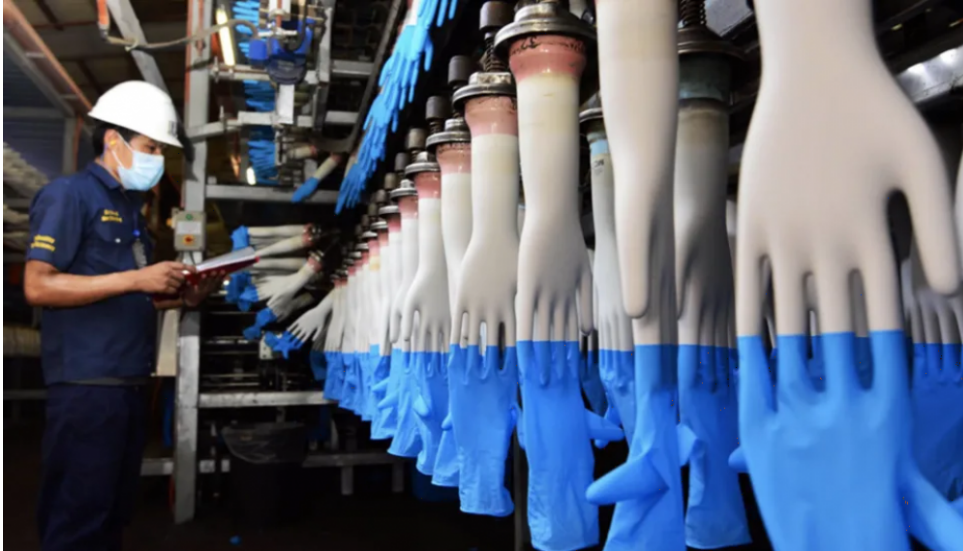


TOP GLOVE URGES GOVERNMENT TO CONTINUE TO PROVIDE REINVESTMENT ALLOWANCE IN BUDGET 2016

01 October 2015 / 12:10



SHAH ALAM: Top Glove Corp Bhd the world's largest rubber glove manufacturer, has urged the government to continue to provide reinvestment allowance in the coming Budget 2016 to enable glove makers to stay globally competitive.

Its Chairman, Tan Sri Lim Wee Chai, said the reinvestment allowance was needed to encourage glove makers to automate their manufacturing processes in order to stay competitive and ahead of competition from overseas players.

"I hope the government will continue to provide us reinvestment allowance (in the Budget) to encourage us to reinvest in better machinery and automation.

"Reinvestment allowance will help Malaysia to become a competitive manufacturing country," he told reporters after the opening of Top Glove's 23-storey tower by the Sultan of Selangor, Sultan Sharafuddin Idris Shah at Setia Alam here today.

Also present was Selangor Menteri Besar Mohamed Azmin Ali.

Lim said the reinvestment allowance would be in line with the government's call to reduce dependency on foreign labour.

He said this year, Top Glove would pursue merger and acquisition (M&A) opportunities as it has a healthy balance sheet position and net cash of dose to RM200 million.

The company had acquired six glove companies or factories in the past and managed to turn them into profitable companies within three years, he said.

Lim said currently, Top Glove was talking with three to four companies in rubber glove related businesses primarily based in Asean region.

Meanwhile, Managing Director of Top Glove! Lee Kim Meow, said he expected the selling price of rubber gloves to be reduced by three and five per cent as. the company has benefited from the current weakening of the ringgit and the low prices of rubber.