaysia operations have been allowed to resume exporting and selling gloves to U.S.A. effective 10 September 2021, indicating the Group has addressed [addressed all indicators of forced labour identified at its Malaysian facilities](#). This positive development is expected to boost sales from Top Glove's Malaysia operations to U.S.A, which accounts for 15% of the Group's total sales.

With the health and safety of its employees as a foremost priority, Top Glove has on 19 July 2021, commenced its participation in Program Imunisasi Industri COVID-19 Kerjasama Awam Swasta (PIKAS), a partnership between the public and private sector aimed at accelerating the immunisation of its employees. To date, the Group has seen 96% of its employees worldwide receiving their first dose of the COVID-19 vaccine, while 87% have already been fully vaccinated with their second dose.

As global glove demand is estimated to grow steadily even with the availability of vaccines, from a pre-pandemic 10% per annum to 15% per annum post-pandemic, the Group will continue to expand via a combination of organic expansion, inorganic expansion and strategic investments. By 31 December 2025, Top Glove is projected to have a total of 59 factories comprising 46 glove factories and 13 other factories, 1,486 glove production lines and a glove production capacity of 201 billion gloves per annum. The Group's organic expansion plans for calendar years (CY) 2022 to 2025 are detailed below:

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#### 16. Commentary on prospects and targets (continued)

Total Capacity by Calendar Year	Number of production lines, Single Former (SF) Lines	Capacity, pcs per annum
<b>Current capacity: 37 glove factories</b>	<b>812 SF Lines</b>	<b>100 bil</b>
Additional new capacity in CY2022	78 SF lines	11 bil (+11%)
<b>Total capacity 31 December 2022: 40 glove factories</b>	<b>890 SF Lines</b>	<b>111 bil</b>
Additional new capacity in CY2023	174 SF lines	26 bil (+23%)
<b>Total capacity 31 December 2023: 43 glove factories</b>	<b>1,064 SF Lines</b>	<b>137 bil</b>
Additional new capacity in CY2024	164 SF lines	25 bil (+18%)
<b>Total capacity 31 December 2024: 44 glove factories</b>	<b>1,228 SF Lines</b>	<b>162 bil</b>
Additional new capacity in CY2025	258 SF lines	39 bil (+24%)
<b>Total capacity 31 December 2025: 46 glove factories</b>	<b>1,486 SF Lines</b>	<b>201 bil</b>

Top Glove is also honoured to have garnered several awards at the prestigious Edge Singapore Billion Dollar Club 2021 (BDC). Under the Healthcare Services & Pharmaceutical sector, it won 3 awards namely *Best Performing Stock*, *Fastest Growing Company* and *Best in Sector* and to top it all, was also named *Overall Winner* for 2021 amongst 90 other companies in the BDC this year.

The year 2021 has been a meaningful and fruitful “Year of ESG (Environmental, Social and Governance)” for the Group, and marks the start of greater efforts to come. Top Glove is presently exploring science based target setting towards crystallising a net zero carbon emissions roadmap with an external consultant, pending which the Group is working towards medium term sustainability targets by FY2025. Further details of these and Top Glove’s multiple initiatives in the ESG space may be found here: <https://www.topglove.com/sustainability>

Notwithstanding the accelerating vaccination rate, which has sped up the moderating glove demand and tapering of ASPs, Top Glove remains upbeat about industry prospects.

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

Not applicable as no profit forecast was issued.

#### 18. Taxation

	Quarter Ended		Year To Date Ended	
	31 Aug 2021 RM'000	31 Aug 2020 RM'000	31 Aug 2021 RM'000	31 Aug 2020 RM'000
Income tax				
Current quarter/year	44,955	256,850	2,084,995	361,678
(Over)/under provision	(2)	(5,999)	18,930	(5,903)
Deferred tax	53,107	25,816	53,910	20,892
Real property gain tax	0	10	0	54
	<u>98,060</u>	<u>276,677</u>	<u>2,157,835</u>	<u>376,721</u>

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

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

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

#### 20. Purchase and disposal of investment securities

	Quarter Ended	Year To Date Ended
	31 Aug 2021 RM'000	31 Aug 2021 RM'000
Placement of money market funds	0	2,763,264
Withdrawal of money market funds	2,142,141	3,114,717
Investment in debt securities	81,277	322,604
Disposal of debt securities	11,145	21,563

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

#### 21. Status of corporate proposals announced

The 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 Top Glove on the Main Board of The Stock Exchange of Hong Kong Limited (HKEX).

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

Except the above mentioned, there were no other corporate proposals not announced or outstanding as at 31 August 2021.

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#### 22. Derivative financial instruments

	As at 31 Aug 2021	
	Contract/Notional Amount RM'000	Fair Value Assets RM'000
Forward currency contracts	237,572	2,249

As at 31 August 2021, the Group held forward contracts designated as hedges of expected future sales to customers for which the Group has firm commitments. Forward currency contracts used to hedge the Group's sales are denominated in USD and EUR for which firm commitments existed at the reporting date, extending to January 2022.

During the financial year ended 31 August 2021, the Group recognised a gain of RM2,211,000 arising from changes in fair value of the forward currency contracts.

#### 23. Fair value hierarchy

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

- Level 1 – Quoted prices (unadjusted) in active markets for identical assets or liabilities
- Level 2 – Inputs that are based on observable market data, either directly or indirectly
- Level 3 – Inputs that are not based on observable market data

As at 31 August 2021, the Group held the following financial assets/(liabilities) that are measured at fair value:

	Level 1 RM'000	Level 2 RM'000	Level 3 RM'000	Total RM'000
Assets/(liabilities) measured at fair value:				
Financial assets at fair value through profit or loss				
• Unquoted investments	0	0	392	392
• Money market funds (quoted in Malaysia)	1,323,178	0	0	1,323,178
• Debt securities (quoted outside Malaysia)	203,199	0	0	203,199
• Derivative financial instruments	0	2,249	0	2,249
Financial assets at fair value through other comprehensive income				
• Debt securities (quoted outside Malaysia)	104,056	0	0	104,056

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The Group loans and borrowings as at 31 August 2021 were as follows:

	<b>As at 31 Aug 2021 RM'000</b>	<b>As at 31 Aug 2020 RM'000</b>
<b>Current</b>		
Secured		
Term loan	0	2,041
	<u>0</u>	<u>2,041</u>
Unsecured		
Bank borrowings	271,631	308,182
Term loan	41,073	3,976
	<u>312,704</u>	<u>312,158</u>
Total current borrowings	<u>312,704</u>	<u>314,199</u>
<b>Non-current</b>		
Secured		
Term loan	0	4,220
	<u>0</u>	<u>4,220</u>
Unsecured		
Term loan	146,002	112,557
Exchangeable bonds	0	109,563
	<u>146,002</u>	<u>222,120</u>
Total non-current borrowings	<u>146,002</u>	<u>226,340</u>

Summary of all loans and borrowings:

	<b>Foreign Currency Denominated '000</b>	<b>RM'000</b>		<b>Foreign Currency Denominated '000</b>	<b>RM'000</b>	
	USD	22,472	93,688	USD	33,650	140,454
	RM	4,688	4,688	RM	20,171	20,171
	THB	25,000	3,203	THB	351,500	47,000
	EUR	54,479	268,225	EUR	48,829	241,484
	JPY	2,340,770	88,902	JPY	2,340,770	91,430
<b>Total loans and borrowings</b>		<u>458,706</u>			<u>540,539</u>	
Exchange rate RM to USD1.00		4.1690			4.1745	
Exchange rate RM to THB1.00		0.1281			0.1337	
Exchange rate RM to EUR1.00		4.9213			4.9505	
Exchange rate RM to JPY1.00		0.0380			0.0391	



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

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

	<b>Quarter Ended 31 Aug 2021 RM'000</b>	<b>Year To Date Ended 31 Aug 2021 RM'000</b>
Interest income	14,993	61,153
Other income including investment income	11,329	39,918
Gain on disposal of debt securities	806	3,803
Fair value gain on foreign exchange contracts	2,701	2,211
Interest expense	(1,026)	(4,118)
Depreciation and amortisation	(77,920)	(308,508)
Foreign exchange gain	2,536	31,299

#### 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.

#### 27. Dividends

The Board of Directors is pleased to declare a final single tier dividend of 3.8 sen per ordinary share plus a special single tier dividend of 1.6 sen per ordinary share, totalling 5.4 sen per ordinary share, amounting to approximately RM432 million, payable on 15 October 2021.

The Board of Directors had on 9 December 2020, declared a first single tier interim dividend of 16.5 sen per ordinary share and paid on 11 January 2021, amounting to RM1.32 billion for the first quarter ended 30 November 2020.

Subsequently, the Board of Directors had on 9 March 2021, declared a second single tier dividend of 18.0 sen per ordinary share plus a special single tier dividend of 7.2 sen per ordinary share, totalling 25.2 sen per ordinary share and paid on 6 April 2021, amounting to RM2.02 billion for the second quarter ended 28 February 2021.

On 9 June 2021, the Board of Directors declared a third single tier dividend of 12.7 sen per ordinary share plus a special single tier dividend of 5.3 sen per ordinary share, totalling 18 sen per ordinary share and paid on 7 July 2021, amounting to RM1.44 billion, for the third quarter ended 31 May 2021.

The total dividend paid and declared by the Company in respect of the full financial year 2021 is 65.1 sen per ordinary share represented by a payment of approximately RM5.21 billion.

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	Quarter Ended		Year To Date Ended	
	31 Aug 2021	31 Aug 2020	31 Aug 2021	31 Aug 2020
Profit net of tax attributable to owners of the parent (RM'000)	607,947	1,177,580	7,870,874	1,752,584
Net interest savings from assumed exchange of Guaranteed Exchangeable Bonds at inception (RM'000)	0	141	0	6,970
Adjusted profit net of tax attributable to owners of the parent (RM'000)	<u>607,947</u>	<u>1,177,721</u>	<u>7,870,874</u>	<u>1,759,554</u>
<b>Basic</b>				
Weighted average number of ordinary shares in issue ('000)	<u>8,007,872</u>	<u>8,107,521</u>	<u>8,041,354</u>	<u>8,011,707</u>
<b>Basic earnings per share (sen)</b>	<u>7.59</u>	<u>14.53</u>	<u>97.88</u>	<u>21.96</u>
<b>Diluted</b>				
Weighted average number of ordinary shares in issue ('000)	8,007,872	8,107,521	8,041,354	8,011,707
Effect of dilution from:				
Share options ('000)	4,839	26,865	6,751	17,195
Exchangeable bonds ('000)	<u>0</u>	<u>50,928</u>	<u>0</u>	<u>50,928</u>
Adjusted weighted average number of ordinary shares in issue and issuable ('000)	<u>8,012,711</u>	<u>8,185,314</u>	<u>8,048,105</u>	<u>8,079,830</u>
<b>Diluted earnings per share (sen)</b>	<u>7.59</u>	<u>14.39</u>	<u>97.80</u>	<u>21.78</u>