

28 May 2020**Covid-19 provides unexpected boost for Malaysia's
medical glove industry****HSBC Malaysia continues to support 70% of the top Malaysian glove
manufacturers during these turbulent times**

Malaysia is the world's largest source of medical gloves, with a market share of about 65% - over 200 billion gloves are manufactured annually and HSBC Malaysia banks with more than 70% of the top 10 medical glove manufacturers. During these unprecedented times, HSBC played an important role in helping to provide financial support for these manufacturers.

In 2019, Malaysia exported about 182 billion gloves; For 2020, due to the on-going Covid-19 global pandemic, the Malaysian Rubber Glove Manufacturers Association estimates it to be as high as 240 billion pieces.

There continues to be a growing demand for medical gloves globally and this need may outpace the supply available to frontline and healthcare organisations during this outbreak. As such, there will be a continued and strong demand for these gloves even post-pandemic. Given the expectation of a higher than expected demand, glove companies have become one of the few bright spots in Malaysia's economy.

"Malaysian glove companies are operating at full-capacity to meet the urgent need for medical gloves due to the pandemic. As the world's largest medical glove supplier producing as many as three out of four gloves in the market, we have seen a steep increase in order and demand for gloves even as most of Malaysia's economy remains sluggish," said Andrew Sill, Country Head of Commercial Banking, HSBC Malaysia.

Two exemplary cases of HSBC's clients in glove manufacturing who have gone above and beyond during the pandemic are Latexx Manufacturing Sdn Bhd - Semperit Group (Latexx) and Supermax Corporation Berhad ("Supermax"). Latexx produces medical gloves and has exported more than 90% of its products overseas. Taking a more proactive step at home, Latexx has been supplying gloves to the local hospitals as part of their CSR initiative to help frontliners and fellow Malaysians. Latexx has also gone the extra mile by providing medical gloves to the business community around Taiping, Perak where it is located.

Supermax is a leading international manufacturer, distributor and marketer of high quality medical gloves donated and co-sponsored a total of 6 million gloves between March and April to hospitals and medical professionals to fight the covid19 pandemic. Of the 6 million, 500,000 gloves were donated to The Star Frontline initiative to help hospitals and medical professionals fight the Covid19 pandemic. The supply of nitrile medical gloves provided by Supermax has been put to immediate use by healthcare professionals who continue to risk their lives in the battle against the current outbreak.

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“HSBC Malaysia banks 70% of the top glove manufacturers with some of our relationships dating back to 1997. As a longstanding partner to glove manufacturers, we have supported and journeyed with them through the ups and downs of the economy by providing them banking facilities and trade extensions as needed,” shared Andrew.

“The bank also stepped up during the early period of the Movement Control Order and enabled clients to continue to perform day-to-day transactions by accepting e-signatures and acknowledging documents in soft copies, while maintaining high level of service standards and security. These actions have demonstrated HSBC’s agility and ability to adapt to digital first solutions, and clients have also showed their appreciation towards HSBC’s e-Channel solutions and consistent quick turnaround, ensuring minimal disruption to their businesses in the face of a ‘new normal’.”

HSBC Malaysia remains committed to serving our clients and supporting the local economy, especially in these challenging times. We have contributed RM1 million to the Association of Banks in Malaysia for Mercy Malaysia in aid of the health care system and those in need. In addition, HSBC has contributed approximately RM200,000 to various charities to support the low income earners in terms of necessities, income generation as well as providing aid to hospitals in the country that are committed to fighting the pandemic. At the same time, we at HSBC Malaysia are also working hand in hand to raise funds for the underprivileged communities with necessities during this period,” added Andrew.

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Note to editors:

HSBC Bank Malaysia Berhad

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The Hongkong and Shanghai Banking Corporation Limited

The Hongkong and Shanghai Banking Corporation Limited is the founding member of the HSBC Group. HSBC serves customers worldwide from offices in 64 countries and territories in its geographical regions: Europe, Asia, North America, Latin America, and Middle East and North Africa. With assets of US\$2,918bn at 31 March 2020, HSBC is one of the world’s largest banking and financial services organisations.

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