



Top Glove Corporation Bhd

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PRESS RELEASE

For Immediate Release

POSITIVE START TO FINANCIAL YEAR 2014 FOR TOP GLOVE

Financial results for the first quarter ended 30 November 2013

Klang, Tuesday, 17 December 2013 – Top Glove Corporation Bhd (“Top Glove”) today reported financial results for its first quarter ended 30 November 2013 (“1QFY2014”), which saw an upturn of 4.7% in revenue to RM574 million from RM548.2 million in 4QFY2013. Meanwhile, net profit was up 3.9% to RM50.3 million compared with RM48.4 million in the previous quarter.

Year-on-year, there was also an increase in volume of 10%, mainly driven by nitrile gloves, which saw a 37% growth. However, Top Glove’s revenue eased 1.8% from RM584.6 million, while net profit eased 12.5% from RM57.5 million in 1QFY2013, due to a lower average selling price and unfavourable contributions from its China operations.

The volume growth was attributable to the unabating demand from developed and emerging markets, which is expected to continue growing at a rate of 8% to 10% per annum.

Raw material prices persisted in their downward trend in 1QFY2014 versus 4QFY2013, with natural latex price declining by 3.6% to an average of RM5.30/kg and nitrile latex price by 4.4% to an average of USD1.08/kg.

Top Glove's Chairman, Tan Sri Lim Wee Chai remarked on the Group’s performance: “Although our overall growth was modest, we have nonetheless started the financial year on a positive note and are determined to improve our performance in the coming quarters.”

With the completion of Factory 25, Top Glove expects to bolster its nitrile glove quality and production

capacity, in line with growing demand. Nitrile glove output is also set to increase with the expansion of Factory 27 in Lukut (Port Dickson).

The Group maintained a net cash position of RM187.9 million as at 30 November 2013, as well as a healthy balance sheet.

On the proposed delisting of its 80%-owned subsidiary, Medi-Flex Limited from the Catalist of the Singapore Exchange Securities Trading Limited, the Extraordinary General Meeting has been fixed on 30 December 2013, during which shareholders' approval for its privatisation will be sought.

Moving forward, the Group will be facing a very challenging and competitive business environment, particularly with the electricity tariff hike of 16.85%, which comes into effect on 1 January 2014. We appeal to the government to reduce the increase of 16% to 8%. To better manage the new tariff hike, the Group will continue to identify ways to reduce energy costs in the production process. Top Glove is also keeping its customers apprised of the market situation, and looking to leverage their good working relationship to explore working out a win-win arrangement.

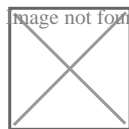
Tan Sri Lim concluded, "In view of the increasingly challenging business environment, we will continue to cost down, step up efficiency levels and find new ways to enhance our product quality, innovate and change for improvement in order to ensure we are well-positioned to meet the challenges in the year ahead".

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About Top Glove Corporation Berhad

Top Glove Corporation Berhad is listed on the Bursa Malaysia Stock Exchange Main Board and is one of the component stocks of the FTSE Bursa Malaysia ("FBM") Mid 70 Index, FBM Top 100 Index and FBM

Emas Index. 



Top Glove is currently the world's largest rubber glove manufacturer with an established corporate culture and good business direction of producing consistently high quality, cost efficient gloves. Top Glove has more than 1,800 customers worldwide and exports to more than 200 countries.

Summary of key information:

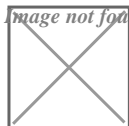


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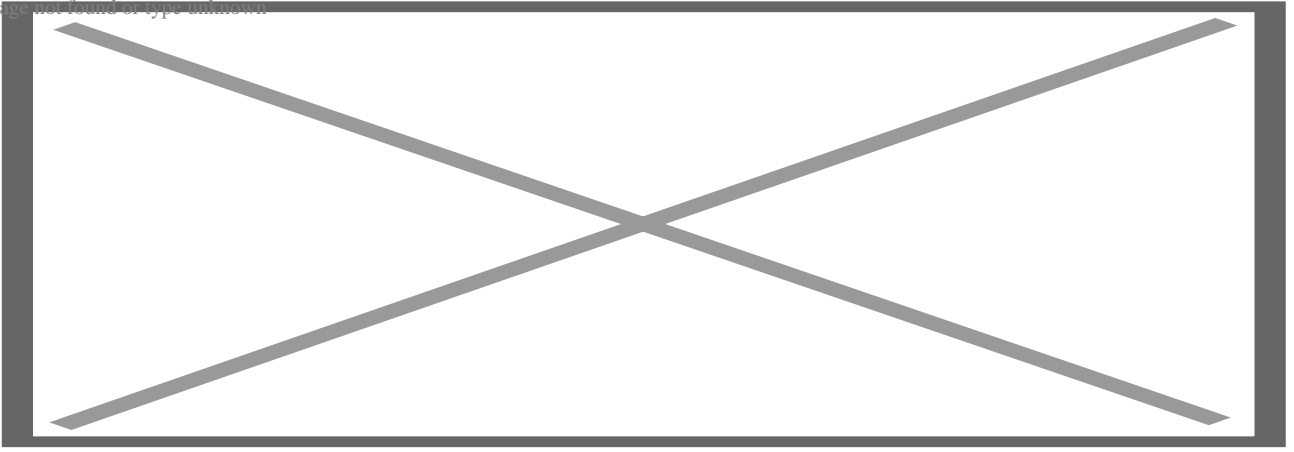


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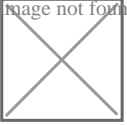


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