

TOP GLOVE POSTS RECORD 3Q EARNINGS AMID DEMAND SURGE

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KUALA LUMPUR: Top Glove Corp Bhd posted record-breaking earnings of RM347.9mil in the third quarter ended May 31, 2020, on the back of its highest-ever quarterly revenue of RM1.69bil.

The group declared an interim dividend of 10 sen per share as compared to 3.5 sen in the same quarter last year.

In a statement issued today the glove maker said the 3Q earnings was more than three times the earnings of RM74.67mil in the previous corresponding quarter, underpinned by unprecedented sales during the Covid-19 pandemic.

Sales volume rose 25% year-on-year with monthly sales orders shooting up 180%, resulting in lead times of about 400 days as compared to 40 days previously.

The group reported a utilisation rate of above 95% in the quarter, as compared to 85% previously.

The group's subsidiary Aspion also made a higher contribution as sales revenue jumped 48% to RM202.3mil while pre-tax profit grew four times from the immediate preceding quarter.

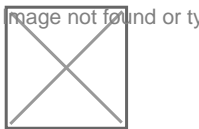
According to Top Glove, additional capacity that came onstream in the quarter helped it meet demand growth while there were upward revisions in average selling prices.

"We are very pleased with our performance. It is easy to do well during good times but in tough times, companies that continue to do well are those with a solid foundation.

"Our record high results are a testament to our strong foundation which is decades in the making. It comprises a committed and capable team, as well as ongoing improvement initiatives in terms of automation, digitalisation, quality and cost efficiency," said Top Glove executive chairman Tan Sri Lim Wee Chai.

Top Glove also announced that on the back of its capacity expansion it has become the world's largest manufacturer of nitrile gloves as well as the world's largest manufacturer of natural rubber gloves and surgical gloves.

For the nine months to May 31, the group recorded a cumulative net profit of RM575mil, nearly double the amount posted in the same period last year.



The Star