

TOP GLOVE LOOKING TO DIVERSIFY INTO CONDOM BUSINESS

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KUALA LUMPUR (June 20): The world's largest rubber glove manufacturer Top Glove Corporation Bhd is looking to venture into the condom manufacturing business by next year.

"We think that this condom business is quite close to the rubber glove business. Many of our customers look to buy gloves and condoms together so the market is already there. The technology is also already available," Top Glove's chairman Tan Sri Lim Wee Chai told reporters at a media briefing today.

While the expansion plan is still in the initial stages, Lim revealed that the initial investment for the condom business will be around RM30 million for the machinery to set up around 10 to 20 lines.

For the first year, the group targets to produce 1 billion pieces per annum and the condoms will be mainly produced for the original equipment manufacturer (OEM) business overseas.

"Our competitive advantage is our market size, we currently have 195 countries in coverage, 3,000 customers, and advanced glove technology," said Lim.

He added that rubber gloves will still be the group's main product, and targets a 30% global market share by 2020. The group currently has a 25% global market share.

At the noon market close, Top Glove shares closed up one sen or 0.18% at RM5.50, with a market capitalisation of RM6.9 billion.