

TOP GLOVE 1Q NET PROFIT UP 43.9% ON RECORD REVENUE

19 December 2017 / 12:12



KUALA LUMPUR (Dec 19): Top Glove Corporation Bhd's net profit for the first quarter ended Nov 30, 2017 rose 43.9% year-on-year (y-o-y) to RM105.45 million from RM73.32 million a year earlier, driven by strong demand growth stemming from developed and emerging markets, where glove demand is rapidly on the rise.

In a statement accompanying the results, Top Glove said it attained its highest-ever quarterly sales revenue of RM938.1 million, up 19.4% y-o-y from RM785.58 million.

Earnings per share rose to 8.41 sen from 5.85 sen.

The group said further contributing to demand was the disruption in vinyl glove supply following China's strict enforcement against polluting industries which benefited both natural rubber and nitrile glove sales.

Top Glove chairman Tan Sri Dr Lim Wee Chai said it was not easy to do well consistently amid an increasingly challenging business environment.

"We credit our commendable results to our ongoing improvement initiatives in the manufacturing process," he added.

On its prospects, Top Glove said it will continue to expand its operations.

The glove maker said that yearly, it will continue to build one to two factories, and its

current plans for expansion include the construction of two new manufacturing facilities: Factory 31 (operational by May 2018) and Factory 32 (operational by December 2018).

"Upon completion, this will boost the group's total number of production lines by an additional 78 lines and production capacity by 7.8 billion gloves per annum.

"Towards expanding more expeditiously and efficiently, Top Glove will also continue to explore mergers and acquisitions, as well as new set-ups in synergistic industries.

"In tandem, Top Glove will also continue to enhance its product quality and operational efficiency," it said.

At the midday break today, Top Glove rose 2.88% or 20 sen to RM7.14 with 2.99 million shares done.