

TOP GLOVE PLANS RM220M FOR CAPEX IN FY17

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SHAH ALAM: Top Glove Corporation Bhd will set aside RM220 million for capital expenditure (Capex) for the 2017 financial year.

Executive Chairman Tan Sri Lim Wee Chai said about two-thirds of the amount would be used for building new capacity while the balance would be used for automation and refurbishment of existing capacity.

He said the group currently had 25 glove factories with 512 production lines.

Work is in progress to bring on stream another two factories operating 600 production lines by May 2018.

"We are centralising most of our capacity in Klang area as it is near to our head office and Port Klang. It will give us a good advantage.

"The group is expanding rapidly as the demand for gloves, globally, is still very good and consistently increasing.

"But we have to continue focusing on our quality and costing to sustain our business as the industry is very competitive," he said at an analyst and media briefing on the company's first quarter 2017 performance ended November 30,2016.

The group said global demand for gloves has been growing at an average of 6.0-8.0 per cent annually estimated at 190 billion pieces, per annum. - *Bernama*