

TOP GLOVE SETTLES LITIGATION OVER ACQUISITION OF ASPION WITH NO ADMISSION OF LIABILITY BY ANY PARTY

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MALAYSIA-BASED Top Glove, which is listed on both Malaysian and Singapore stock exchanges, has settled legal actions that it was embroiled with Adventa Capital in both sides of the Causeway.

In a statement to the Singapore Exchange on Monday, the world's largest glove maker said it and its subsidiaries, Aspion and Top Care, have resolved their legal disputes amicably with Adventa, ACPL and the individuals involved. The lawsuits filed in Singapore and Malaysia courts were in relation to the acquisition of surgical glove producer Aspion by Top Care from Adventa.

The individuals involved include Low Chin Guan and Wong Chin Toh.

Top Glove had sued the defendants, including Adventa and Mr Low and Mr Wong, for up to RM715 million (S\$236.3 million) over an alleged conspiracy to defraud Top Glove and its unit over the acquisition of Aspion. However, the two Malaysians have filed counter suits against Top Glove as well in Malaysia, claiming for loss and damages.

There was no admission of liability by any party, but Top Care will receive a total of RM245 million as full and final settlement of the disputes, and all the relevant parties shall withdraw their respective claims with no liberty to file afresh and no order as to costs.

The settlement will not have any effect on the issued and paid-up share capital of Top Glove. The cash proceeds from the settlement will be netted off against the cost of investment and the related goodwill will be reduced accordingly, and the proceeds will improve the cash position of the company.

It will not have any impact to the income statement.

"The company believes that settling the legal actions is in the best interests of the company and its stakeholders. It enables the company to put the matter behind and focus exclusively on growing its businesses, " commented Top Glove in the statement.

Top Glove closed unchanged at S\$1.85 on Monday, before the settlement announcement was made.