

Riverstone Holdings Ltd

Corporate  
Presentation  
1Q2023



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- Business Overview
  - Key Milestones
  - Group Structure
  - Financial Highlights
  - Investment Merits
  - ESG Presentation



## Manufacturing

- 1 High Tech Cleanroom Gloves
- 2 Premium Healthcare Gloves
- 3 Cleanroom Consumables





# KEY MILESTONES



Established to provide glove chlorination, laundry and packaging services to glove manufacturers in Malaysia



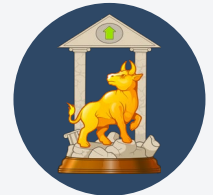
1989

Pioneered the manufacture of nitrile cleanroom gloves in Malaysia



1994

Successfully listed on the Mainboard of Singapore Exchange (SGX:AP4)



2006

Diversified into production of premium healthcare gloves



2009

Eco Medi Glove S/B, a subsidiary launched a five-year expansion plan to bring total production capacity to 8.6 billion (later revised in 2017 to 9.0 billion) by the end of FY2018



2013

Launched phase 6 expansion plan to add another 1.5 billion pieces to 10.5 billion pieces in total annual production capacity



2020/21



# GROUP STRUCTURE



Riverstone Holdings Limited  
(Investment Holding)





 MALAYSIA (BUKIT BERUNTUNG)  
RIVERSTONE RESOURCES SDN BHD



 MALAYSIA (TAIPING)  
RIVERSTONE RESOURCES SDN BHD



 MALAYSIA (BUKIT BERUNTUNG)  
RIVERSTONE INDUSTRIAL PRODUCTS SDN BHD



 MALAYSIA (TAIPING)  
ECO MEDI GLOVE SDN BHD



# BUSINESS SITES



CHINA  
RIVERSTONE RESOURCES (WUXI) COMPANY LIMITED



THAILAND  
PROTECTIVE TECHNOLOGY COMPANY LIMITED





## 01. CLEANROOM BUSINESS



Cleanroom gloves



Cleanroom consumables

## 02. HEALTHCARE BUSINESS



Examination gloves



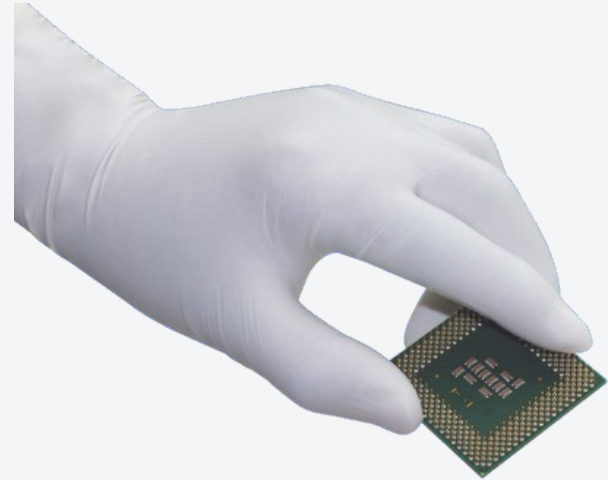
Food grade gloves



Personal protective equipment

## 01 Introduction

Cleanroom gloves: To protect semiconductor products from contamination, corrosion & ESD.



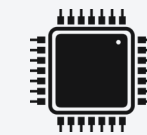
## 02 Product Suite

- Nitrile gloves
- Latex gloves
- Finger cots
- Packaging Materials
- Face mask

## 03 Business Model

- Riverstone is an own-brand manufacturer (OBM), developing high tech cleanroom gloves that's sold directly to customers via regional offices
- Riverstone provides solutions for contamination, corrosion & ESD to customers

## 04 Market



High end electronics & semiconductor sector  
HDD, Mobile, Automotive, Chips, Aerospace



Pharmaceutical sector



## 01 Introduction

Healthcare gloves offer users a protection barrier against biohazards whilst performing general medical practices.

## 02 Product Suite

- Procedure gloves
- High risk gloves
- Hand specific gloves
- Dental gloves
- Accelerator free gloves

## 03 Business Model

- (i) Riverstone develops in-house & produce specialty gloves
- (ii) Riverstone is an OEM for selected customers

## 04 Market

 Healthcare sector  
Hospitals, Laboratories, Nursing homes

 Food sector  
Manufacturers, Restaurants, Airlines, Hotels



# FINANCIAL HIGHLIGHTS

## (1Q2023 unaudited)

### YOY Comparison

### QOQ Comparison

#### Result Overview

#### Result Overview

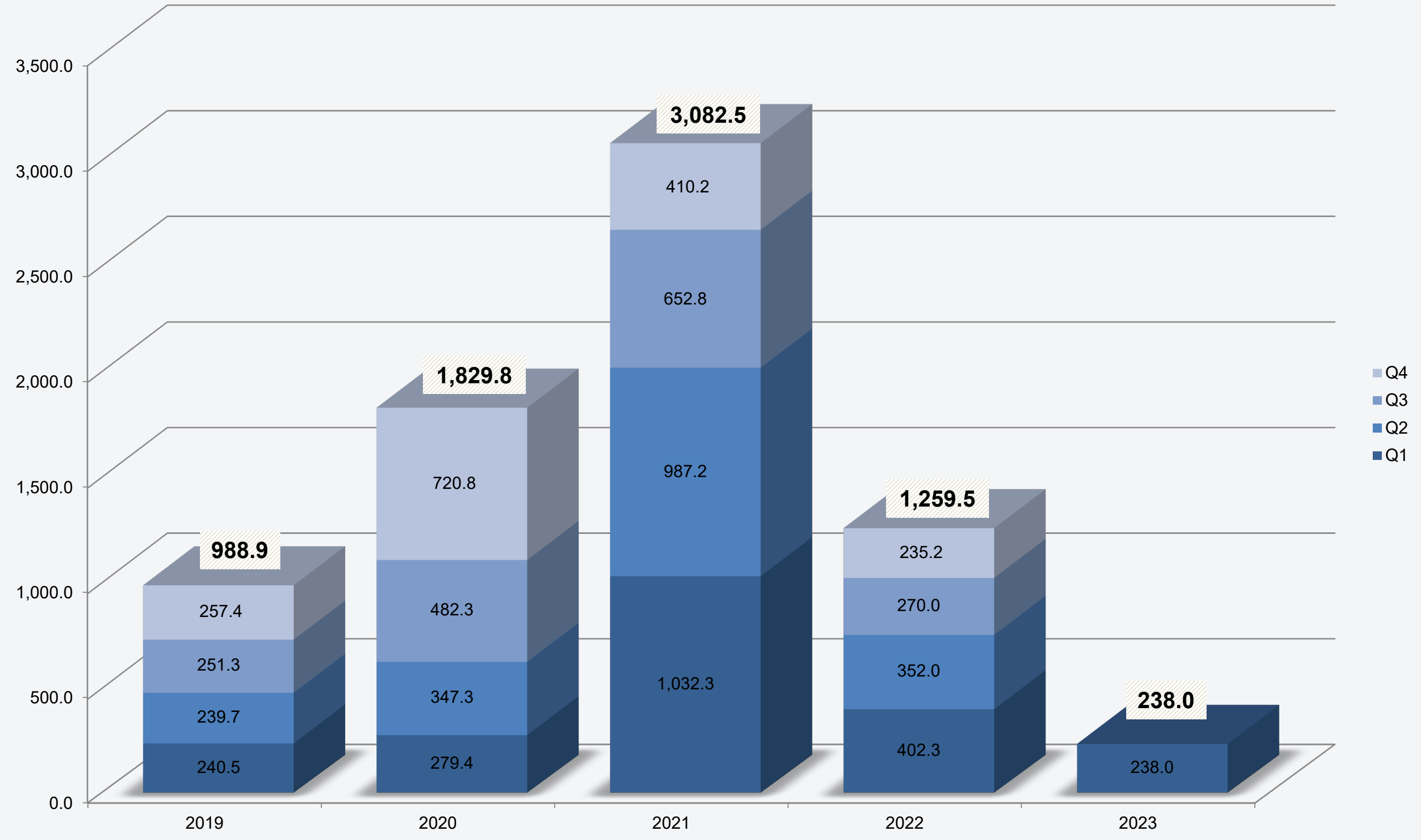
	1Q2023 (RM'000)	1Q2022 (RM'000)	Change (%)	1Q2023 (RM'000)	4Q2022 (RM'000)	Change (%)
Revenue	238,001	402,313	(40.8)	238,001	235,208	1.2
Gross Profit	61,945	154,485	(59.9)	61,945	70,813	(12.5)
Profit Before Tax	59,610	144,017	(58.6)	59,610	58,197	2.4
Net Profit	46,719	108,743	(57.0)	46,719	42,013	11.2

\*Totalled figures may have some discrepancy due to rounding



# FINANCIAL HIGHLIGHTS (1Q2023 unaudited)

Revenue  
(RM'million)

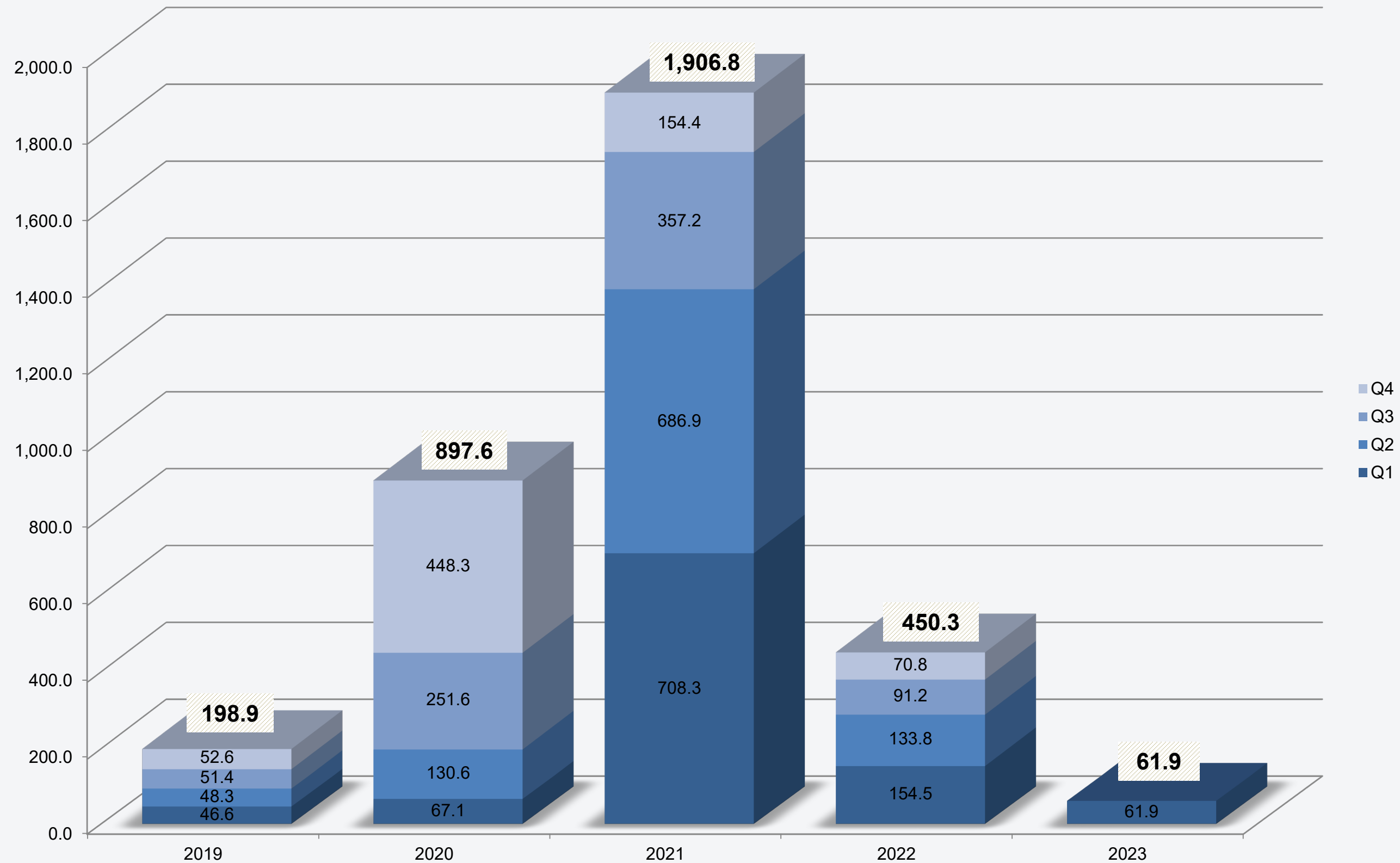


\*Totalled figures may have some discrepancy due to rounding



# FINANCIAL HIGHLIGHTS (1Q2023 unaudited)

## Gross Profit (RM'million)

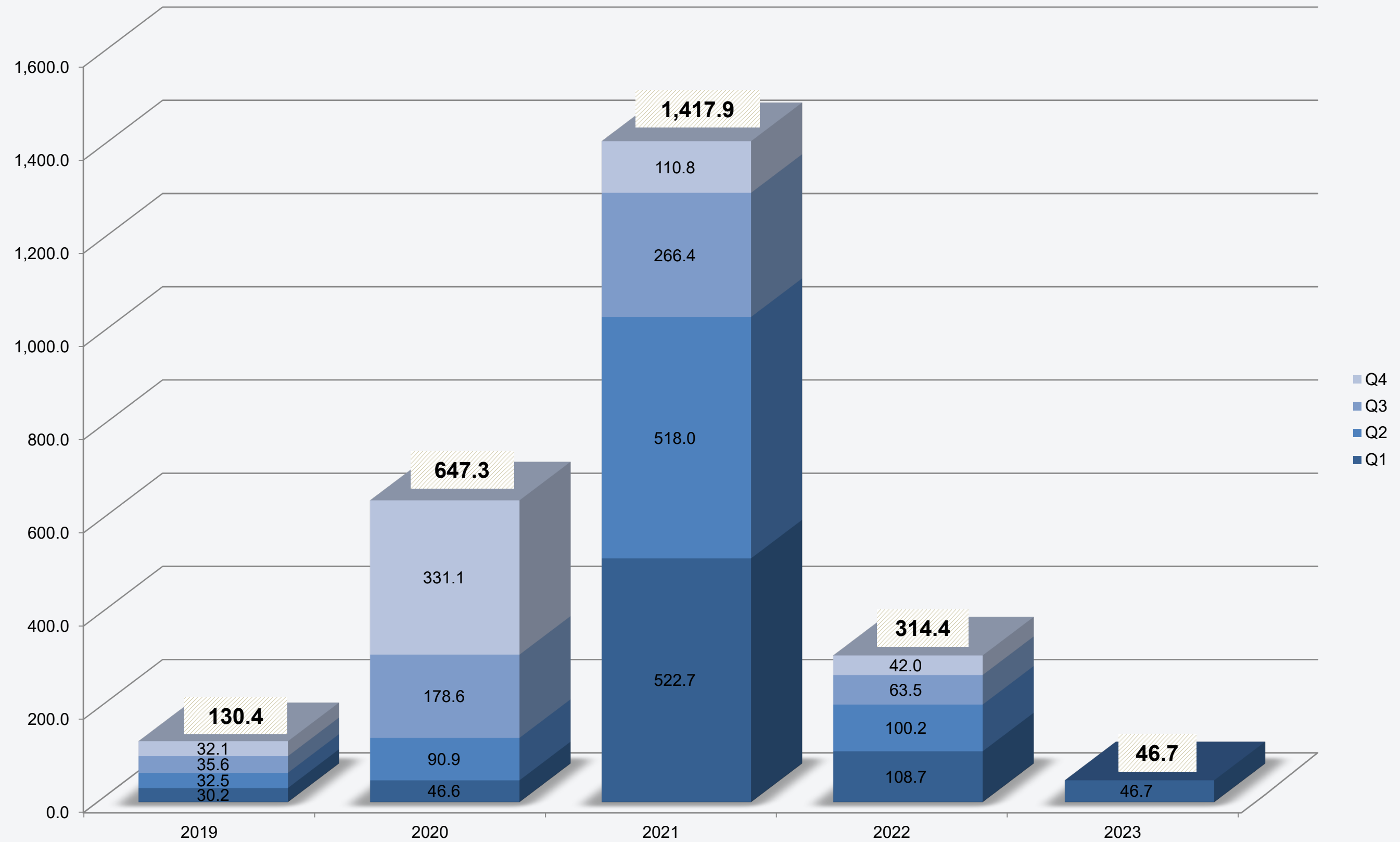


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# FINANCIAL HIGHLIGHTS (1Q2023 unaudited)

Net Profit  
(RM'million)

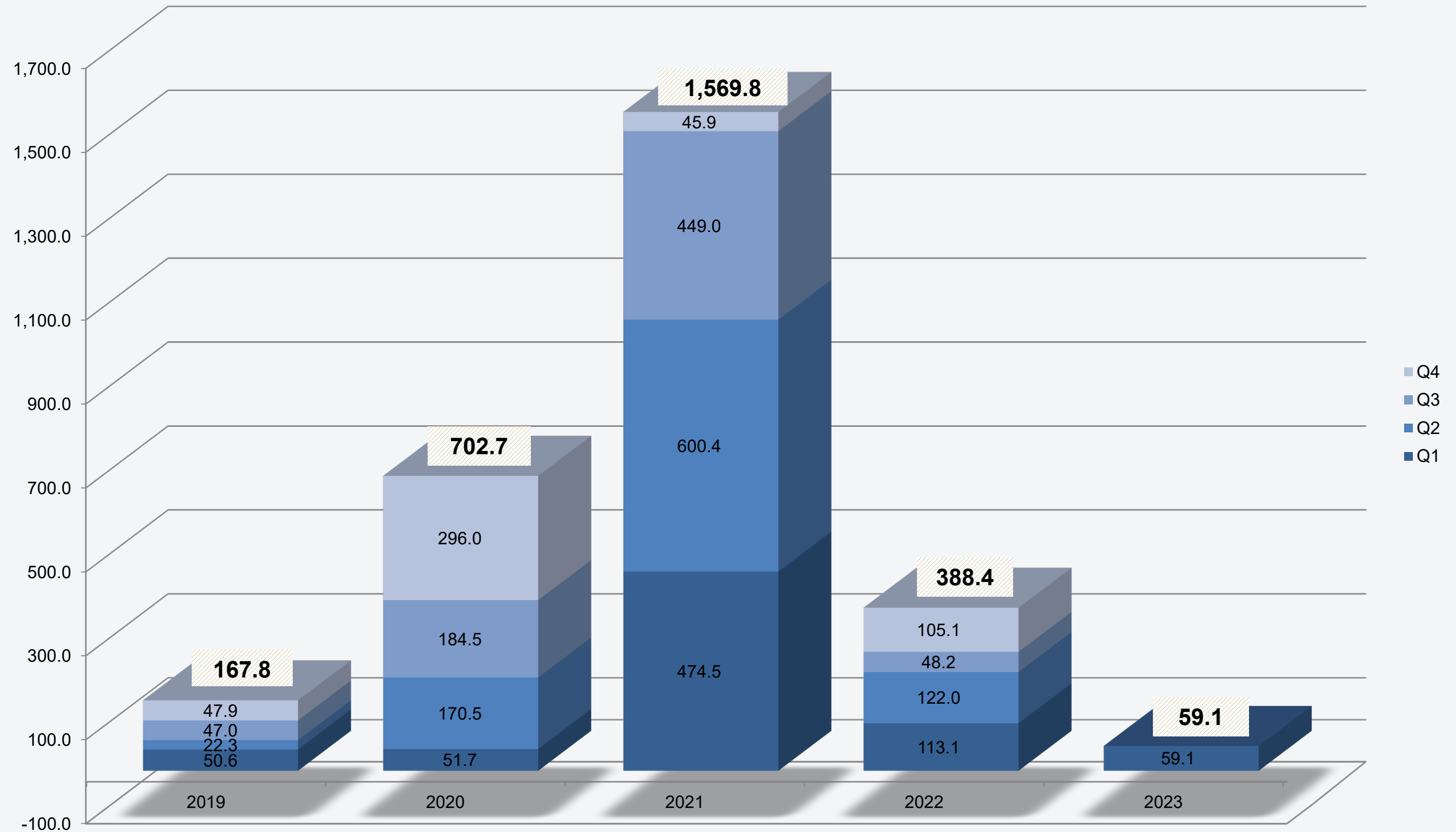


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# FINANCIAL HIGHLIGHTS (1Q2023 unaudited)

## Operating Cash Flow (RM'million)



\*Totalled figures may have some discrepancy due to rounding



## Competitive Advantages



Extensive R&D



Leading in-house technology  
(in terms of Electrostatic  
Discharge properties)



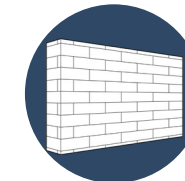
Partnership & collaboration with  
customers



Solutions provider



State-of-the-art product  
testing facilities



High barrier of entry for cleanroom  
gloves



## RESILIENT BALANCE SHEET AT ALL TIMES SINCE 2006

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- Net cash position
- Sustainable positive operating cash flow

## CONSISTENT DIVIDEND PAYOUT

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- Consistent payout since listing

## DISTINCTION FROM PEERS

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- 2 sources of revenue (diversified)
- High tech cleanroom gloves
- Premium healthcare gloves

## EXTENSIVE R&D

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- Consistent product development track record
- Solutions provider to customers
- Dedicated R&D team led by a chemist with 31+ years of experience

## FLEXIBLE PRODUCTION FACILITIES

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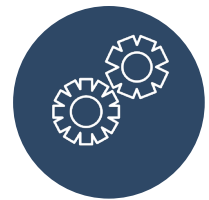
- Not dependent on single type of product
- Flexible to produce customisable products which provide higher value add

## ESG FOCUS

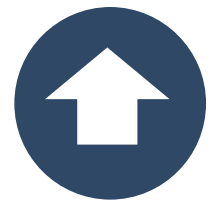
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- Committed to a sustainable future and ESG improvement

## Challenges



Competition from newcomers & Chinese manufacturers



Increase in gas, utility and labour cost

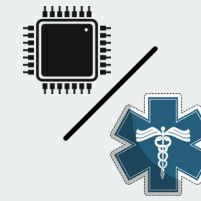


Overcapacity of medical gloves in industry



Macroeconomic headwinds such as price competition, inflation, and rising costs

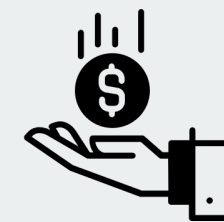
## Solutions



Diversified into 2 sources (Cleanroom & Medical)



Well-established with greater experience/expertise (Customer trust)



Cost management (Product streamlining)



Financially healthy and continuing R&D efforts

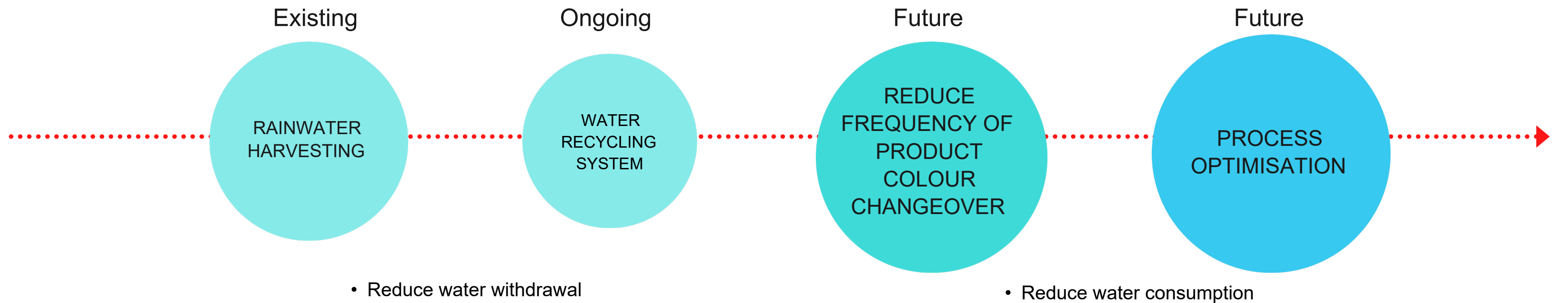
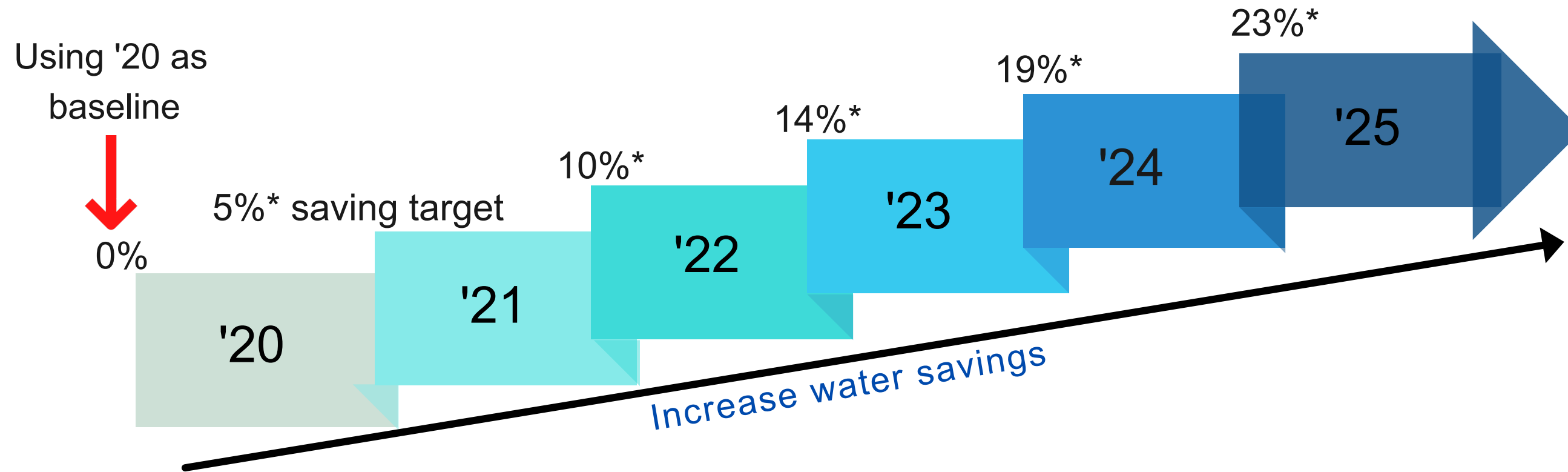


Riverstone Holdings Ltd

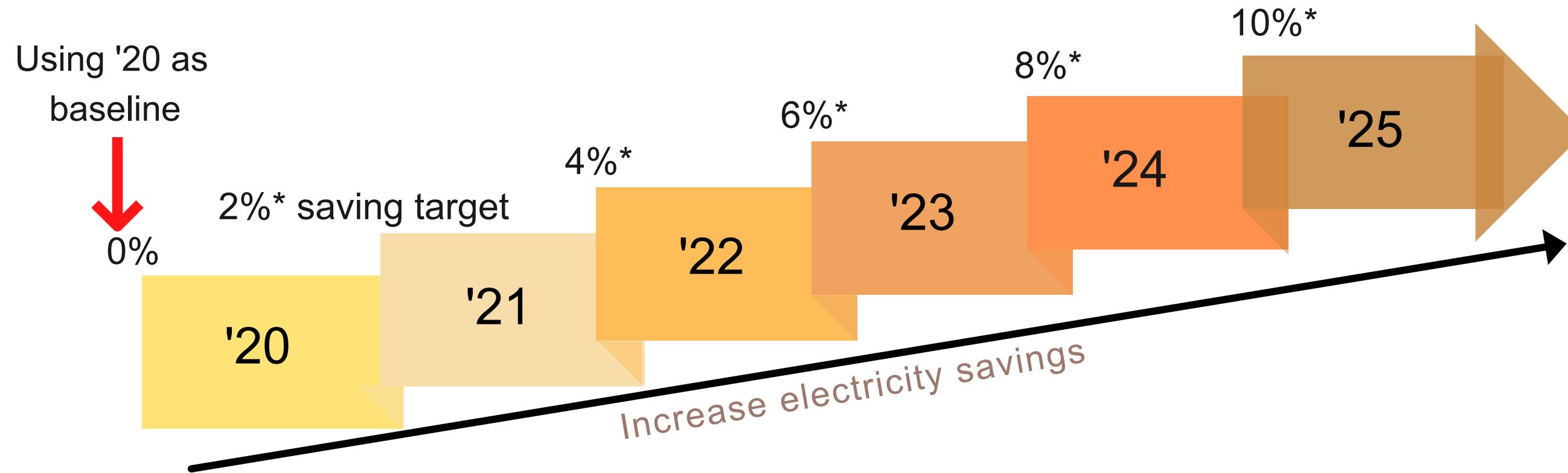
# ESG presentation 2023



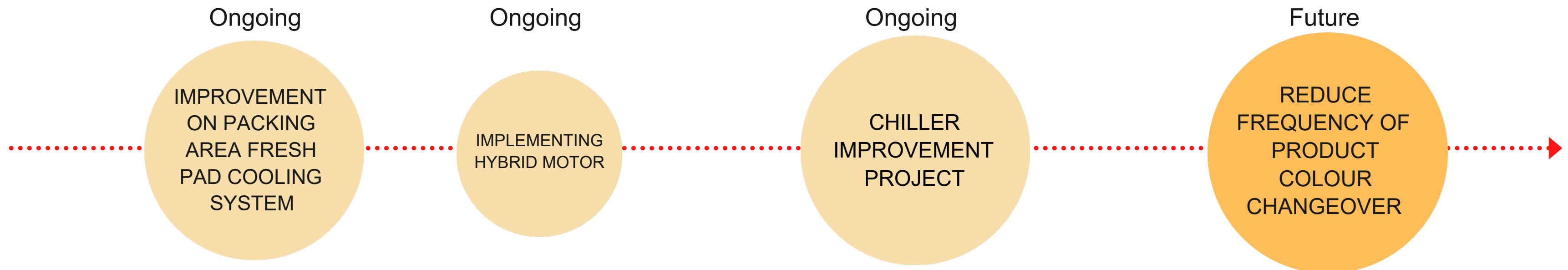
# REDUCE WATER USAGE



# REDUCE ELECTRICITY CONSUMPTION



\*All % electricity savings are calculated by using '20 as the baseline.



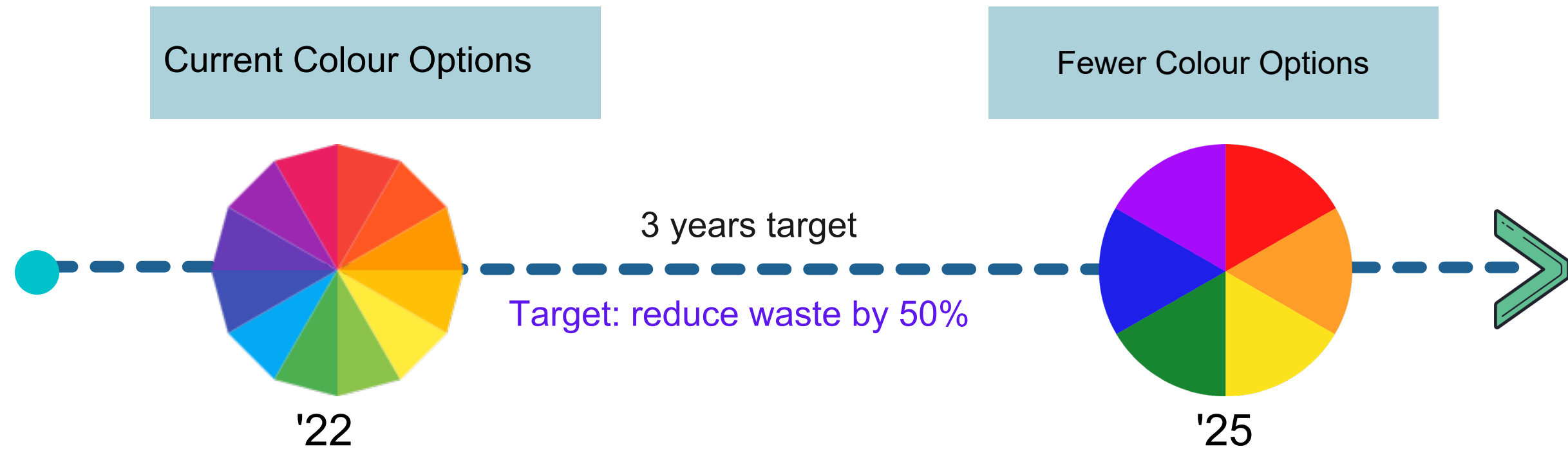
• The ongoing projects conserve electricity

• Restarting equipment requires higher electricity consumption

# REDUCE WASTAGE

Reduce Frequency of Product

Colour Changeover



"When different product colours are requested, WASTE is created due to PRODUCT CHANGEOVER"

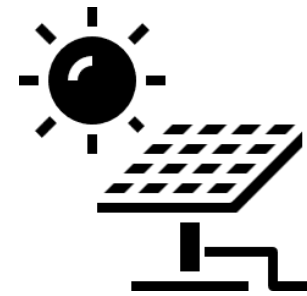
Reduced Product Colour Options = Fewer Changeovers = Waste is Minimised



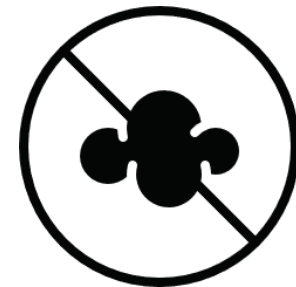
Objective: Sales team to encourage customers to reduce glove colour options.

## SUSTAINABLE ENERGY WITH EMISSION REDUCTION

### Solar panel

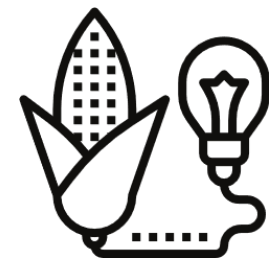


- Generates 744,000 kWh electricity from solar energy annually.



- Reduces greenhouse gas emission by approximately 516.30 tCO<sub>2</sub>e/year.

### Biomass



- Biomass is a renewable energy source from byproducts (sawdust, wood chips & palm kernels).

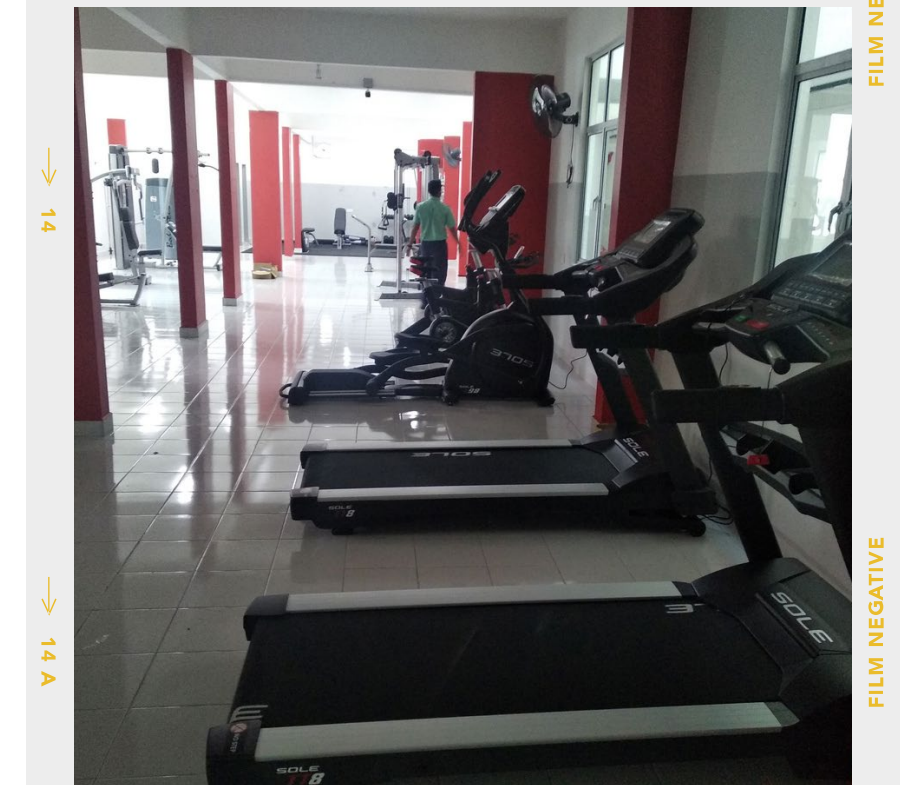
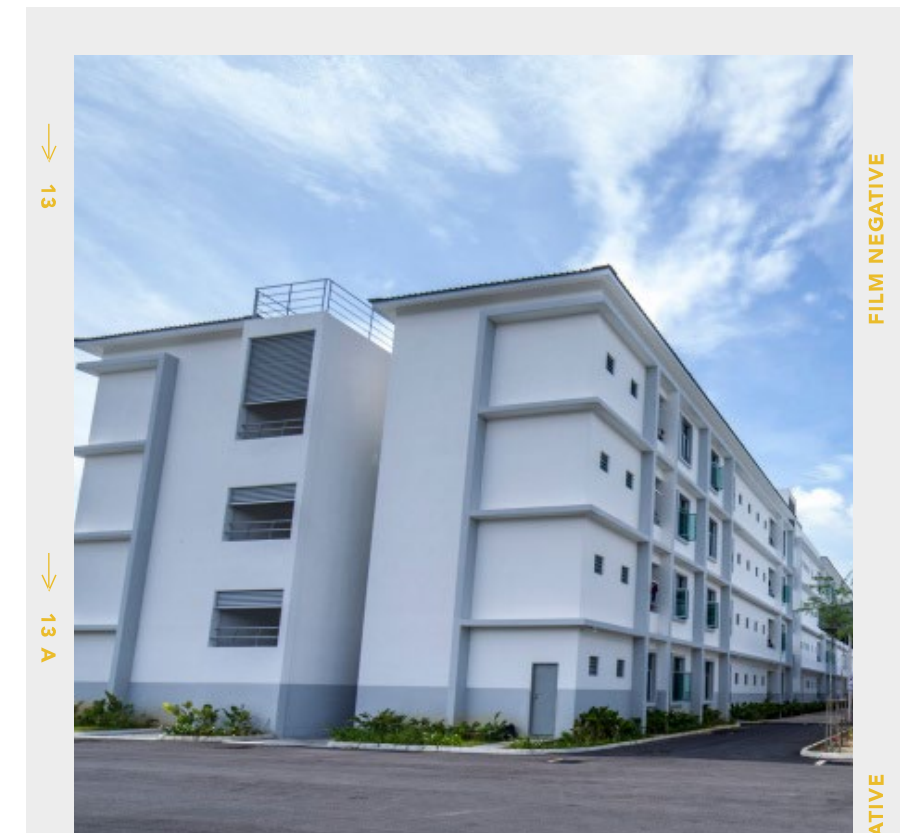
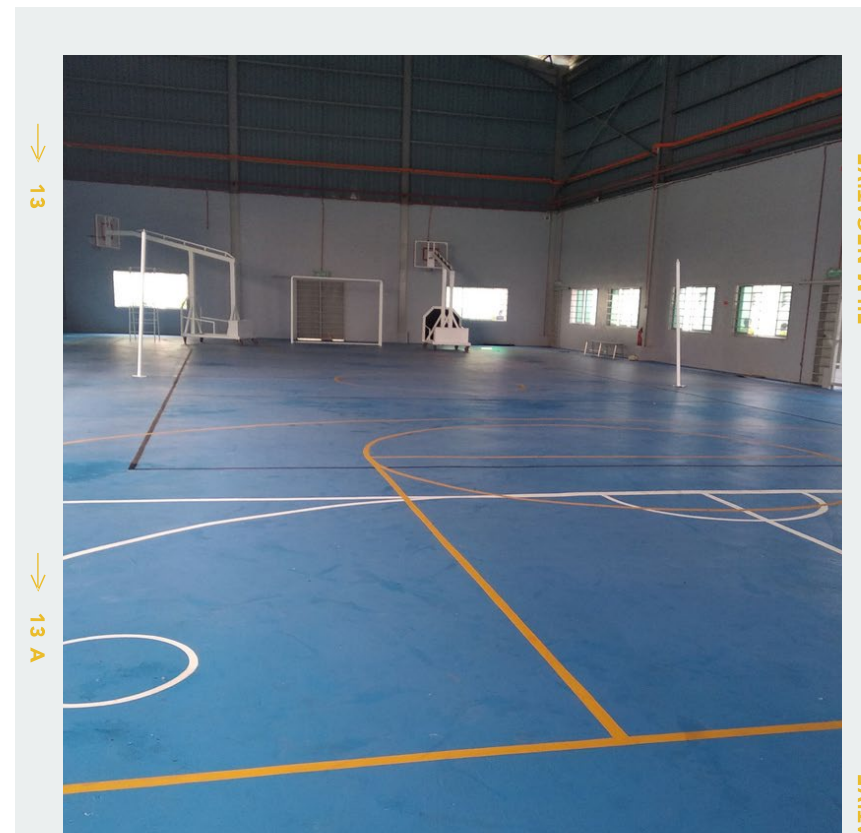


- Aim to install Electrostatic precipitators (ESP) to improve dust capture efficiency and reduce particle emission by '23.
- Continuous Emission Monitoring System (CEMS) will be installed to improve emission observations





- Built our own workers' hostel equipped with gymnasium, indoor sports arena, first aid room, barber shops, grocery shops, and laundry services.





Employee Welfare

- Provides fair and competitive remuneration with comprehensive benefits to our employees
- Periodically rewards employees with incentives on top of annual increment and bonus
- Provides all employee with insurance and medical benefits



Development

- Provides technical and soft skills training, language classes, and local cultural adaptation classes to all local and foreign employees.
- Continue to support our employees to pursue higher education.
- Arranges customer and supplier site visits to provide different industry exposures.



- Annual budget allocated to provide our employees' children with payment assistance when school reopens.



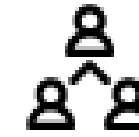


## CORPORATE GOVERNANCE

"We believe sound corporate governance practices lead to proper functioning of the company"

1

### BOARD STRUCTURE



- Comprises 3 independent directors and 2 executive directors.

2

### COMMITTEES



- Audit Committee: 3 independent directors.
- Remuneration Committee: 3 independent directors.
- Nominating Committee: 2 independent directors and an executive director.

3

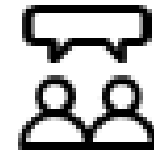
### Voluntary Quarterly Financial Reporting



- Consistently publish quarterly business update voluntarily despite SGX relaxation rule for PLCs to only report half-yearly results since Feb '20.
- change to voluntary disclosure of quarterly financial results effective from Nov '22.

4

## MANAGEMENT DIVERSITY



- Gender balance in management and country representatives.
- Diverse Board with wide-ranging expertise, background and knowledge.

5

## ESG COMMITTEE



- Set up a new ESG committee with new members in 2021.
- Currently, there are representatives from 8 departments (Production, Engineering, R&D, Maintenance, QA, Health & Safety, Finance and HR) in this committee.
- Plans to appoint individual representative consists of country heads (China, Thailand and Malaysia) to the committee.
- Continuous improvement of the company's performance in ESG aspects.



# CERTIFICATIONS & COMPLIANCES





THANK YOU