Riverstone Holdings Limited

1HFY2020 Corporate Presentation

Disclaimer

This presentation 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 presentation and the information contain therein, which are based on current view of management on future events.

Without prejudice to or derogating from the generality of the foregoing, no representation or assurance is given by Riverstone that this presentation contain all information that an investor may require. To the extent permitted by applicable law, Riverstone or its related persons (and their respective directors, associates, connected persons and/or employees) shall not be liable in any manner whatsoever for any consequences (including but not limited to any direct, indirect or consequential losses, loss of profits and damages) arising from the reliance or use of the information contain in this presentation.

Investors are advised to make their own independent evaluation from this presentation, consider their own individual investment objectives, financial situation and particular needs and consult their own professional and financial advisers as the legal, business, financial, tax and other aspects as investors may regard as relevant.

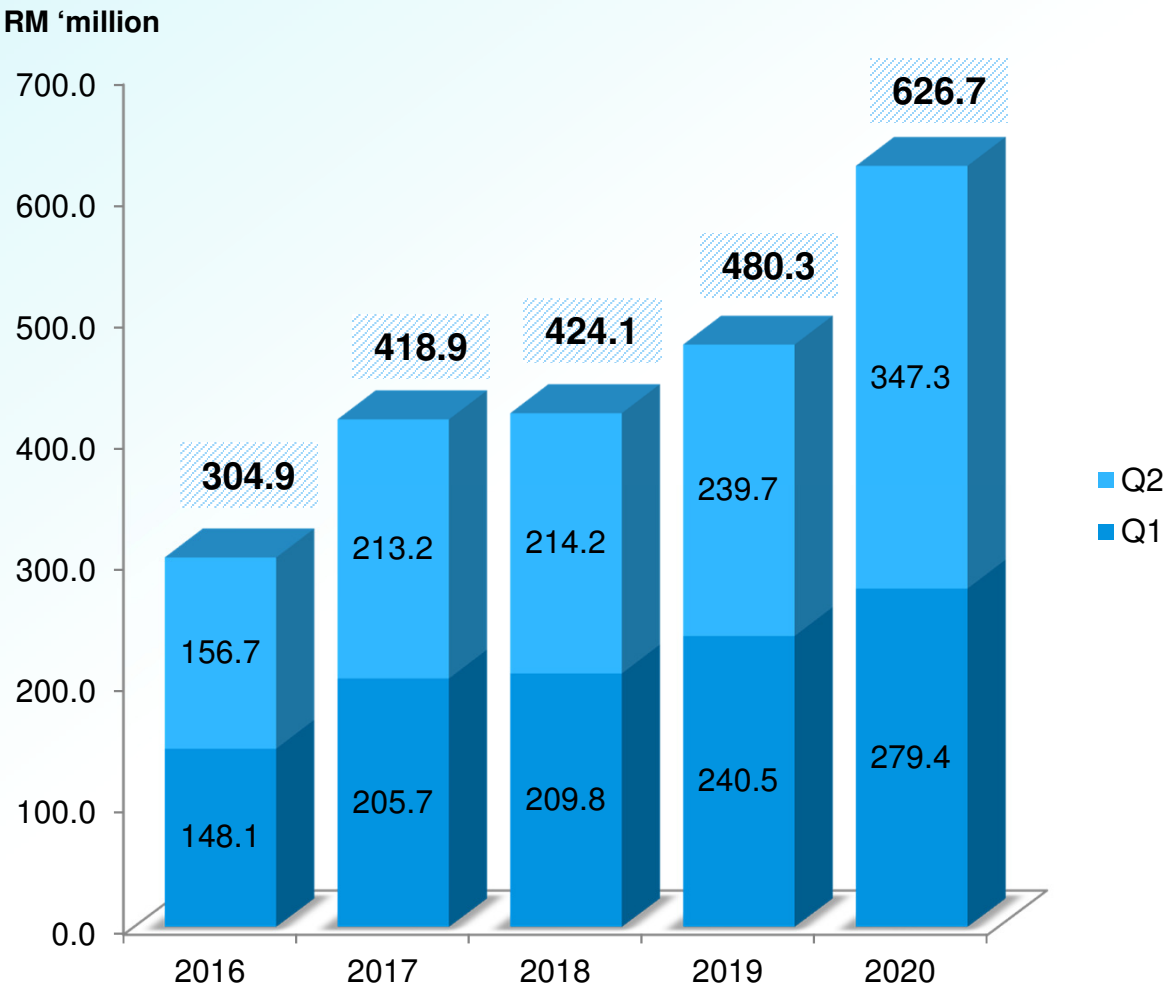
Agenda

	1HFY2019 (RM '000)	1HFY2020 (RM '000)
Revenue	480,268	626,701
Gross Profit	94,894	197,728
Profit Before Tax	74,162	175,220
Net Profit	62,721	137,526

- Continues to generate strong operating free cash flow of **RM222.2** million for 1HFY2020
- Net cash position of **RM264.2 million**

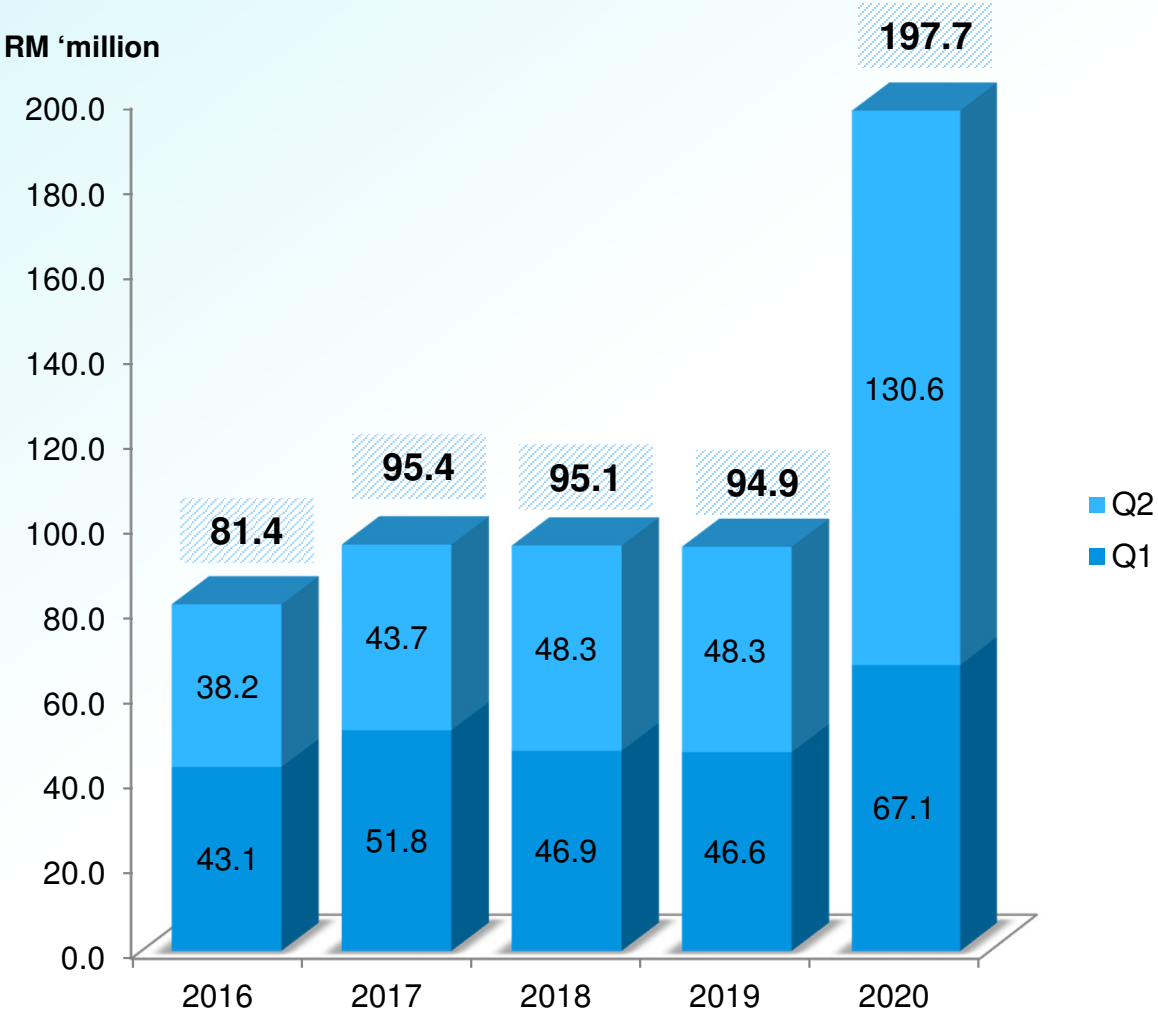
	2QFY2019 (RM '000)	1QFY2020 (RM '000)	2QFY2020 (RM '000)
Revenue	239,732	279,402	347,299
Gross Profit	48,278	67,132	130,596
Profit Before Tax	38,575	57,983	117,237
Net Profit	32,511	46,601	90,925

Growing Revenues



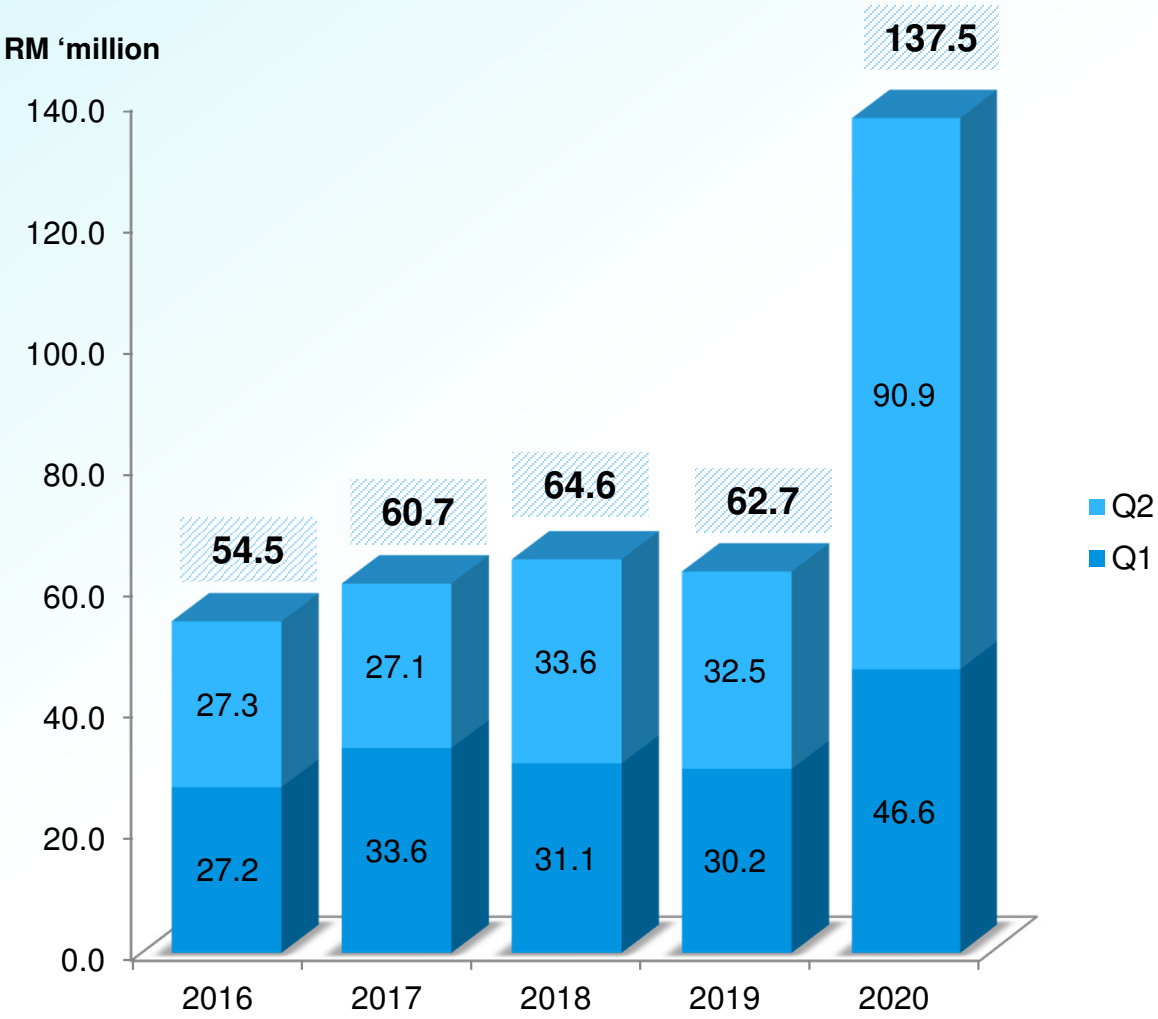
* Totaled figures may have some discrepancy due to rounding

Gross Profit



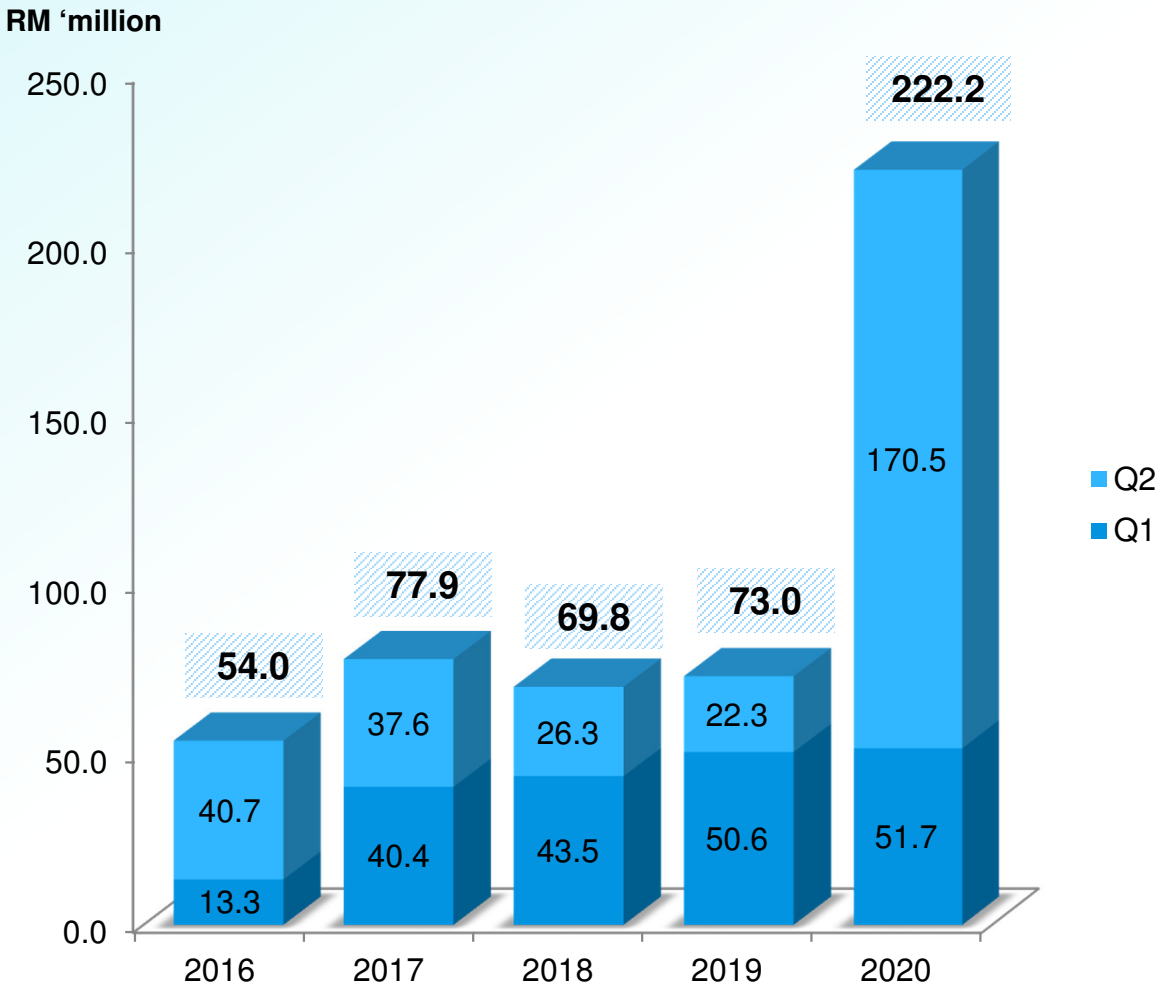
* Totaled figures may have some discrepancy due to rounding

Net Profit



* Totaled figures may have some discrepancy due to rounding

Positive Cash Flow Generation From Operating Activities



* Totaled figures may have some discrepancy due to rounding

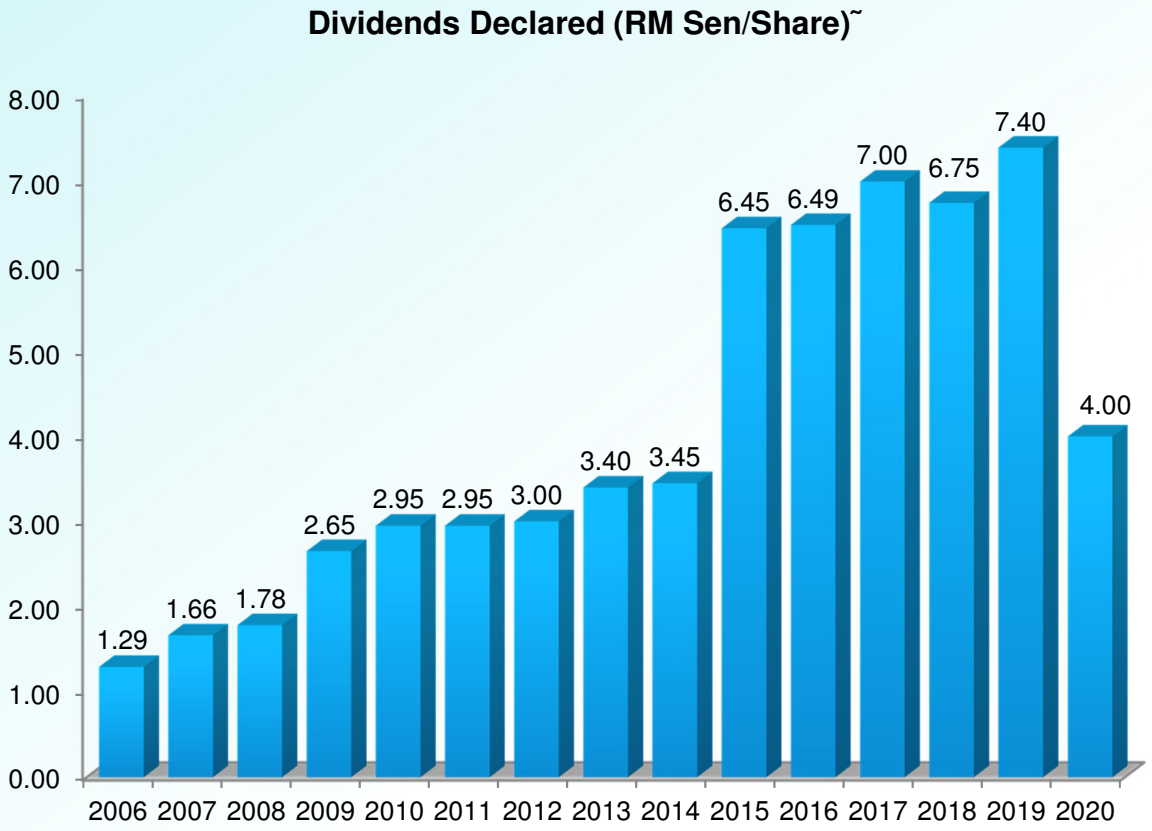
Robust Balance Sheet Strength

Year End 31 Dec	As at 31 Dec 2019 (RM'000)	As at 30 Jun 2020 (RM'000)
Net cash and cash equivalents	130,409	274,159
Total borrowings	13,000	10,000
Shareholders equity	789,425	885,288
Net assets (RM Sen per share)[1]	106.52	119.46
Return on equity ("ROE") [2]	16.5% (FY2019)	31.1% (1HFY2020)

[1]Based on 741.1 million shares in issue excluding treasury shares as at 31 December 2019 and 30 June 2020 respectively

[2]Calculated on an annualised basis

Consistent Dividends since IPO



˜Adjusted for the 1:1 bonus shares

Dividend Payout Ratio	
FY2019	42.0%
FY2018	38.6%
FY2017	40.7%
FY2016	40.0%
FY2015	37.8%
FY2014	36.0%
FY2013	42.4%
FY2012	49.3%
FY2011	48.4%
FY2010	45.5%
FY2009	55.6%^
FY2008	45.2%
FY2007	45.0%
FY2006	28.0%

^ including a special 1 sen tax-exempt dividend

Agenda

Outlook

- The Group has launched a new production site at Taiping with a projected increase by up to 1.4 billion pieces of annual production capacity per year to bring total annual capacity by 14.0-15.0 billion pieces by FY2023

- Construction for Phase 7 of the Group's expansion plans is currently in progress, and will add capacity of up to 1.4 billion pieces of gloves per annum by FY2021.

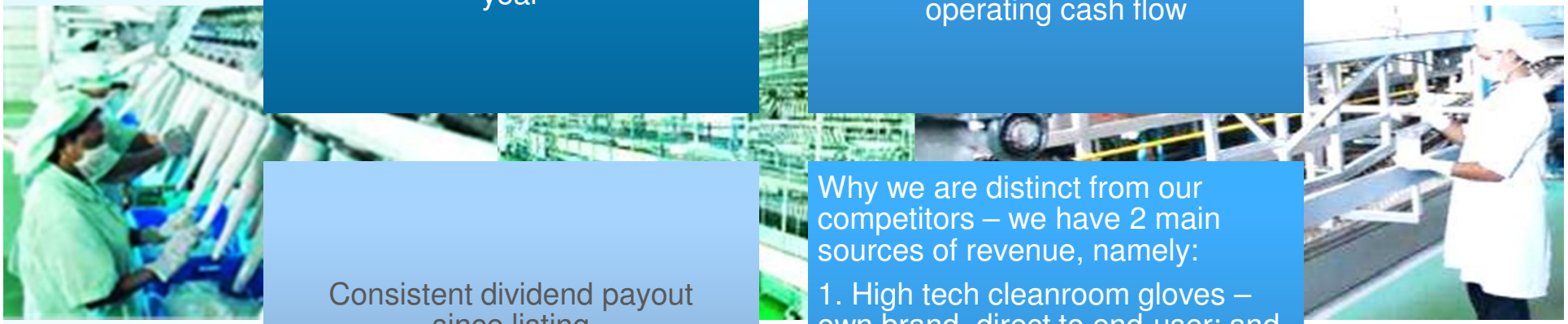
- Both cleanroom and healthcare glove segments as well as US and Japan markets are growing and continue to gain traction

- Continue to develop new products to tap on cleanroom and healthcare markets

Investment Merits

Plan to increase capacity by 1.0 ~ 1.5 billion pieces of gloves every year

Resilient balance sheet with net cash position and continued ability to generate positive operating cash flow



Consistent dividend payout since listing

Why we are distinct from our competitors – we have 2 main sources of revenue, namely:

1. High tech cleanroom gloves – own brand, direct to end-user; and

2.Healthcare gloves – consistent demand, resilient to changing market conditions

Q & A

Thank You!

Media & IR Contacts:

Ngo Yit Sung
Director

Jonathan Wee
Consultant

riverstone@financialpr.com.sg

Tel: (65) 6438 2990

Fax: (65) 6438 0064