

TOP GLOVE POSTS HIGHER PROFITS, PURSUING STRATEGIC EXPANSION

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KUALA LUMPUR, Oct 11: Top Glove Corporation Bhd, which recorded commendable financial results in 2018, will continue to pursue strategic expansion to ensure it is well-positioned to meet the robust global demand for gloves and achieve its ambitious Fortune Global 500 dream.

Executive Chairman Tan Sri Dr Lim Wee Chai said the expansion of several existing facilities: F32 (Phases 1 & 2 to be completed early and end 2019 respectively), F33 (to be completed early 2019) and F5A (to be completed end 2019) was currently in progress.

Meanwhile, its newest factory, F8A, in Thailand, is scheduled to be operational early 2020.

“These will boost the group’s total number of production lines by an additional 98 lines and production capacity by 9.8 billion gloves per annum.

“By 2020, Top Glove is projected to have 746 production lines and a production capacity of 69.1 billion gloves per annum,” he said in a statement.

Lim also noted that Top Glove was also looking to expand its operations to Vietnam and has entered into an agreement to acquire a piece of land for a factory which is expected to commence operations in the next two years.

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

“Notwithstanding its outstanding performance, Top Glove is mindful of potential challenges ahead which include cost increases and intensifying competition.

“However, it remains highly optimistic of prospects, moving forward, given the steady global glove demand which is set to grow at about 10 per cent yearly,” he added.

The company today reported a higher net profit of RM437.30 million for the financial year ended August 31, 2018 from RM328.44 million posted in the same period in 2017.

The rubber glove manufacturer also clocked record-breaking revenue of RM4.21 billion, up 23.6 percent, surpassing the RM4 billion threshold.

Quarter-on-quarter ending August 31, 2018, the company performance's was commendable with a net profit of RM101.98 million versus RM94.05 million previously, and revenue rose to RM1.22 billion from RM902.42 million, previously.

Top Glove closed the day 20 sen higher at RM10.70 with 5.68 million shares transacted. — *Bernama*

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