

TOP GLOVE 3Q NET PROT FALLS 36.5%, DECLARES 3.5 SEN DIVIDEND

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KUALA LUMPUR (June 18): Top Glove Corp Bhd's net profit for the third quarter ended May 31, 2019 slumped 36.5% year-on-year (y-o-y) to RM74.67 million from RM117.57 million, on the back of a surge in price of natural rubber latex.

In a listing to Bursa Malaysia today, Top Glove said revenue for the quarter rose 8.1% y-o-y to RM1.19 billion from RM1.10 billion, backed by growth in sales volume.

Earnings per share was 2.92 sen versus 4.64 sen a year earlier.

Top Glove declared a first interim dividend of 3.5 sen per share, to be paid on July 16.

For the nine months ended May 31 (9MFY19), net profit fell to RM290.51 million from RM332.03 million in the previous year's corresponding period.

However, 9MFY19 revenue was higher at RM3.61 billion against RM3.00 billion a year ago.

In a separate statement, Top Glove executive chairman Tan Sri Lim Wee Chai said the glovemaker will continue to focus its resources on improving product quality, cost structures and process efficiency, through the adoption of artificial intelligence (AI), digitalisation, advanced technology and research and development (R&D), rather than external factors which are not within its control.

"As our product is closely linked with a commodity, short-term volatility is to be expected, which may affect our margins during certain financial quarters.

"However, this is only in the interim. In our business, we expect to perform better in the following quarter and over the longer term," he said.

Lim said Top Glove is well-positioned to cater to global glove demand, which is projected to grow by at least 10% annually, and will continue expanding its operations.