



Top Glove Corporation Bhd

(Company No. 199801018294 [474423-X])

Top Glove Media Contact:

Michelle Voon
wavoon@topglove.com.my
+603-3362 3098 Ext 2228
+6016 668 8336

Investor Contact:

invest@topglove.com.my

PRESS RELEASE

For Immediate Release

TOP GLOVE CORPORATE CREDIT RATING UPGRADED BY MARC FROM AA TO AA+

“AA+” the highest corporate credit rating assigned to a Malaysian manufacturing company

Shah Alam, Wednesday, 10 February 2021 Top Glove Corporation Bhd (Top Glove) is pleased to announce that the Malaysian Rating Corporation Berhad (MARC) has upgraded the company’s corporate credit rating from AA in 2020 to AA+ in 2021.

This improved rating of AA+ represents the 2nd highest rating to be awarded to a corporate and is 1 notch away from the highest attainable rating of AAA. The AA+ rating is also the highest corporate credit rating assigned to a Malaysian manufacturing company to date. The upgrade follows a significant increase in Top Glove’s revenue and cash flow on the back of the company’s unprecedented financial performance, where for 1QFY2021, its Sales Revenue increased to RM4.8 billion while Profit Before Tax rose to RM3.1 billion, exceeding the performance registered for the full financial year 2020. The higher earnings coupled with the full conversion of its USD200 million convertible bonds have strengthened Top Glove’s capital structure, resulting in a more favourable debt-to-equity (DE) ratio at end 1QFY2021.

At the same time, MARC has also maintained its previous rating of AA-IS(CG) on special purpose vehicle TG Excellence Berhad's RM3.0 billion Perpetual Sukuk Wakalah Programme. Top Glove, which owns 100% of TG Excellence, has provided a subordinated unconditional and irrevocable corporate guarantee on the perpetual sukuk. The ratings outlook is stable and the ratings affirmation is reflective of its subordination to Top Glove's senior unsecured obligations, in line with MARC's notching principles on subordinated debt and hybrid securities for entities rated AA and above.

Commenting on the ratings uplift, Dato' Lee Kim Meow, Managing Director of Top Glove said, "We are very honoured to receive strong ratings by an established institution as MARC. This speaks to the health of our financial fundamentals and our sound management team, as well as MARC's confidence in the long-term sustainability of our business".

"We are both inspired and committed to continue doing more and doing better for all our stakeholders. In this regard, our priority is investing in and enhancing our business operations from an ESG perspective" added Dato' Lee Kim Meow.

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About Top Glove Corporation Bhd

Top Glove Corporation Bhd is listed on the Bursa Malaysia Stock Exchange Main Board and Singapore Exchange Mainboard. It is also one of the component stocks of the MSCI Global Standard Index, FTSE Bursa Malaysia KLCI Index, FBM Top 100 Index, FBM Emas Index, FBM Hijrah Syariah Index, FBM Emas Syariah Index, FTSE4Good Bursa Malaysia Index and the Dow Jones Sustainability Indices (DJSI) for Emerging Markets. Top Glove is currently the world's largest manufacturer of gloves with an established corporate culture and good business direction of producing consistently high quality, cost efficient gloves. Top Glove has over 2,000 customers worldwide and exports to more than 195 countries.

Summary of key information:

	As at 10 February 2021
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Number of Factories	<p>47 factories (41 in Malaysia, 4 in Thailand, 1 in China and 1 in Vietnam) comprising:</p> <ul style="list-style-type: none"> • 36 glove factories • 2 latex concentrate plants • 3 chemical factories • 1 glove former factory • 2 packaging material factories • 1 dental dam factory • 1 condom factory • 1 face mask factory
Number of Marketing Offices	7 (Malaysia, USA, Germany, Brazil, China, Thailand and Vietnam)
Number of Glove Production Lines	765
Glove Production Capacity	93 billion pieces per annum
Number of Employees	21,000