

# TOP GLOVE TO IMPROVE ON ASPION'S PROFITS

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*Top Glove Corp Bhd executive chairman Tan Sri Dr Lim Wee Chai expects the newly acquired unit Aspion to fatten the group's profits.*

**SHAH ALAM:** Top Glove Corporation Bhd, the world's largest rubber glove manufacturer, aims to improve the profit of its newly-acquired Aspion Sdn Bhd, in the next five years.

Top Glove executive chairman Tan Sri Dr Lim Wee Chai said the group had sent a team of managers, engineers, accountants and chemists to the factories of Aspion to enhance performance and profitability.

"Aspion is still profitable, but not as much as we expected. In fact, it is less than half our expectations. We can improve on the performance, but it will take some time.

"We have proven this with our track record. We have acquired 13 factories and companies and built 27 factories and have the experience to turn bad to good and from good to better," he told reporters after the

group's fourth quarter and full-year financial results briefing here, today.

For the year ended August 2018, Top Glove recorded record-breaking sales revenue of RM4.21 billion, surpassing the RM4 billion threshold and representing a 23.6 per cent growth as compared to the previous financial year.

Pre-tax profit stood at an all-time high of RM522 million, an increase of 36.4 per cent as compared to the financial year 2017, while sales volume in terms of quantity sold, surged 26 per cent year-on-year.

Lim said the group's record-breaking results underlined the effectiveness of its ongoing technology-driven improvement initiatives, which focus on quality and cost efficiency.

Moving forward, he said Top Glove would continue to pursue its strategic expansion, along with the already in progress expansion of several existing facilities, including F32 (phases 1 & 2 to be completed early and at the end of next year), F33 (to be completed in early 2019) and F5A (to be completed by end-2019).

Its newest factory, F8A in Thailand, is scheduled to be operational by early 2020.

These, Lim said, will boost the group's total number of production lines by an additional 98 and production capacity by 9.8 billion gloves per annum, bringing the total production lines to 746 and a production capacity of 69.1 billion gloves per annum by 2020.

"Top Glove is also looking to expand its operations to Vietnam and has entered into an agreement to acquire land for a factory which is expected to commence operations within the next two years," he added.

In support of its ambitious growth agenda, Lim said Top Glove would also continue to explore inorganic expansions via mergers and acquisitions, as well as new set-ups in related industries to grow faster and more efficiently.

Despite being mindful of potential challenges ahead, which includes cost increases and intensifying competition, he said the group remained highly optimistic of prospects moving forward, given the steady global glove demand which is set to grow at about 10 per cent annually. – *BERNAMA*

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