

TOP GLOVE RETURNS TO BLACK IN 3QFY2024 WITH NET PROFIT OF RM50.67 MLN

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KUALA LUMPUR, June 19 (Bernama) -- Top Glove Corporation Bhd has returned to the black in the third quarter of financial year 2024 (3Q FY2024) ended May 31, 2024, chalking up a net profit of RM50.67 million compared to a net loss of RM130.59 million in 3Q FY2023.

Revenue for the quarter also improved by 20 per cent to RM636.88 million versus RM530.62 million previously.

"The group's more robust performance was driven primarily by stronger glove demand as customers replenished their glove inventories having cleared excess stocks'.

"The higher utilisation, coupled with ongoing quality and cost optimisation measures also positively impacted the bottom line," the glovemaking said in a filing with Bursa Malaysia today.

It said that although raw material costs escalated in 3Q FY2024, the group successfully reduced its production costs through multiple improvement initiatives.

Prices of raw material for 3Q FY2024 were on an uptrend quarter on quarter, with the average

natural latex concentrate price up by 20 per cent to RM6.77 per kilogramme, while the average nitrile latex price rose 16 per cent to US\$0.89 per kg.

Moreover, with growing glove demand, the group was able to share some of the cost increases with customers through upward revisions in the average selling prices.

Additionally, the sale of excess land helped to strengthen the group's profit and cash flow position, which was in line with a key objective of its turnaround plan.

"We are pleased to see a return to black this quarter as the glove industry turns a corner, and we remain deeply appreciative of our colleagues whose good efforts and commitment have been instrumental in accelerating our recovery," said Top Glove managing director Lim Cheong Guan in a statement today.

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