

TOP GLOVE ENTERS EXCLUSIVE TALKS TO BUY MEDICAL GLOVES BUSINESS FROM ADVENTA

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A worker conducts a quality check on rubber-gloves at the Top Glove rubber-glove factory in Selangor, Malaysia. PHOTO: BLOOMBERG

TOP Glove Corp has entered into exclusive negotiations to buy the medical gloves business of Adventa Capital in a cash-and-shares deal.

The final terms for the target business, Aspion, have yet to be decided, but Adventa has agreed to only negotiate with Top Glove until Jan 15, 2018.

Top Glove, a Malaysia-based rubber-glove maker, said that the purchase consideration will be based on Aspion's after-tax profit, a possible guarantee by Adventa in case of a profit shortfall in 2018, and a possible multiple of 16 to 18 times of the 2018 target after-tax profit.

If successful, Top Glove said that it will retain the existing leadership of Aspion.

Top Glove said that the acquisition will establish the group as the largest surgical glove exporter in Malaysia and one of the largest surgical-glove makers around the world. It also confers benefits in access to new technologies, gross profit margin and geographical reach.

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