

Published: Tuesday January 12, 2010 MYT 3:44:00 PM  
Updated: Tuesday January 12, 2010 MYT 3:49:21 PM

## Top Glove expanding business in three countries

**Kuala Lumpur:** Top Glove Corporation Bhd is in talks with several companies in **Malaysia, Thailand and Indonesia** on the **possibility of acquiring their operations as part of its expansion plan.**

Chairman Tan Sri Lim Wee-Chai said the company wanted to expand its business and was looking for suitable companies that could give good returns and synergy to the group.

"We are still talking to some parties, and hope that one of the deals can come through this year," he told reporters after a briefing on the company's first quarter results here Tuesday.

"With more than RM220 million cash in hand, of course we would like to expand by acquiring a company or factory.

"But, we have to make sure that we spend US\$1 and get US\$2," he said when asked whether Top Glove was planning merger and acquisition exercises this year.

The world's largest rubber glove maker recently **acquired APL Industries's factory to increase its capacity.** It had also acquired **Singapore-listed rubber glove manufacturer Medilex Ltd three years ago** and managed to turn it around.

Lim said Top Glove, which is on expansion mode with the opening of a new factory every year, was enthusiastic about increasing its capacity either through organic growth or acquisitions.

Top Glove has allocated about RM80 million for its 2010 capital expenditure - mainly for the expansion of its new factories in Klang and a latex plant in Thailand.

Lim said the company also allocated between RM5.0 million and RM10 million annually for research and development.

The company has about 12 hectares of land available for the next five to eight years of development.

Currently, it has the capacity to produce 31.5 billion pieces of gloves per annum and the target is to increase it by 7.0 billion in 2010 with the commissioning of factory number 20 in February and factory number 21 in the middle of this year.

**Sourced from:**

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