



VOLTAGE IP

VOLTAGE IP LIMITED

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Company Announcements Platform (ASX: VIP)

NEW RUBBER GLOVE LINES COMMISSIONED AND FIRST ORDERS RECEIVED

- VIP Glove Sdn. Bhd. receives first orders for powder free examination gloves
- Commissioning of 2 new glove lines completed and production of sample gloves on going for international customers
- European CE Marking approval received
- FDA application in progress in USA
- ISO 13485:2003 and ISO 9001:2008 Certification obtained for the manufacture of non-sterile latex and nitrile examination gloves

The Company is pleased to advise that further to the update provided on 22 April 2016, the installation and commissioning of the 2 new glove lines has been completed at the facilities operated by the Company's wholly-owned subsidiary, VIP Glove Sdn. Bhd. (**VIP Glove**), in Selangor, Malaysia.

Both lines are now operating over 3 shifts on a 24 hour, 7 day-a-week basis and have the capacity to produce up to 720,000 gloves per line per day. The gloves are being manufactured on a "white label" (i.e. non-branded) basis at the request of potential customers and samples produced meet the minimum quality requirements set by the industry after rigorous testing by VIP Glove.

The combined lines have the capacity to produce each month that number of gloves that would fill up to 20 20ft shipping containers, and management has decided to hold at least 2 20ft shipping containers of stock ready for sale in order to meet potential customer demand. The gloves being produced for stock are nitrile gloves (non-latex products), as customer demand is currently greater for this type of product compared with latex products.

VIP Glove has applied for and received the necessary manufacturing licence in Malaysia (as issued by the Malaysian Investment Development Authority) and has applied for and received CE Marking for the sale of gloves to the industrial sector in Europe. This is in addition to VIP Glove's Quality Management System being satisfactorily audited by DQS Certification (M) Sdn Bhd during the month of July 2016 to obtain ISO 13485:2003 and ISO 9001:2008 Certification for the "manufacture of non-sterile latex and nitrile examination gloves".

VIP Glove has also manufactured samples to support its application to the FDA in the USA, and approval is expected to be received within the next 6 months. This approval will allow VIP Glove to exploit sales opportunities of non-latex examination gloves to the lucrative USA market.



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The current sales team at VIP Glove is working with 10 sales agents in the South East Asian region in an attempt to penetrate the market in a short time frame. VIP Glove has already received some orders from the samples produced and is expected to generate its first income from glove sales this month.

It is estimated that the ramp up of the 2 new glove lines to full production capacity will take up to 5 months, based on the current pipeline of sales leads in VIP Glove's management system.

The board of directors is pleased that this new strategy of the Company has been implemented as planned, while at the same time the Company's existing KLE Products business continues to achieve its budgeted financial targets.

For further details, please contact:

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