



Lot 55 & 56, No. 13, Jalan Jasmin 2, Kawasan
Perindustrian Bukit Beruntung,
48300 Bukit Beruntung, Selangor, Malaysia.
Tel: +603-6028 3033, +603-6028 3077
Fax: +603-6028 3022

Riverstone records 656.8% surge in net profit to RM1.0 billion for 1HFY2021

- Revenue climbs 222.2% yoy to RM2.0 billion for 1HFY2021, driven by the surge in demand for the Group's healthcare and cleanroom gloves on the back of global shortages
- Group continues to generate strong positive operating cash flows of RM1.1 billion for 1HFY2021 (1HFY2020: RM222.2 million), bolstering balance sheet strength with a net cash position of RM1.3 billion
- As a mark of confidence in the Group's outlook, the Board recommends an interim dividend of 10.00 sen (RM) (1HFY2020: 4.00 sen (RM)) to reward shareholders

Financial Highlights

<u>RM million</u>	<u>1HFY2021</u>	<u>1HFY2020</u>	<u>Change (%)</u>
Revenue	2,019.5	626.7	222.2
Cost of Goods Sold	624.3	429.0	45.5
Gross Profit	1,395.2	197.7	605.6
Profit Before Tax	1,359.4	175.2	675.8
Net Profit to Equity Holders	1,040.7	137.5	656.8
EPS* - fully diluted (sen)	70.22	9.28	

*Based on weighted average of 1,482.2 million ordinary shares in issue

SINGAPORE – 5 August 2021 – Mainboard-listed Riverstone Holdings Limited (“Riverstone” or “the Group”) 立合斯顿有限公司, a leading manufacturer of specialised cleanroom and healthcare gloves has announced its financial results for the first half (“1HFY2021”) ended 30 June 2021.

For 1H2021, the Group posted a 222.2% year-on-year (“yoy”) increase in revenue to RM2.0 billion. This was driven by the surge in demand for the Group's healthcare examination and high-tech cleanroom gloves amid the global COVID-19 pandemic. Correspondingly, gross profit recorded a 605.6% yoy surge to RM1.4 billion for 1HFY2021, with blended gross profit margin growing 37.5 percentage points yoy to 69.1% as the Group benefitted from higher average selling prices for its glove products.

Led by the marked increase in sales activities, selling and distribution expenses grew 67.2% yoy to RM15.6 million for 1HFY2021. Similarly, the Group's general and administrative expenses rose 96.8% yoy to RM30.9 million due to the increase in payout of performance incentives towards its production line workers.

As a result of the above, the Group posted a 656.8% yoy surge in net profit attributable to shareholders to RM1.0 billion for 1HFY2021.

Executive Chairman and CEO, **Mr. Wong Teek Son (黄德顺)** remarked, “*Looking ahead, we have already set our sights on longer-term prospects to capture growth beyond the pandemic situation. This includes developing new and innovative product offerings that will allow us to venture into untapped markets such as the food processing, pharmaceutical and surgical glove segments. On the other hand, our business model is differentiated from our industry peers due to our high-end cleanroom glove business which has earned the reputation as a clear industry leader for over two decades. To strengthen our position in the cleanroom space, we recently acquired a new industrial land bank in January 2021 for the development of our new cleanroom glove processing facility which will raise our processing capabilities to more than 2.5 billion pieces of cleanroom gloves per annum, up from the current 2.0 billion. In all, we are confident that our diversified income streams, strong R&D and product development capabilities as well as market leading position in the cleanroom glove business will ensure earnings resiliency and sustainable long-term growth for the Group.*”

Led by robust global demand and higher sales volume for both its healthcare and cleanroom segments, the Group continues to generate strong operating cash flows of RM1.1 billion for 1HFY2021 (1HFY2020: RM222.2 million). This bolstered balance sheet strength as the Group remains in a net cash position of RM1.3 billion¹ as at 30 June 2021 (31 December 2020: RM641.9 million²)

Mr. Wong added, *“Once we complete Phase 7 of our expansion plans, production capacity will increase by 1.5 billion pieces of gloves, bringing our total production capacity to 12.0 billion pieces per annum. These new dipping lines coming onboard will enable us to further capitalise on the burgeoning market for gloves.*

Beyond Phase 7, additional capacity of 1.5 billion pieces of glove will subsequently be added each year in FY2022 and FY2023, bringing our total forward capacity to 15.0 billion pieces of gloves by the end of that period. As a mark of confidence in the Group’s outlook and to reward our loyal shareholders, the Board recommends an interim dividend of 10.00 sen (RM) for 1HFY2021 (1HFY2020: 4.00 sen (RM)).”

– The End –

About Riverstone Holdings Limited (“Riverstone” or 立合斯顿有限公司)

Malaysia-based Riverstone is a global market leader in the manufacturing of nitrile and natural rubber clean room gloves used in highly controlled and critical environments as well as premium nitrile gloves used in the healthcare industry. The company’s proprietary “RS Riverstone Resources” brand is the preferred cleanroom glove for use in high-tech manufacturing industries. The company also manufactures cleanroom consumables such as finger cots and facemasks. Its customers are global leaders in the HDD, LCD, semiconductor, consumer electronics, pharmaceutical and healthcare industries. The company employs more than 4,000 people throughout its six manufacturing facilities in Malaysia (4), Thailand (1) and China (1) with an annual production capacity of 10.5 billion gloves as at 31 December 2020. It also has an established global network of sales offices to serve its customers in Singapore, Malaysia, Thailand, the Philippines, China and the U.S. Riverstone was listed on the Mainboard of the Singapore in 2006. (www.riverstone.com.my)

Issued for and on behalf of Riverstone Holdings Limited by Financial PR

Investor Relations:

Mr. Jonathan Wee

Email: Riverstone@financialpr.com.sg

Phone: +65 6438 2990

¹ Net cash figure does not include lease liabilities amounted to RM0.8 million

² Net cash figure does not include lease liabilities amounted to RM1.1 million