

TOP GLOVE'S Q1 EARNINGS UP 43.8% TO RM105.4M ON RECORD GLOVE SALES

19 December 2017 / 12:12



Executive chairman of Top Glove Corporation Bhd Tan Sri Dr Lim Wee Chai poses with some gloves. The company's net profit shot up 43.8 per cent to RM105.4 million (S\$34.8 million) from the previous year. PHOTO: TOP GLOVE CORPORATION BHD

SINGAPORE: Healthy growth in sales volume gave a lift to results for Top Glove for its first quarter ended Nov 30.

Net profit shot up 43.8 per cent to RM105.4 million (S\$34.8 million) from the previous year, the group said in a Singapore Exchange (SGX) filing on Tuesday (Dec 19) afternoon.

For the three months, revenue expanded 19.4 per cent to RM938.1 million from the preceding year - its highest-ever quarterly sales revenue.

Earnings per share expanded to RM8.41 from RM5.85 in the preceding year. Net asset value per share crept up to RM1.68 as at Nov 30, from RM1.6 as at Aug 31.

The glove maker said that the quantity it sold grew 17 per cent compared to a year ago; nitrile glove sales volume grew the most, following China's strict enforcement against polluting industries which benefited the company's natural rubber and nitrile glove sales.

"The improved results followed strong demand growth stemming from developed and emerging markets, where glove demand is rapidly on the rise.

"Internally, new capacity coming onstream, as well as continuous improvement initiatives in terms of automation, better production lines and cost-saving were also instrumental in contributing to the strong performance."

Raw material prices for the quarter were on the uptrend compared with the year-ago period, with average natural rubber latex prices higher by 12.1 per cent and nitrile latex prices up by 3 per cent.

As at end-November 2017, the group was in a positive net cash position of RM80 million.

Besides its secondary listing on the SGX, the glove maker also has a primary listing on Bursa Malaysia.

After its trading halt lifted, its shares on the SGX stayed flat at S\$2.30 at 1.56pm.

New Straits Times