

UNAUDITED RESULTS FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2014

PART I - INFORMATION REQUIRED FOR ANNOUNCEMENTS OF QUARTERLY (Q1, Q2 & Q3), HALF-YEAR AND FULL YEAR RESULTS

The Company was incorporated on 3 August 2005 and listed on the Official List of the Singapore Exchange Securities Trading Limited (the "SGX-ST") on 20 November 2006.

1 (a) (i) An income statement and statement of comprehensive income, (for the group), together with a comparative statement for the corresponding period of the immediately preceding financial year.

Consolidated Income Statement

	Group			Group		
	3Q2014	3Q2013		9M2014	9M2013	
	1 Jul 2014 to 30 Sep 2014	1 Jul 2013 to 30 Sep 2013	Increase / (decrease)	1 Jan 2014 to 30 Sep 2014	1 Jan 2013 to 30 Sep 2013	Increase / (decrease)
	RM'000	RM'000	%	RM'000	RM'000	%
Revenue	102,660	93,990	9.2%	287,346	265,208	8.3%
Cost of sales	(76,173)	(67,749)	12.4%	(208,072)	(194,072)	7.2%
Gross profit	26,487	26,241	0.9%	79,274	71,136	11.4%
Other income	360	325	10.8%	1,802	1,382	30.4%
Selling and distribution expenses	(2,646)	(2,422)	9.2%	(7,489)	(6,797)	10.2%
General and administrative expenses	(4,605)	(4,516)	2.0%	(13,087)	(12,701)	3.0%
Other operating expenses	155 #	205 #	(24.4%)	(1,807) #	(580) #	211.6%
Finance costs	-	-	N/M	-	-	N/M
Profit before taxation	19,751	19,833	(0.4%)	58,693	52,440	11.9%
Income tax expense	(3,243)	(4,148)	(21.8%)	(10,113)	(10,479)	(3.5%)
Profit after taxation	16,508	15,685	5.2%	48,580	41,961	15.8%
Profit attributable to:						
Equity holders of the Company	16,508	15,685	5.2%	48,580	41,961	15.8%
Non-controlling interests	- *	- *	N/M	- *	- *	N/M
	16,508	15,685		48,580	41,961	

Consolidated Statement of Comprehensive Income

	Group			Group		
	3Q2014	3Q2013		9M2014	9M2013	
	1 Jul 2014 to 30 Sep 2014	1 Jul 2013 to 30 Sep 2013	Increase / (decrease)	1 Jan 2014 to 30 Sep 2014	1 Jan 2013 to 30 Sep 2013	Increase / (decrease)
	RM'000	RM'000	%	RM'000	RM'000	%
Profit after taxation	16,508	15,685	5.2%	48,580	41,961	15.8%
Other comprehensive expense:						
Foreign currency translation gain	1,294	2,078	(37.7%)	168	3,101	(94.6%)
Total comprehensive income	17,802	17,763	0.2%	48,748	45,062	8.2%
Total comprehensive income attributable to:						
Equity holders of the Company	17,802	17,763	0.2%	48,748	45,062	8.2%
Non-controlling interests	- *	- *	N/M	- *	- *	N/M
	17,802	17,763		48,748	45,062	

1 (a) (ii) The net profit attributable to shareholders includes the following (charges)/credits:

	Group			Group		
	3Q2014	3Q2013		9M2014	9M2013	
	1 Jul 2014 to 30 Sep 2014	1 Jul 2013 to 30 Sep 2013	Increase / (decrease)	1 Jan 2014 to 30 Sep 2014	1 Jan 2013 to 30 Sep 2013	Increase / (decrease)
	RM'000	RM'000	%	RM'000	RM'000	%
Depreciation of property, plant and equipment	(4,683)	(4,757)	(1.6%)	(13,935)	(14,217)	(2.0%)
Net foreign exchange gain	3,556 #	755 #	371.0%	1,425 #	3,375 #	(57.8%)
Property, plant and equipment written off	(1)	(1)	0.0%	(8)	(3)	166.7%
(Loss)/ gain on disposal of property, plant and equipment	(8)	(2)	300.0%	47	(3)	N/M
Fair value (loss)/ gain on derivatives	(2,454) #	181 #	N/M	(620) #	(1,437) #	(56.9%)
Research and development expenses	(610)	(550)	10.9%	(1,875)	(1,875)	0.0%
Interest income from bank balances	4	219	(98.2%)	532	427	24.6%

N/M Not Meaningful

* Denote amount less than RM500

The net foreign exchange (loss)/ gain and fair value gain/(loss) on derivatives have been included in other operating expenses

RIVERSTONE HOLDINGS LIMITED
1 (b) (i) A statement of financial position (for the issuer and group), together with a comparative statement as at the end of the immediately preceding financial year.

	Group		Company	
	As at 30.09.14	As at 31.12.13	As at 30.09.14	As at 31.12.13
	RM'000	RM'000	RM'000	RM'000
Non-current assets				
Property, plant and equipment	205,542	153,384	-	-
Other asset	12,421	12,421	-	-
Investments in subsidiary companies	-	-	168,702	170,284
	<u>217,963</u>	<u>165,805</u>	<u>168,702</u>	<u>170,284</u>
Current assets				
Inventories	40,522	35,667	-	-
Trade receivables	77,743	62,531	-	-
Other receivables	1,146	1,594	-	8
Prepayments	818	589	59	28
Tax recoverable	-	317	-	-
Derivatives	-	-	-	-
Fixed deposits	38,942	56,950	-	18,901
Cash at banks and in hand	48,569	57,054	11,910	1,620
	<u>207,740</u>	<u>214,702</u>	<u>11,969</u>	<u>20,557</u>
Current liabilities				
Payables and accruals	52,696	39,276	222	218
Amount due to a subsidiary company	-	-	174	2
Derivatives	928	308	-	-
Provision for taxation	4,353	5,271	- *	4
	<u>57,977</u>	<u>44,855</u>	<u>396</u>	<u>224</u>
Net current assets	<u>149,763</u>	<u>169,847</u>	<u>11,573</u>	<u>20,333</u>
Non-current liabilities				
Deferred tax liabilities	12,993	12,993	-	-
	<u>12,993</u>	<u>12,993</u>	<u>-</u>	<u>-</u>
Net assets	<u>354,733</u>	<u>322,659</u>	<u>180,275</u>	<u>190,617</u>
Equity attributable to equity holders of the Company				
Share capital	156,337	156,337	156,337	156,337
Treasury shares	(815)	(815)	(815)	(815)
Reserves	199,207	167,133	24,753	35,095
	<u>354,729</u>	<u>322,655</u>	<u>180,275</u>	<u>190,617</u>
Non-controlling interests	4	4	-	-
Total equity	<u>354,733</u>	<u>322,659</u>	<u>180,275</u>	<u>190,617</u>

* Denote amount less than RM500

1 (b) (ii) Aggregate amount of group's borrowings and debt securities

Not applicable

RIVERSTONE HOLDINGS LIMITED

1 (c) A statement of cash flows (for the group), together with a comparative statement for the corresponding period of the immediately preceding financial year.

	Group		Group	
	3Q2014	3Q2013	9M2014	9M2013
	1 Jul 2014 to 30 Sep 2014	1 Jul 2013 to 30 Sep 2013	1 Jan 2014 to 30 Sep 2014	1 Jan 2013 to 30 Sep 2013
	RM'000	RM'000	RM'000	RM'000
Cash flows from operating activities				
Profit before taxation	19,751	19,833	58,693	52,440
Adjustments for:				
Depreciation of property, plant and equipment	4,683	4,757	13,935	14,217
Property, plant and equipment written off	1	1	8	3
Loss/ (gain) on disposal of property, plant and equipment	8	2	(47)	3
Fair value loss/ (gain) on derivatives	2,454	(181)	620	1,437
Interest income	(4)	(219)	(532)	(427)
Operating cash flows before working capital changes	26,893	24,193	72,677	67,673
Decrease/ (increase) in inventories	2,500	(259)	(4,855)	(3,781)
(Increase)/ decrease in receivables and prepayments	(10,176)	2,285	(14,993)	(5,296)
Increase/ (decrease) in payables and accruals	7,617	2,263	13,420	(8,104)
Cash flows from operations	26,834	28,482	66,249	50,492
Income tax paid	(5,611)	(4,237)	(10,714)	(5,642)
Interest received	4	219	532	427
Net cash flows from operating activities	21,227	24,464	56,067	45,277
Cash flows from investing activities				
Proceeds from disposal of property, plant and equipment	48	-	155	4
Purchase of property, plant and equipment	(24,367)	(3,857)	(66,589)	(11,782)
Net cash flows used in investing activities	(24,319)	(3,857)	(66,434)	(11,778)
Cash flows from financing activities				
Net proceeds from warrants conversion	-	2,685	-	31,033
Net proceeds from government grant	500	-	500	-
Purchase of treasury shares	-	-	-	(718)
Dividends paid	-	-	(16,674)	(13,932)
Net cash flows from/ (used in) financing activities	500	2,685	(16,174)	16,383
Net (decrease)/ increase in cash and cash equivalents	(2,592)	23,292	(26,541)	49,882
Effect of foreign currency exchange rates	916	1,792	48	2,412
Cash and cash equivalents at beginning of period	89,187	91,197	114,004	63,987
Cash and cash equivalents at end of period	87,511	116,281	87,511	116,281
Cash and cash equivalents comprise the followings at end of the financial period				
Fixed deposits	38,942	73,981	38,942	73,981
Cash at banks and in hand	48,569	42,300	48,569	42,300
Cash and cash equivalent at end of the financial period	87,511	116,281	87,511	116,281

* Denote amount less than RM500

1 (d) (i)

A statement (for the issuer and group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding year of the immediately preceding financial year.

	Share Capital RM'000	Treasury Shares RM'000	Retained Earnings RM'000	Other Reserves RM'000	Total Reserves RM'000	Non- controlling Interests RM'000	Total Equity RM'000
GROUP							
9M2013							
Balance at 1 January 2013	123,846	(97)	182,744	(51,860)	130,884	4	254,637
Total comprehensive income for the period	-	-	41,961	3,101	45,062	- *	45,062
Payment of FY2012 final dividend	-	-	(13,932)	-	(13,932)	-	(13,932)
Issuance of ordinary shares upon the exercise of warrants	32,491	-	-	(1,459)	(1,459)	-	31,032
Purchase of treasury shares	-	(718)	-	-	-	-	(718)
Balance at 30 September 2013	156,337	(815)	210,773	(50,218)	160,555	4	316,081
9M2014							
Balance at 1 January 2014	156,337	(815)	218,155	(51,022)	167,133	4	322,659
Total comprehensive income for the period	-	-	48,580	168	48,748	- *	48,748
Payment of FY2013 final dividend	-	-	(16,674)	-	(16,674)	-	(16,674)
Balance at 30 September 2014	156,337	(815)	250,061	(50,854)	199,207	4	354,733
3Q2013							
Balance at 1 July 2013	153,521	(815)	195,088	(52,164)	142,924	4	295,634
Total comprehensive income for the period	-	-	15,685	2,078	17,763	- *	17,763
Issuance of ordinary shares upon the exercise of warrants	2,816	-	-	(132)	(132)	-	2,684
Balance at 30 September 2013	156,337	(815)	210,773	(50,218)	160,555	4	316,081
3Q2014							
Balance at 1 July 2014	156,337	(815)	233,553	(52,148)	181,405	4	336,931
Total comprehensive income for the period	-	-	16,508	1,294	17,802	- *	17,802
Balance at 30 September 2014	156,337	(815)	250,061	(50,854)	199,207	4	354,733

* Denote amount less than RM500

COMPANY**9M2013****Balance at 1 January 2013**

	123,846	(97)	16,608	10,803	27,411	151,160
Total comprehensive income for the period	-	-	7,906	5,709	13,615	13,615
Payment of FY2012 final dividend	-	-	(13,932)	-	(13,932)	(13,932)
Issuance of ordinary shares upon the exercise of warrants	32,491	-	-	(1,459)	(1,459)	31,032
Purchase of treasury shares	-	(718)	-	-	-	(718)

Balance at 30 September 2013

156,337	(815)	10,582	15,053	25,635	181,157
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9M2014**Balance at 1 January 2014**

	156,337	(815)	19,401	15,694	35,095	190,617
Total comprehensive income for the period	-	-	8,022	(1,690)	6,332	6,332
Payment of FY2013 final dividend	-	-	(16,674)	-	(16,674)	(16,674)

Balance at 30 September 2014

156,337	(815)	10,749	14,004	24,753	180,275
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3Q2013**Balance at 1 July 2013**

	153,521	(815)	11,184	9,804	20,988	173,694
Total comprehensive income for the period	-	-	(602)	5,381	4,779	4,779
Issuance of ordinary shares upon the exercise of warrants	2,816	-	-	(132)	(132)	2,684

Balance at 30 September 2013

156,337	(815)	10,582	15,053	25,635	181,157
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3Q2014**Balance at 1 July 2014**

	156,337	(815)	11,067	13,968	25,035	180,557
Total comprehensive income for the period	-	-	(318)	36	(282)	(282)

Balance at 30 September 2014

156,337	(815)	10,749	14,004	24,753	180,275
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1 (d) (ii)

Details of any changes in the company's share capital arising from rights issue, bonus issue, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous year reported on. State also the number of shares that may be issued on conversion of all the outstanding convertibles as well as the number of shares held as treasury shares, if any, against the total number of issued shares excluding treasury shares of the issuer, as at the end of the current period reported on and as at the end of the corresponding year of the immediately preceeding financial year.

Share capital	Number of shares	Share Capital RM'000
Issued and fully paid up:		
As at 31 December 2013	<u>371,226,025</u>	<u>156,337</u>
As at 30 September 2014	<u>371,226,025</u>	<u>156,337</u>

As at 30 September 2014, the Company held 684,000 of its issued shares as treasury shares (31 December 2013: 684,000).

Other than the above mentioned, the Company does not have any outstanding share convertibles at the end of the financial period under review.

1 (d)(iii) To show the total number of issued shares excluding treasury shares as at the end of the current financial period and as at the end of the immediately preceding year.

	As at 30.09.14	As at 31.12.13
Total number of issued shares	371,226,025	371,226,025
Less: Treasury shares	<u>(684,000)</u>	<u>(684,000)</u>
Total number of issued shares excluding treasury shares	<u>370,542,025</u>	<u>370,542,025</u>

1 (d) (iv) A statement showing all sales, transfers, disposal, cancellation and/or use of treasury shares as at the end of the current financial period reported on.

There were no sales, transfers, disposal, cancellation and/ or use of treasury shares during the current financial period reported on.

2. **Whether the figures have been audited or reviewed, and in accordance with which auditing standard or practice.**

The figures have not been audited or reviewed by the Company's auditors.

3. **Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of a matter).**

Not applicable

4. **Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied.**

Except as explained in note 5, the Group and the Company have applied the same accounting policies and method of computation applied in the financial statements for the current reporting period as those adopted in the most recently audited consolidated financial statements for the financial year ended 31 December 2013.

5. **If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change.**

The adoption of the new and revised FRSs is assessed to have no material impact to the results of the Group and the Company for the financial year ended 31 December 2014.

6. **Earnings per ordinary share of the group for the current financial period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends:-**

		Group	
		3Q2014	3Q2013
Earnings per share ("EPS") in sen (RM)			
a)	Basic	4.45	4.33
b)	On a fully diluted basis	4.45	4.33

Earnings per share for the third quarter ended 30 September 2014 is calculated based on profit from ordinary activities after taxation of RM16.5 million divided by weighted average of 371.2 million number of ordinary shares in issue. As for comparative, earnings per share for the third quarter ended 30 September 2013 is calculated based on profit attributable to shareholders of RM15.7 million divided by weighted average of 361.9 million number of ordinary shares in issue.

As there were no share options and other potential issuance granted, the basic and fully diluted earnings per share are the same.

7. **Net asset value (for the issuer and group) per ordinary share based on the total number of issued shares excluding treasury shares of the issuer at the end of the:-**

(a) current financial period reported on; and

(b) immediately preceding financial year.

	Group		Company	
	As at 30.09.14	As at 31.12.13	As at 30.09.14	As at 31.12.13
Net asset per share in sen (RM)	95.73	87.08	48.65	51.44

The Group and Company net asset backing per ordinary share as at 30 September 2014 and 31 December 2013 are calculated based on 370.5 million ordinary shares in issue excluding treasury shares.

8. A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. It must include a discussion of the following:-
- a) any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and
 - b) any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.

a) INCOME STATEMENT REVIEW

For the 3Q2014, the profit after tax rose by 5.2% to RM16.5 million when compared to 3Q2013. This was achieved on the back of an increase in total revenue by 9.2% from RM94.0 million in 3Q2013 to RM102.7 million in 3Q2014. The revenue growth is mainly due to higher demands of gloves. The Group's gross profit increased by 0.9% to RM26.5 million in 3Q2014 from RM26.2 million in 3Q2013.

The Group's other income increased to RM0.4 million in 3Q2014 from RM0.3 million in 3Q2013 mainly due to a utility rebate obtained by the Group and increase in interest income from fixed deposits in 3Q2014.

Selling and distribution expenses increased by RM0.2 million or 9.2% from RM2.4 million in 3Q2013 to RM2.6 million in 3Q2014 due to the increase in sales activities.

General and administrative expenses increased by RM0.1 million or 2.0% from RM4.5 million in 3Q2013 to RM4.6 million in 3Q2014 mainly due to increase in payroll cost.

Other operating expenses decreased by 24.4% to RM0.2 million mainly as a result of higher net foreign exchange gain in 3Q2014 when compared to net foreign exchange gain in 3Q2013 and higher research and development expenses in 3Q2014.

The Group's effective tax rate was lower when compared to 3Q2013 mainly due to higher tax incentives claimable by the Group.

b) BALANCE SHEET REVIEW

As at 30 September 2014, non-current assets increased to RM218.0 million from RM165.8 million mainly due to acquisition of property, plant and equipment of RM66.6 million coupled with foreign exchange adjustment of RM0.1 million and offset by the depreciation charge of RM13.9 million.

Trade receivables and inventories increased from RM62.5 million to RM77.7 million and from RM35.7 million to RM40.5 million as at 30 September 2014 respectively mainly due to increase in sales and higher production volume.

Cash and cash equivalents reduced from RM114.0 million as at 31 December 2013 to RM87.5 million as at 30 September 2014. For the 3Q2014, the Group generated RM21.2 million in net cash flows from operating activities and net cash flows used in investing activities amounted to RM23.8 million were for the purchase of property, plant and equipment. Included in the financing activities for 3Q2014 was a RM0.5 million government grant received by a subsidiary to purchase property, plant and equipment.

Current liabilities increased by 29.3% from RM44.9 million as at 31 December 2013 to RM58.0 million as at 30 September 2014 mainly due to higher payables and accruals from RM39.3 million as at 31 December 2013 to RM52.7 million as at 30 September 2014 and the decrease in provision of taxation from RM5.3 million as at 31 December 2013 to RM4.4 million as at 30 September 2014.

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

Not applicable

10. 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.

Our Group's expansion plan in Taiping, Perak, Malaysia has started the production progressively. By 31 December 2014, the Group expects to have a total annual production capacity of 4.2 billion pieces of gloves.

The movement in commodity prices, the US currency fluctuation and competition from the other glove manufacturers remain as challenges for the Group.

RIVERSTONE HOLDINGS LIMITED

11. If a decision regarding dividend has been made:-

(a) Whether an interim (final) ordinary dividend has been declared (recommended); and

None

(b) Corresponding period of the immediately preceding financial year

None

(c) Whether the dividend is before tax, net of tax or tax exempt. If before tax or net of tax, state the tax rate and the country

Not applicable

(d) The date the dividend is payable.

Not applicable

(e) The date on which Registrable Transfers received by the company (up to 5.00 pm) will be registered before entitlements to the dividend are determined.

Not applicable

12. If no dividend has been declared (recommended), a statement to that effect.

No dividend has been declared or recommended for the third quarter ended 30 September 2014.

13. If the group has obtained a general mandate from shareholders for Interested Parties Transactions (IPTs), the aggregate value of such transactions as required under Rule 920(1)(a)(ii). If no IPT mandate has been obtained, a statement to that effect.

The Company does not have an Interested Person Transactions mandate.

14. Statement by Directors

Pursuant to SGX Listing Rule 705(5)

The Directors confirm that, to the best of their knowledge, nothing has come to the attention of the Board of Directors which may render the unaudited financial results of Riverstone Holdings Limited for the third quarter ended 30 September 2014 presented in this announcement to be false or misleading in any material respect.

BY ORDER OF THE BOARD

WONG TEEK SON

EXECUTIVE CHAIRMAN AND CHIEF EXECUTIVE OFFICER

04 November 2014

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.