

TOP GLOVE 2Q NET PROFIT SOARS 31%

15 March 2018 / 12:03



Top Glove Corp Bhd saw its net profit rise by 31.3% year-on-year (YoY) to RM109.01 million for its second quarter ended Feb 28 this year, attributable to higher sales volume, increased utilisation, stronger selling prices and additional capacity brought in by the group.

In an exchange filing today, the world's largest glove manufacturer said sales volume increased by a record high of 21% YoY, helping group revenue for the year to rise by 12.5% to RM958.44 million.

For the first half of its 2018 financial year (1H18), net profit jumped 37.1% YoY to RM214.45 million in line with revenue rising 15.8% to RM1.9 billion.

Top Glove said the growth in sales volume was mainly driven by the increase in demand for natural rubber gloves, especially in emerging markets in Asia (excluding Japan) and Eastern Europe which registered 60% and 40% gains in sales volume respectively in 1H18.

The group's performance was also supported by the higher utilisation rate achieved on stronger demand, an upward revision of average selling prices and additional natural rubber glove capacity resulting from the A1 Glove Sdn Bhd acquisition.

Lower incurred costs and raw material prices also helped offset the significant increase in the natural gas tariff.

Top Glove currently operates 34 factories across Malaysia, Thailand and China, while producing 51.9 billion pieces of gloves per annum.

The Malaysian Reserve