

TOP GLOVES POST MODEST 1.2% RISE IN NET PROFITS FOR 1Q20

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PETALING JAYA: Top Glove Corp Bhd's net profits rose by 1.2% to RM111.43 million for its first quarter ended Nov 30, 2019 against a net profit of RM110.06 million reported in the corresponding quarter of the previous year attributed to increased profitability from automation and digitalisation initiatives.

The group's revenue for the period fell by 4.2% to RM1.21 billion against RM1.26 billion reported previously.

In regards to its outlook, Top Glove's executive chairman Tan Sri Dr Lim Wee Chai commented that the group began FY2020 on a strong footing, which sets a positive tone for the rest of the year.

“Industry prospects remain promising and to ensure we are well-positioned to tap the growing glove demand, we will continue to prioritise R&D, innovation and Industry 4.0 initiatives,” he said in a press release.

“These will enable us to increase quality, operational efficiency and effectiveness, while keeping our customers satisfied, which ultimately allows us to deliver good results in the quarters to come.”

Moving forward, the group revealed that it will continue to pursue expansion in order to meet the increase in global glove demand which is set to grow by 10% yearly.

By end-2021, the group expects to expand its capacity by an additional 178 production lines to its existing 683 production lines, effectively increasing its capacity to 91.4 billion pieces per annum, an increase of 21.3 billion pieces from its current capacity of 70.1 billion pieces per annum.