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Company Announcements Office
ASX Limited
Sydney, NSW
Australia.

UPDATE ON RESUMPTION OF MANUFACTURING OPERATIONS

VIP Gloves Limited ('VIP' or the 'Company'), further to the Company's advice that it is recommencing manufacturing operation (ASX release 16 December 2024 "Operations Update"), VIP are pleased to advise that it has secured several significant new nitrile gloves orders during the last two weeks.

The Company resumed its manufacturing operations in mid-December 2024 with two production lines focusing on the production of higher grammage nitrile gloves variants. Each production line has a production capacity of up to 7 million pieces of gloves per month.

In addition to orders the Company secured prior to recommencement of manufacturing, management is pleased to announce that it has received order for up to 180 million pieces of nitrile gloves from four (4) customers, of which two are Malaysian-based trading houses which were the previous customers of the Company. Two new customers are international distribution enterprises based in Hong Kong and PRC respectively.

The orders are for the 5.0-gram and 6.0-gram nitrile gloves variants. These contracts are scheduled for delivery over a six to nine month period, coinciding with VIP's planned increase in production capacity over the corresponding period. The new orders provide further confidence in supporting the Company's development strategy in recommencing production on four production product lines progressively over the next two quarters. Once all six lines are in full operations, VIP will have the capacity to produce approximately 40 million pieces of nitrile gloves per month providing an annualised capacity of 480 million pieces.

All products from these orders will be sold on ex-factory basis, with the customers will arrange for their respective transportation pick-up and custom clearance (for the overseas orders), thus alleviating and simplifying VIP's logistics requirements.

The Company's Managing Director, Mr Jimmy Yang stated "We are encouraged by the market response demonstrated by the level of new orders received over the past two weeks. We expect our production activities be in full swing to meet the delivery schedule. It validates the return of demand for high quality products as we move to meet the target production levels we have set for ourselves. We expect these customers to increase their orders in due course once initial shipments are fulfilled while also working hard to secure new orders from our previous customers as well as new potential customers".

The release of this announcement was authorised by Mr Chin Kar (Jimmy) YANG on behalf of the Board of VIP.

Mark Maine
Company Secretary