

Company Name : Karex Berhad
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Karex To Set Up Medical Glove Manufacturing Plant In Hatyai



KUALA LUMPUR: The world's largest condom maker Karex Bhd is venturing into the business of making medical gloves.

The company, in a filing with Bursa Malaysia today, said its wholly owned Innolates (Thailand) Limited (ITL) is planning to set up a new manufacturing facility at its existing plant in Hatyai with the capacity to produce 2.5 billion gloves a year.

"Karex intends to manufacture and sell medical gloves that are typically worn by healthcare professionals and workers in the medical field as a safeguard against infection and exposure to potential viruses, bacteria and other contaminants," it said.

"The medical gloves are intended to be made from nitrile, natural rubber and any other new materials that may be developed by Karex's research and development efforts," it added.

ITL is currently manufacturing condoms, personal lubricants and other rubber products including catheters.

The glove manufacturing business will have its own production lines.

Karex is planning to set up two production lines within 12 months that will have an annual production capacity of up to 500 million gloves.

"The remaining production lines to be gradually set up over the course of the next 48 months," it said.

The Karex estimated that the initial production phase will require a capital expenditure of around RM40mil.

"Karex is aiming to leverage on its expertise and experience of more than 30 years in the medical device manufacturing sector to embark on the Manufacture and Sale of Gloves," it said.

"Experience with regards to obtaining international medical registrations, rubber dipping technology as well as dealing with suppliers and customers from the healthcare industry is expected to enable Karex to quickly establish a foothold within the glove industry," it added.

Meanwhile, in a separate filing with Bursa Malaysia today, Karex posted a net profit of RM1.4mil in the fourth quarter ended June 30, on revenue of RM91mil.

For the full year, the company made a net profit of RM228,000 compared with RM2.5mil previously.