

'WE WILL BE MORE CAREFUL,' SAYS TOP GLOVE CHAIRMAN ON FUTURE M&AS

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KUALA LUMPUR (Dec 18): The world's largest rubber glove manufacturer Top Glove Corp Bhd will be more careful on future mergers and acquisitions (M&As), its executive chairman Tan Sri Dr Lim Wee Chai told the media today.

"Since the acquisition of Aspion [Sdn Bhd], our global market share is currently at 26%. In two years, our target is to achieve 30%, but this is challenging for us. We need to grow faster [via] M&As but we will be more careful.

"In the past we have acquired 13 companies. [Regarding the] Aspion case we were misled, so we have to be extra careful. We learned from the past," he said during a conference call with reporters, analysts and fund managers this morning on the group's financial performance for its first quarter ended Nov 30, 2018 (1QFY19).

To recap, Top Glove said in July it discovered irregularities in certain Aspion balance sheet items after completing the acquisition of the surgical glovemaking on April 4 this year — in particular its inventories,

plant and machinery.

These discoveries were what led to its claim of RM714.9 million — which consists of the overstatement and overvaluation — in its lawsuit against Aspion's vendor Adventa Capital Pte Ltd, as well as Low Chin Guan and Wong Chin Toh, who are both directors in Aspion.

The lawsuit is currently ongoing.