

TOP GLOVE NET PROFIT JUMPS TO RM72MIL

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KUALA LUMPUR: Top Glove Corp Bhd's net profit for its third quarter ended May 31, 2015 rose 71% to RM72.27mil from RM42.3mil a year ago from the stronger US dollar, softer raw material prices and higher sales volume.

In a statement on Wednesday the group said revenue rose to RM661.19mil from RM574mil a year earlier.

"The impressive growth figures were attributed to higher sales volume, an upturn of about 10% compared with 2QFY15 and 3QFY14, stemming from continued robust demand for both natural rubber and nitrile gloves.

"Top Glove is also reaping in fuller measure the benefits of automation and re-engineering, as well as production line upgrading and glove quality improvement initiatives. Another factor significantly contributing to its performance was better margins from more advanced and efficient glove factories," it said.

For its nine months to-date, Top Glove posted a higher net profit of RM177.03mil against RM134.2mil a year earlier while revenue increased to RM1.8bil from RM1.7bil.

The group had also declared a dividend of eight sen per share for the quarter.

Moving forward the group said it remained upbeat on the industry outlook as it believed the demand for gloves would grow steadily at 5% to 6% a year.

Top Glove said it is planning to expand its annual output capacity to 52.4 billion pieces of gloves by December 2016.

"To complement organic expansion, Top Glove is also keenly pursuing M&A opportunities that synergise with its current business, in similar or related industries, with a view to increasing its revenue and profit base," it said.