

Company Registration No. 200510666D

## Riverstone Holdings Limited

Condensed Interim Consolidated Financial Statements  
For the three months and full year ended 31 December 2022

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## Riverstone Holdings Limited and Subsidiary Companies

### A. Condensed interim consolidated statement of profit or loss and other comprehensive income

	Note	3 months ended 31 December 2022 RM'000	3 months ended 31 December 2021 RM'000	12 months ended 31 December 2022 RM'000	12 months ended 31 December 2021 RM'000
<b>Revenue</b>	4	235,208	410,158	1,259,515	3,082,447
Cost of sales		(164,395)	(255,757)	(809,195)	(1,175,615)
<b>Gross profit</b>		70,813	154,401	450,320	1,906,832
Other income		7,721	6,362	25,120	18,169
Selling and distribution expenses		(4,716)	(6,013)	(19,671)	(28,410)
General and administrative expenses		(9,356)	(6,602)	(39,652)	(48,555)
Other operating (expenses)/ income		(6,261)	865	911	10,703
<b>Operating profit</b>		58,201	149,013	417,028	1,858,739
Finance costs		(4)	(21)	(23)	(150)
<b>Profit before taxation</b>	6	58,197	148,992	417,005	1,858,589
Income tax expense	7	(16,184)	(38,273)	(102,607)	(440,696)
<b>Profit for the financial period</b>		42,013	110,719	314,398	1,417,893
<b>Other comprehensive income:</b>					
<b>Items that may be reclassified subsequently to profit or loss</b>					
Foreign currency translation (loss)/ gain		(3,934)	2,708	6,445	1,117
Other comprehensive income for the financial period		(3,934)	2,708	6,445	1,117
<b>Total comprehensive income for the financial period</b>		38,079	113,427	320,843	1,419,010
<b>Profit attributable to:</b>					
Equity holders of the Company		42,016	110,719	314,399	1,417,893
Non-controlling interests		(3)	– <sup>(1)</sup>	(1)	– <sup>(1)</sup>
		42,013	110,719	314,398	1,417,893
<b>Total comprehensive income attributable to:</b>					
Equity holders of the Company		38,082	113,427	320,844	1,419,010
Non-controlling interests		(3)	– <sup>(1)</sup>	(1)	– <sup>(1)</sup>
		38,079	113,427	320,843	1,419,010
<b>Earnings per share</b>					
Basic (sen)		2.83	7.47	21.21	95.66
Diluted (sen)		2.83	7.47	21.21	95.66

<sup>(1)</sup> Denotes amounts less than RM500.

### B. Condensed interim statements of financial position

## Riverstone Holdings Limited and Subsidiary Companies

	Note	Group		Company	
		31 December 2022 RM'000	31 December 2021 RM'000	31 December 2022 RM'000	31 December 2021 RM'000
<b>Non-current assets</b>					
Property, plant and equipment	11	741,562	691,194	–	–
Investments in subsidiary companies		–	–	215,416	202,794
Deferred tax assets		1,230	823	–	–
		<u>742,792</u>	<u>692,017</u>	<u>215,416</u>	<u>202,794</u>
<b>Current assets</b>					
Inventories		82,368	153,012	–	–
Trade receivables		118,206	232,009	–	–
Other receivables		4,167	2,755	1,111	153,754
Prepayments		5,122	5,404	62	58
Derivatives	10	903	1,335	–	–
Tax recoverable		145	145	–	–
Fixed deposits		872,445	982,933	402,033	417,096
Cash at banks and in hand		193,616	629,998	8,113	7,334
		<u>1,276,972</u>	<u>2,007,591</u>	<u>411,319</u>	<u>578,242</u>
<b>Total assets</b>		<u>2,019,764</u>	<u>2,699,608</u>	<u>626,735</u>	<u>781,036</u>
<b>Current liabilities</b>					
Payables and accruals		84,875	152,849	438	305
Borrowings	12	–	1,578	–	–
Contract liabilities		1,502	6,187	–	–
Provision for taxation		19,735	151,396	248	31
		<u>106,112</u>	<u>312,010</u>	<u>686</u>	<u>336</u>
<b>Net current assets</b>		<u>1,170,860</u>	<u>1,695,581</u>	<u>410,633</u>	<u>577,906</u>
<b>Non-current liabilities</b>					
Employee benefit obligations		803	531	–	–
Deferred tax liabilities		59,920	54,610	–	–
		<u>60,723</u>	<u>55,141</u>	<u>–</u>	<u>–</u>
<b>Total liabilities</b>		<u>166,835</u>	<u>367,151</u>	<u>686</u>	<u>336</u>
<b>Net assets</b>		<u>1,852,929</u>	<u>2,332,457</u>	<u>626,049</u>	<u>780,700</u>

Riverstone Holdings Limited and Subsidiary Companies

B. Condensed interim statements of financial position (cont'd)

	Note	Group		Company	
		31 December 2022 RM'000	31 December 2021 RM'000	31 December 2022 RM'000	31 December 2021 RM'000
<b>Equity attributable to owners of the Company</b>					
Share capital	13	156,337	156,337	156,337	156,337
Treasury shares		(815)	(815)	(815)	(815)
Reserves		1,697,403	2,176,930	470,527	625,178
		1,852,925	2,332,452	626,049	780,700
<b>Non-controlling interests</b>		4	5	–	–
<b>Total equity</b>		1,852,929	2,332,457	626,049	780,700
<b>Total equity and liabilities</b>		2,019,764	2,699,608	626,735	781,036

Riverstone Holdings Limited and Subsidiary Companies

C. Condensed interim statements of changes in equity

Group	Attributable to equity holders of the Company				Total reserves RM'000	Non-controlling interests RM'000	Total equity RM'000
	Share capital (Note 13) RM'000	Treasury shares RM'000	Retained earnings RM'000	Other reserves RM'000			
<b>2022</b>							
<b>Balance at 1 January 2022</b>	156,337	(815)	2,215,640	(38,710)	2,176,930	5	2,332,457
Profit for the financial year	–	–	314,399	–	314,399	(1)	314,398
Other comprehensive income for the financial year	–	–	–	6,445	6,445	–	6,445
Total comprehensive income for financial year	–	–	314,399	6,445	320,844	(1)	320,843
Dividends (Note 8)	–	–	(800,371)	–	(800,371)	–	(800,371)
<b>Balance at 31 December 2022</b>	156,337	(815)	1,729,668	(32,265)	1,697,403	4	1,852,929
<b>2021</b>							
<b>Balance at 1 January 2021</b>	156,337	(815)	1,245,405	(42,835)	1,202,570	5	1,358,097
Profit for the financial period	–	–	1,417,893	–	1,417,893	– <sup>(1)</sup>	1,417,893
Other comprehensive income for the financial year	–	–	–	1,117	1,117	–	1,117
Total comprehensive income for financial year	–	–	1,417,893	1,117	1,419,010	– <sup>(1)</sup>	1,419,010
Dividends (Note 8)	–	–	(444,650)	–	(444,650)	– <sup>(1)</sup>	(444,650)
Transfer to statutory reserve	–	–	(3,008)	3,008	–	–	–
<b>Balance at 31 December 2021</b>	156,337	(815)	2,215,640	(38,710)	2,176,930	5	2,332,457

<sup>(1)</sup> Denotes amounts less than RM500.

Riverstone Holdings Limited and Subsidiary Companies

C. Condensed interim statements of changes in equity (cont'd)

Group	Attributable to equity holders of the Company				Total reserves RM'000	Non-controlling interests RM'000	Total equity RM'000
	Share capital (Note 13) RM'000	Treasury shares RM'000	Retained earnings RM'000	Other reserves RM'000			
<b>2022</b>							
<b>Balance at 1 October 2022</b>	156,337	(815)	1,924,799	(28,331)	1,896,468	7	2,051,997
Profit for the financial period	–	–	42,016	–	42,016	(3)	42,013
Other comprehensive income for the financial period	–	–	–	(3,934)	(3,934)	–	(3,934)
Total comprehensive income for financial period	–	–	42,016	(3,934)	38,082	(3)	38,079
Dividends (Note 8)	–	–	(237,147)	–	(237,147)	–	(237,147)
<b>Balance at 31 December 2022</b>	156,337	(815)	1,729,668	(32,265)	1,697,403	4	1,852,929
<b>2021</b>							
<b>Balance at 1 October 2021</b>	156,337	(815)	2,253,705	(41,986)	2,211,719	5	2,367,246
Profit for the financial period	–	–	110,719	–	110,719	– <sup>(1)</sup>	110,719
Other comprehensive income for the financial period	–	–	–	2,708	2,708	–	2,708
Total comprehensive income for financial period	–	–	110,719	2,708	113,427	– <sup>(1)</sup>	113,427
Dividends (Note 8)	–	–	(148,216)	–	(148,216)	–	(148,216)
Transfer to statutory reserve	–	–	(568)	568	–	–	–
<b>Balance at 31 December 2021</b>	156,337	(815)	2,215,640	(38,710)	2,176,930	5	2,332,457

<sup>(1)</sup> Denotes amounts less than RM500.

Riverstone Holdings Limited and Subsidiary Companies

C. Condensed interim statements of changes in equity (cont'd)

Company	Share capital (Note 13) RM'000	Treasury shares RM'000	Retained earnings RM'000	Other reserves RM'000	Total reserves RM'000	Total equity RM'000
<b>2022</b>						
<b>Balance at 1 January 2022</b>	156,337	(815)	581,772	43,406	625,178	780,700
Profit for the financial year	–	–	625,703	–	625,703	625,703
Other comprehensive income for the financial year	–	–	–	20,017	20,017	20,017
Total comprehensive income for the financial year	–	–	625,703	20,017	645,720	645,720
Dividends (Note 8)	–	–	(800,371)	–	(800,371)	(800,371)
<b>Balance at 31 December 2022</b>	156,337	(815)	407,104	63,423	470,527	626,049
<b>2021</b>						
<b>Balance at 1 January 2021</b>	156,337	(815)	313,393	37,127	350,520	506,042
Profit for the financial year	–	–	713,029	–	713,029	713,029
Other comprehensive income for the financial year	–	–	–	6,279	6,279	6,279
Total comprehensive income for the financial year	–	–	713,029	6,279	719,308	719,308
Dividends (Note 8)	–	–	(444,650)	–	(444,650)	(444,650)
<b>Balance at 31 December 2021</b>	156,337	(815)	581,772	43,406	625,178	780,700



Riverstone Holdings Limited and Subsidiary Companies

C. Condensed interim statements of changes in equity (cont'd)

Company	Share capital (Note 13) RM'000	Treasury shares RM'000	Retained earnings RM'000	Other reserves RM'000	Total reserves RM'000	Total equity RM'000
<b>2022</b>						
<b>Balance at 1 October 2022</b>	156,337	(815)	332,268	65,514	397,782	553,304
Profit for the financial period	–	–	311,983	–	311,983	311,983
Other comprehensive income for the financial period	–	–	–	(2,091)	(2,091)	(2,091)
Total comprehensive income for the financial period	–	–	311,983	(2,091)	309,892	309,892
Dividends (Note 8)	–	–	(237,147)	–	(237,147)	(237,147)
<b>Balance at 31 December 2022</b>	156,337	(815)	407,104	63,423	470,527	626,049
<b>2021</b>						
<b>Balance at 1 October 2021</b>	156,337	(815)	351,627	41,080	392,707	548,229
Profit for the financial period	–	–	378,361	–	378,361	378,361
Other comprehensive income for the financial period	–	–	–	2,326	2,326	2,326
Total comprehensive income for the financial period	–	–	378,361	2,326	380,687	380,687
Dividends (Note 8)	–	–	(148,216)	–	(148,216)	(148,216)
<b>Balance at 31 December 2021</b>	156,337	(815)	581,772	43,406	625,178	780,700

Riverstone Holdings Limited and Subsidiary Companies

D. Condensed interim consolidated statement of cash flows

	Group			
	3 months ended 31 December 2022 RM'000	3 months ended 31 December 2021 RM'000	12 months ended 31 December 2022 RM'000	12 months ended 31 December 2021 RM'000
<b>Cash flows from operating activities</b>				
Profit before taxation	58,197	148,992	417,005	1,858,589
Adjustments for:				
Depreciation of property, plant and equipment	19,604	14,072	62,878	55,790
Property, plant and equipment written off	718	121	743	136
Loss/ (gain) on disposal of property, plant and equipment	98	(100)	(45)	(125)
Fair value (gain)/ loss on derivatives	(5,336)	435	432	1,596
Interest expense	4	21	23	150
Interest income	(6,968)	(5,626)	(22,796)	(16,189)
<b>Operating cash flows before working capital changes</b>	66,317	157,915	458,240	1,899,947
Decrease/ (increase) in inventories	12,267	12,285	70,644	(31,023)
Decrease in receivables and prepayments	26,722	125,915	112,673	85,743
Increase in employee benefit obligations	97	19	272	20
Increase/ (decrease) in payables, accruals and contract liabilities	12,045	5,914	(53,473)	(26,651)
<b>Cash flows generated from operations</b>	117,448	302,048	588,356	1,928,036
Interest paid	(4)	(21)	(23)	(150)
Interest received	6,968	5,626	22,796	16,189
Income tax paid	(19,334)	(261,741)	(229,365)	(374,256)
<b>Net cash flows generated from operating activities</b>	105,078	45,912	381,764	1,569,819
<b>Cash flows from investing activities</b>				
Proceeds from disposal of property, plant and equipment	94	313	259	434
Purchase of property, plant and equipment	(59,710)	(49,762)	(133,409)	(156,346)
<b>Net cash flows used in investing activities</b>	(59,616)	(49,449)	(133,150)	(155,912)
<b>Cash flows from financing activities</b>				
Repayment of borrowings	–	(1,500)	(1,000)	(6,000)
Payment of principal portion of lease liabilities	6	7	(578)	(540)
Dividends paid	(237,147)	(148,216)	(800,371)	(444,650)
<b>Net cash flows used in financing activities</b>	(237,141)	(149,709)	(801,949)	(451,190)

Riverstone Holdings Limited and Subsidiary Companies

C. Condensed interim consolidated statement of cash flows (cont'd)

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	<b>Group</b>			
	<b>3 months ended 31 December 2022 RM'000</b>	<b>3 months ended 31 December 2021 RM'000</b>	<b>12 months ended 31 December 2022 RM'000</b>	<b>12 months ended 31 December 2021 RM'000</b>
Net (decrease)/ increase in cash and cash equivalents	(191,679)	(153,246)	(553,335)	962,717
Effect of foreign currency exchange rates	(4,053)	2,565	6,465	1,271
Cash and cash equivalents at beginning of financial period/ year	1,261,793	1,763,612	1,612,931	648,943
<b>Cash and cash equivalents at end of the financial period/ year</b>	<b>1,066,061</b>	<b>1,612,931</b>	<b>1,066,061</b>	<b>1,612,931</b>

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## Riverstone Holdings Limited and Subsidiary Companies

### E. Notes to the condensed interim consolidated financial statements

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#### 1. Corporate information

Riverstone Holdings Limited (the Company) is incorporated and domiciled in Singapore and whose shares are publicly traded on the Mainboard of the Singapore Exchange. These condensed interim consolidated financial statements as at and for the financial year ended 31 December 2022 comprise the Company and its subsidiaries (collectively, the Group).

The principal activity of the Company is investment holding. The principal activities of the subsidiary companies are set out as below:

<b>Name of company (Country of incorporation)</b>	<b>Principal activities</b>
(1) Riverstone Resources Sdn Bhd (Malaysia)	Manufacturer and distributor of examination gloves, cleanroom gloves and finger cots
Riverstone Industrial Products Sdn Bhd (Malaysia)	Manufacturer of plastic bags and trader in latex products
(2) Eco Medi Glove Sdn Bhd (Malaysia)	Manufacturer and distributor of examination gloves, cleanroom gloves and finger cots
Eco Star Glove Sdn Bhd (Malaysia)	Manufacturer and distributor of examination gloves, cleanroom gloves and finger cots
Protective Technology Co. Ltd (Thailand)	Manufacturer and distributor of cleanroom gloves
Riverstone Resources (S) Pte Ltd (Singapore)	Distributor of cleanroom products

(1) Subsidiary company held by Riverstone Resources Sdn Bhd:

<b>Name of company (Country of incorporation)</b>	<b>Principal activities</b>
Riverstone Resources (Wuxi) Co. Ltd (People's Republic of China)	Processing and packing of cleanroom gloves

(2) Subsidiary company held by Eco Medi Glove Sdn Bhd:

<b>Name of company (Country of incorporation)</b>	<b>Principal activities</b>
Eco Medi Glove Products (Shenzhen) Co. Ltd (People's Republic of China)	Distributor of cleanroom and medical glove products

**2. Basis of preparation**

The condensed interim consolidated financial statements for the financial year ended 31 December 2022 have been prepared in accordance with Singapore Financial Reporting Standards (International) (“SFRS(I)”) 1-34 *Interim Financial Reporting* issued by the Accounting Standards Council Singapore. The condensed interim consolidated financial statements do not include all the information required for a complete set of financial statements. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group’s financial position and performance of the Group since the last interim financial statements for the year ended 30 September 2022.

The accounting policies adopted are consistent with those of the previous financial year which were prepared in accordance with SFRS(I)s, except for the adoption of new and amended standards as set out in Note 2.1.

The condensed interim consolidated financial statements are presented in Ringgit Malaysia (“RM”) and all values are rounded to the nearest thousand (“RM’000”), except when otherwise indicated.

**2.1 New and amended standards adopted by the Group**

A number of amendments to Standards have become applicable for the current reporting period. The Group did not have to change its accounting policies or make retrospective adjustments as a result of adopting those standards.

**2.2 Use of judgements and estimates**

In preparing the condensed interim consolidated financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

Management is of the opinion that there is no significant judgement made in applying accounting policies and no estimation uncertainty that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

**3. Seasonal operations**

The Group’s businesses are not affected significantly by seasonal or cyclical factors during the financial period.

## E. Notes to the condensed interim consolidated financial statements

## 4. Segment information

The management considers the business from both a geographic and business segment perspective. Geographically, management manages and monitors the business in the three primary geographic areas: Malaysia, Thailand and China. All geographic locations are engaged in the manufacture and sale of gloves and non-glove consumables such as finger cots, static shielding bags, face masks, wipers and packaging materials.

Segment results, assets and liabilities include items directly attributable to a segment as well as those that can be allocated on a reasonable basis.

Inter-segment pricing, if any, is determined on an arm's length basis. Segment revenue, expenses and results include transfers between segments. These transfers are eliminated on consolidation.

Segment capital expenditure is the total cost incurred during the period to acquire segment assets which are expected to be used for more than one period.

(a) **Geographical information**

	Malaysia	Thailand	China	Others	Eliminations	Total
1 October 2022 to 31 December 2022	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
<b>Revenue:</b>						
External	207,808	10,994	12,158	4,248	–	235,208
Inter segment	48,404	14,083	1,104	317,325 <sup>(1)</sup>	(380,916)	–
Total revenue	256,212	25,077	13,262	321,573	(380,916)	235,208
<b>Results:</b>						
Segment result	35,449	13,268	1,887	318,919	(311,322)	58,201
Finance costs	(1)	–	(3)	–	–	(4)
Profit before taxation	35,448	13,268	1,884	318,919	(311,322)	58,197
Income tax expense	(7,830)	(1,738)	(540)	(6,851)	775	(16,184)
Total profit	27,618	11,530	1,344	312,068	(310,547)	42,013
<b>Assets and liabilities:</b>						
Segment assets	1,540,077	55,925	49,508	427,808	(53,554)	2,019,764
Segment liabilities	180,639	9,110	6,045	3,438	(32,397)	166,835
<b>Other segment information:</b>						
Additions to non-current assets	40,517	6	–	1	–	40,524

(1) Includes dividend income from subsidiaries.

Riverstone Holdings Limited and Subsidiary Companies

E. Notes to the condensed interim consolidated financial statements

4. Segment information (cont'd)

(a) *Geographical information (cont'd)*

	Malaysia	Thailand	China	Others	Eliminations	Total
1 October 2021 to 31 December 2021	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
<b>Revenue:</b>						
External	362,421	21,558	21,724	4,455	–	410,158
Inter segment	67,511	12,181	1,870	379,970 <sup>(1)</sup>	(461,532)	–
Total revenue	429,932	33,739	23,594	384,425	(461,532)	410,158
<b>Results:</b>						
Segment result	122,817	16,247	7,235	380,586	(377,872)	149,013
Finance costs	(10)	–	(11)	–	–	(21)
Profit before taxation	122,807	16,247	7,224	380,586	(377,872)	148,992
Income tax expense	(32,954)	(2,435)	(1,807)	(2,125)	1,048	(38,273)
Total profit	89,853	13,812	5,417	378,461	(376,824)	110,719
<b>Assets and liabilities:</b>						
Segment assets	2,230,588	75,032	72,117	437,890	(116,019)	2,699,608
Segment liabilities	438,696	13,394	9,226	4,980	(99,145)	367,151
<b>Other segment information:</b>						
Additions to non-current assets	53,635	5	17	1	–	53,658

<sup>(1)</sup> Includes dividend income from subsidiaries.

Riverstone Holdings Limited and Subsidiary Companies

E. Notes to the condensed interim consolidated financial statements

4. Segment information (cont'd)

(a) *Geographical information (cont'd)*

	Malaysia	Thailand	China	Others	Eliminations	Total
1 January 2022 to 31 December 2022	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
<b>Revenue:</b>						
External	1,117,460	60,490	53,213	28,352	–	1,259,515
Inter segment	247,960	57,361	4,965	633,902 <sup>(1)</sup>	(944,188)	–
Total revenue	1,365,420	117,851	58,178	662,254	(944,188)	1,259,515
<b>Results:</b>						
Segment result	358,958	69,644	10,556	638,588	(660,718)	417,028
Finance costs	(2)	–	(21)	–	–	(23)
Profit before taxation	358,956	69,644	10,535	638,588	(660,718)	417,005
Income tax expense	(78,191)	(10,233)	(2,832)	(8,481)	(2,870)	(102,607)
Total profit	280,765	59,411	7,703	630,107	(663,588)	314,398
<b>Assets and liabilities:</b>						
Segment assets	1,540,077	55,925	49,508	427,808	(53,554)	2,019,764
Segment liabilities	180,639	9,110	6,045	3,438	(32,397)	166,835
<b>Other segment information:</b>						
Additions to non-current assets	114,174	36	8	5	–	114,223

<sup>(1)</sup> Includes dividend income from subsidiaries.



Riverstone Holdings Limited and Subsidiary Companies

E. Notes to the condensed interim consolidated financial statements

4. Segment information (cont'd)

(a) **Geographical information (cont'd)**

	Malaysia	Thailand	China	Others	Eliminations	Total
1 January 2021 to 31 December 2021	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
<b>Revenue:</b>						
External	2,867,588	84,749	94,263	35,847	–	3,082,447
Inter segment	324,569	53,492	10,289	716,546	(1,104,896)	–
Total revenue	3,192,157	138,241	104,552	752,393	(1,104,896)	3,082,447
<b>Results:</b>						
Segment result	1,754,043	65,381	35,779	721,519	(717,983)	1,858,739
Finance costs	(102)	–	(48)	–	–	(150)
Profit before taxation	1,753,941	65,381	35,731	721,519	(717,983)	1,858,589
Income tax expense	(416,402)	(9,573)	(8,946)	(3,679)	(2,096)	(440,696)
Total profit	1,337,539	55,808	26,785	717,840	(720,079)	1,417,893
<b>Assets and liabilities:</b>						
Segment assets	2,230,588	75,032	72,117	437,890	(116,019)	2,699,608
Segment liabilities	438,696	13,394	9,226	4,980	(99,145)	367,151
<b>Other segment information:</b>						
Additions to non-current assets	159,615	495	127	5	–	160,242

(1) Includes dividend income from subsidiaries.

(b) **Business information**

The Group predominantly manufactures and sells gloves. It is not meaningful to show the total assets employed and capital expenditure by business activities as the assets and liabilities are generally shared and not identifiable by business segments.

	Gloves	Others	Total
	RM'000	RM'000	RM'000
<b>Revenue:</b>			
Sales to external customers			
- 3 months ended 31 December 2022	230,882	4,326	235,208
- 3 months ended 31 December 2021	404,401	5,757	410,158
- 12 months ended 31 December 2022	1,237,467	22,048	1,259,515
- 12 months ended 31 December 2021	3,057,942	24,505	3,082,447

Riverstone Holdings Limited and Subsidiary Companies

E. Notes to the condensed interim consolidated financial statements

5. Financial assets and financial liabilities

Set out below is an overview of the financial assets and financial liabilities of the Group as at 31 December 2022 and 31 December 2021:

	<b>Group</b>		<b>Company</b>	
	<b>31</b>	<b>31</b>	<b>31</b>	<b>31</b>
	<b>December</b>	<b>December</b>	<b>December</b>	<b>December</b>
	<b>2022</b>	<b>2021</b>	<b>2022</b>	<b>2021</b>
	RM'000	RM'000	RM'000	RM'000
<b>Financial assets:</b>				
Financial assets at fair value through profit or loss (FVPL)	903	1,335	–	–
Cash and bank balances, fixed deposits, trade and other receivables (Amortised cost)	1,188,365	1,847,393	411,257	578,184
	<u>1,189,268</u>	<u>1,848,728</u>	<u>411,257</u>	<u>578,184</u>
	<b>Group</b>		<b>Company</b>	
	<b>31</b>	<b>31</b>	<b>31</b>	<b>31</b>
	<b>December</b>	<b>December</b>	<b>December</b>	<b>December</b>
	<b>2022</b>	<b>2021</b>	<b>2022</b>	<b>2021</b>
	RM'000	RM'000	RM'000	RM'000
<b>Financial liabilities:</b>				
Trade and other payables and borrowings (Amortised cost)	84,875	154,427	438	305

Riverstone Holdings Limited and Subsidiary Companies

E. Notes to the condensed interim consolidated financial statements

6. Profit before taxation

6.1 Significant items

	Group			
	3 months ended 31 December 2022 RM'000	3 months ended 31 December 2021 RM'000	12 months ended 31 December 2022 RM'000	12 months ended 31 December 2021 RM'000
<b>Income</b>				
Interest income from bank balances	6,968	5,626	22,796	16,189
<b>Expenses</b>				
Interest expenses on borrowings	4	21	23	150
Depreciation of property, plant and equipment	19,604	14,072	62,878	55,790
Net foreign exchange loss/(gain) – net	9,688	(2,108)	(6,441)	(17,681)
Fair value (gain)/loss on derivatives	(5,336)	435	432	1,596
Property, plant and equipment written off	718	121	743	136
Loss/(gain) on disposal of property, plant and equipment	98	(100)	(45)	(125)

6.2 Related party transactions

(a) *Sale and purchase of goods and services*

In addition to the related party information disclosed elsewhere in the financial statements, the following significant transactions between the Group and its related parties took place on terms agreed between the parties during the financial period.

	Group			
	3 months ended 31 December 2022 RM'000	3 months ended 31 December 2021 RM'000	12 months ended 31 December 2022 RM'000	12 months ended 31 December 2021 RM'000
Other related parties:				
Purchases of repair and maintenance services	22	–	141	18
Purchases of plant and equipment	32	23	88	896

Other related parties comprise companies in which the major shareholder is a close family member of certain directors of the Company.

Riverstone Holdings Limited and Subsidiary Companies

E. Notes to the condensed interim consolidated financial statements

6. Profit before taxation (cont'd)

6.2 Related party transactions (cont'd)

(b) *Compensation of key management personnel*

	Group			
	3 months ended 31 December 2022	3 months ended 31 December 2021	12 months ended 31 December 2022	12 months ended 31 December 2021
	RM'000	RM'000	RM'000	RM'000
Directors' fee	182	194	705	715
Short term benefits	738	795	3,029	3,122
Central Provident Fund contributions	81	93	270	299
Performance incentive scheme	(2,008)	(7,637)	8,205	15,909
	(1,007)	(6,555)	12,209	20,045
Comprise amounts paid to:				
- Directors of the Company	(373)	(6,110)	8,888	12,887
- Other key management personnel	(634)	(445)	3,321	7,158
	(1,007)	(6,555)	12,209	20,045

The directors are of the opinion that all the transactions above have been entered into in the normal course of business and have been established on terms and conditions that are not materially different from those obtainable in transactions with unrelated parties.

7. Income tax expense

The Group calculates the period income tax expense using the tax rate that would be applicable to the expected total annual earnings. The major components of income tax expense in the condensed interim consolidated statement of profit or loss are:

	Group			
	3 months ended 31 December 2022	3 months ended 31 December 2021	12 months ended 31 December 2022	12 months ended 31 December 2021
	RM'000	RM'000	RM'000	RM'000
<b>Current income tax</b>				
Current income tax expense	10,176	34,814	88,548	427,844
Under provision in respect of prior years	1,253	1,454	1,712	1,457
Withholding tax on foreign sourced income	7,388	2,760	7,388	2,760

Riverstone Holdings Limited and Subsidiary Companies

E. Notes to the condensed interim consolidated financial statements

7. Income tax expense (cont'd)

	Group			
	3 months ended 31 December 2022	3 months ended 31 December 2021	12 months ended 31 December 2022	12 months ended 31 December 2021
	RM'000	RM'000	RM'000	RM'000
<b><i>Deferred income tax</i></b>				
Deferred income tax expense relating to origination and reversal of temporary difference	(4,710)	(810)	2,882	8,580
Movements in undistributed foreign sourced dividend income	2,422	2,345	2,422	2,345
Over provision in respect of prior years	(345)	(2,290)	(345)	(2,290)
	16,184	38,273	102,607	440,696
	16,184	38,273	102,607	440,696

8. Dividends

	Group and Company	
	12 months ended 31 December 2022	12 months ended 31 December 2021
	RM'000	RM'000
<b><i>Declared and paid during the financial year</i></b>		
Special exempt (one-tier) dividend for 2021: 10.00 sen (2020: nil) per ordinary share	148,216	–
Final exempt (one-tier) dividend for 2021: 28.00 sen (2020: 16.00 sen) per ordinary share	415,008	237,147
Special exempt (one-tier) dividend for 2022: nil (2021: 4.00 sen) per ordinary share	–	59,287
Interim exempt (one-tier) dividend for 2022: 16.00 sen (2021: 10.00 sen) per ordinary share	237,147	148,216
	800,371	444,650
<b><i>Proposed but not recognized as a liability as at 31 December</i></b>		
Special interim exempt (one-tier) dividend for 2022: 8.00 (2021: 10.00) per ordinary share	118,574	148,216
Final exempt (one-tier) dividend for 2022: 10.00 sen (2021: 28.00 sen) per ordinary share	148,216	415,008
	266,790	563,224
	266,790	563,224

9. Net asset value

	Group		Company	
	31 December 2022 RM	31 December 2021 RM	31 December 2022 RM	31 December 2021 RM
Net asset value per ordinary share	1.25	1.57	0.42	0.53

10. Fair value of financial instruments

Fair value hierarchy

The Group categorises fair value measurements using a fair value hierarchy that is dependent on the valuation inputs used as follows:

- Level 1 – Quoted prices (unadjusted) in active market for identical assets or liabilities that the Group can access at the measurement date,
- Level 2 – Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly, and
- Level 3 – Unobservable inputs for the asset or liability.

Fair value measurements that use inputs of different hierarchy levels are categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

(a) **Asset and liability measured at fair value**

The following table shows an analysis of asset and liability measured at fair value by level at the respective reporting period:

	Group Significant observable inputs other than quoted prices (Level 2)	
	31 December 2022 RM'000	31 December 2021 RM'000
<b>Financial assets:</b>		
<u>Derivatives (Note 5)</u>		
- Forward currency contracts	903	1,335

**10. Fair value of financial instruments (cont'd)**

(a) **Asset and liability measured at fair value (cont'd)**

Level 2 fair value

Forward currency contracts are valued using a valuation technique with market observable inputs. The most frequently applied valuation techniques include forward pricing and swap models, using present value calculations. The models incorporate various inputs including the credit quality of counterparties, foreign exchange spot and forward rates and forward rate curves.

(b) **Fair value of financial instruments that are not carried at fair value and whose carrying amounts are a reasonable approximation of fair value**

The carrying amounts of current trade and other receivables, cash and cash equivalents, payables and accruals and borrowings are reasonable approximation of fair values, either due to their short-term nature or that they are floating rate instruments that are re-priced to market interest rates on or near the end of the reporting period.

**11. Property, plant and equipment**

During the year ended 31 December 2022, the Group acquired assets amounting to RM114,223,000 (31 December 2021: RM160,242,000) and disposed of assets amounting to RM214,000 (31 December 2021: RM309,000).

**12. Borrowings**

	<b>Group</b>	
	<b>31 December 2022 RM'000</b>	<b>31 December 2021 RM'000</b>
<b>Amount repayable within one year</b>		
Secured term loan	–	1,000
Lease liabilities	–	578
Total borrowings	–	1,578

The lease liabilities are secured by the lessor's title to the leased assets. The Group is restricted from assigning and subleasing the leased assets.

The bank borrowings are secured by a corporate guarantee of the Company and a charge over a piece of leasehold land and buildings.

## Riverstone Holdings Limited and Subsidiary Companies

### E. Notes to the condensed interim consolidated financial statements

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#### 13. Share capital

	<b>Group and Company</b>			
	<b>31 December 2022</b>	<b>31 December 2021</b>	<b>31 December 2022</b>	<b>31 December 2021</b>
	No. of shares	No. of shares	RM'000	RM'000
At 1 January	1,484,904,100	1,484,904,100	156,337	156,337
At 31 December	1,484,904,100	1,484,904,100	156,337	156,337

As at 31 December 2022, the Company held 2,736,000 of its issued shares as treasury shares (31 December 2021: 2,736,000).

The Company's subsidiaries do not hold any shares in the Company as at 31 December 2022 and 31 December 2021.

#### 14. Subsequent events

There are no known subsequent events which have led to adjustments to this set of interim financial statements.



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**1. Review**

The condensed consolidated statement of financial position of Riverstone Holdings Limited and subsidiary Companies as at 31 December 2022 and the related condensed consolidated profit or loss and other comprehensive income, condensed consolidated statement of changes in equity and condensed consolidated statement of cash flows for the three months period then ended and certain explanatory notes have not been audited or reviewed.

**2. Review of performance of the Group**

2a Income Statement Review

For 4Q2022, the Group achieved RM235.2 million in total revenue, a 42.7% reduction as compared to RM410.2 million in 4Q2021. As for FY2022, the Group revenue decreased by 59.1% to RM1,259.5 million. Cost of sales at the same time reduced to RM164.4 million in 4Q2022 and RM809.2 million in FY2022. The Group's gross profit reduced 54.1% from RM154.4 million in 4Q2021 to RM70.8 million in 4Q2022. Group's gross profit margin deteriorated from 37.6% to 30.1% due to lower average selling price for the quarter. Overall in FY2022, the gross profit reduced by 76.4% to RM450.3 million as a results of lower average selling price and higher cost of sales.

The Group's other income increased by 21.4% to RM7.7 million in 4Q2022 and increased by 38.3% to RM25.1 million for FY2022. These are mainly due to higher interest income from fixed deposits.

Selling and distribution expenses decreased by 21.6% in 4Q2022 and decreased by 30.8% in FY2022 mainly due to lesser sales activities.

General and administrative expenses increased by 41.7% to RM9.4 million in 4Q2022 mainly due to accelerated depreciation for production facilities. Overall in FY2022, the general and administrative expenses decreased by 18.3% mainly due to decrease in performance incentives.

Other operating expenses increased to RM6.3 million in 4Q2022 was mainly due to net foreign exchange loss. In FY2022, other operating income closed at RM0.9 million, a 91.5% decrease as compared to RM10.7 million in FY2021.

The Group's effective tax rate was higher at 27.8% in 4Q2022 compared to 25.7% in 4Q2021 due to provision of prosperity tax for Companies in Malaysia tax jurisdiction. In 4Q2022 and FY2022, income tax expense decreased to RM16.2 million and RM102.6 million respectively due to lower taxable income of the Group.

Overall for 4Q2022, the Group's profit before tax reduced by 60.9% to RM58.2 million and profit after tax decreased by 62.1% to RM42.0 million as compared to 4Q2021. For FY2022, the Group achieved profit before tax of RM417.0 million and profit after tax of RM314.4 million.

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**2. Review of performance of the Group (cont'd)**

2b Balance Sheet Review

As at 31 December 2022, non-current assets which consist of property, plant and equipment (PPE) and deferred tax assets increased to RM742.8 million from RM692.0 million. PPE increased to RM741.6 million from RM691.2 million mainly on additions amounting to RM114.2 million coupled with foreign exchange adjustment offset by the depreciation charge of RM62.9 million and PPE written off or disposed. Deferred tax assets (DTA) has increased to RM1.2 million.

Inventories reduced to RM82.4 million as at 31 December 2022 from RM153.0 million as at 31 December 2021 mainly due to lower production volume. Trade receivables decreased from RM232.0 million to RM118.2 million mainly due to better collection.

Cash and cash equivalents decreased to RM1,066.1 million as at 31 December 2022 from RM1,612.9 million as at 31 December 2021. For the 4Q2022, the Group generated RM105.1 million of net cash flows from operating activities and net cash flows used in investing activities amounting to RM59.6 million were mainly for the purchase of PPE. The Group has net cash flows used in financing activities in 4Q2022 amounting to RM237.1 million from payment of dividends and lease liabilities.

Current liabilities decreased to RM106.1 million as at 31 December 2022 mainly due to lower provision for taxation of RM19.7 million as at 31 December 2022. Payables and accruals fall to RM84.9 million as at 31 December 2022 from RM152.8 million as at 31 December 2021.

Non-current liabilities increased to RM60.7 million as at 31 December 2022 from RM55.1 million mainly due to the increase in deferred tax liabilities.

**3. Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results.**

Not applicable

**4. A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months.**

Macroeconomic headwinds such as price competition, US Dollar fluctuations, volatile raw material prices and increase in overall production costs continue to remain challenging for the Group.

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**5. Dividend information**

5a Current Financial Period Reported on

Any dividend recommended for the current financial period reported on?

Yes. The Board is pleased to recommend a one-tier tax exempt special interim dividend of 8.00 sen (RM) per ordinary share (2021: 10.00 sen) in respect of the year ended 31 December 2022 (“Special Interim Dividend”).

A proposed final tax exempt (one-tier) dividend of 10.00 sen (RM) per ordinary shares for the financial year ended 31 December 2022 will be recommended for shareholders’ approval at the forthcoming Annual General Meeting (AGM).

Recommended Special Interim Dividend

Name of Dividend	Special Interim Tax Exempt Dividend
Dividend Type	Cash
Dividend amount per Share (in sen)	8.00 sen (RM) per ordinary share
Tax Rate	Tax-exempt one-tier

Proposed Final Dividend (subject to shareholders’ approval at the forthcoming AGM)

Name of Dividend	Final Tax Exempt Dividend
Dividend Type	Cash
Dividend amount per Share (in sen)	10.00 sen (RM) per ordinary share
Tax Rate	Tax-exempt one-tier

Dividend Paid

Name of Dividend	Interim Tax Exempt Dividend
Dividend Type	Cash
Dividend amount per Share (in sen)	16.00 sen (RM) per ordinary share
Tax Rate	Tax-exempt one-tier

5b Corresponding Period of the Immediate Preceding Financial Year

Name of Dividend	Special Interim Tax Exempt Dividend
Dividend Type	Cash
Dividend amount per Share (in sen)	10.00 sen (RM) per ordinary share
Tax Rate	Tax-exempt one-tier

**Riverstone Holdings Limited and Subsidiary Companies**

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**5. Dividend information (cont'd)**

5b Corresponding Period of the Immediate Preceding Financial Year (cont'd)

Name of Dividend	Final Tax Exempt Dividend
Dividend Type	Cash
Dividend amount per Share (in sen)	28.00 sen (RM) per ordinary share
Tax Rate	Tax-exempt one-tier

5c Date Payable

To be determined

5d Book Closure Date

To be determined

**6. Interested person transactions**

The Company does not have an Interested Person Transactions mandate.

OTHER INFORMATION

7. Disclosure of person occupying a managerial position in the issuer or any of its principal subsidiaries who is a relative of a director or chief executive officer or substantial shareholder of the issuer pursuant to Rule 704(13) in the format below. If there are no such persons, the issuer must make an appropriate negative statement.

Name	Age	Family Relationship with any Director and/or Substantial Shareholder	Current position and duties, and the year position was first held	Details of changes in duties and position held, if any, during the year
Wong Teek Son	61	Brother of Mr Wong Teek Choon, who is the Group's Business Development Manager and substantial shareholder of the Company	<p><b>Current position</b> Executive Chairman, Chief Executive Officer of the Group since 3 August 2005</p> <p><b>Duties</b> Responsible for developing and formulating the business strategies and manages the day-to-day operations of the Group</p>	No changes in duties and position
Wong Teek Choon	49	Brother of Mr Wong Teek Son, who is the Executive Chairman, Chief Executive Officer and substantial shareholder of the Company	<p><b>Current position</b> Group's Business Development Manager</p> <p><b>Duties</b> Responsible for the production of cleanroom finger cots and exploring business development opportunities for the Group</p>	No changes in duties during the year. Mr Wong Teek Choon ceased as Alternate Director to Mr Wong Teek Son with effect from 11 August 2020.

8. Confirmation that the issuer has procured undertaking from all its directors and executive officers (in the format set out in Appendix 7.7) under Rule 720(1)

The Company has received undertaking from all its directors and executive officers in the format as set out in Appendix 4.4 Rule 720(1) of the Listing Manual of the SGX-ST.

## **Riverstone Holdings Limited and Subsidiary Companies**

### **OTHER INFORMATION**

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#### **CONFIRMATION BY THE BOARD**

On behalf of the Board of Directors, I, the undersigned, hereby confirm to the best of our knowledge that nothing has come to the attention of the Board of Directors which may render the condensed interim consolidated financial statements of the Group for the financial year ended 31 December 2022 to be false or misleading in any material aspect.

#### **On behalf of the Board of Directors**

WONG TEEK SON  
EXECUTIVE CHAIRMAN AND CHIEF EXECUTIVE OFFICER  
23 February 2023

This release may contain forward looking statements that involve risks and uncertainties. Actual future performance, outcomes and results may differ materially from those expressed in forward looking statements as a result of a number of risks, uncertainties and assumptions. Representative examples of these factors include (without limitation) general industry and economic conditions, interest rate trends, cost of capital and capital availability, competition from other companies, shifts in customer demands, customers and partners, changes in operating expenses, including employee wages, benefits and training, governmental and public policy changes and the continued availability of financing in the amounts and the terms necessary to support future business. You are cautioned not to place undue reliance on these forward looking statements, which are based on current view of management on future events.