



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's 1H2022 net profit normalizes to RM208.9 million

- The Group achieved net profit of RM208.9 million on the back of RM754.3 million of revenue for 1H2022
- Amid intensifying competition in the glove market, the Group shifts its focus from producing the standard glove products to cleanroom and specialty products
- The Board recommends a dividend of 10.00 sen (RM) to reward shareholders

Financial Highlights

<u>RM million</u>	<u>1H2022</u>	<u>1H2021</u>	<u>Change (%)</u>
Revenue	754.3	2,019.5	(62.6)
Cost of Goods Sold	(466.0)	(624.3)	(25.3)
Gross Profit	288.3	1,395.2	(79.3)
Profit Before Tax	270.9	1,359.4	(80.1)
Net Profit	208.9	1,040.7	(79.9)
EPS* - fully diluted (sen)	14.10	70.22	

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

SINGAPORE – 11 August 2022 – 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 first half financial results (“1H2022”) ended 30 June 2022.

The Group recorded revenue of RM754.3 million and net profit after tax of RM208.9 million for 1H2022 as less quantity of products were produced with the recovery of the general market back to pre-COVID-19 demand levels.

As the market normalizes in terms of selling prices and demand for medical gloves, lower sales activities and lower performance incentives were observed. This resulted in lower selling and distribution expenses by 31.9% yoy to RM10.6 million, and a lower general and administrative expenses by 29.3% yoy to RM21.9 million.

On the balance sheet end, the Group generated net operating cash flows of RM228.5 million, 78.7% lower yoy due to lower profit before tax. Cash and cash equivalents decreased by RM393.0 million following dividend payout, however as at 30 June 2022, cash and cash equivalents stood at a healthy RM1.23 billion.

The Board recommends an interim dividend of 10.00 sen (RM) per ordinary share to reward shareholders for their support. (1H2021: 10.00 sen (RM) per ordinary share)

Executive Chairman and CEO, **Mr. Wong Teek Son** commented, *“We are the leader in the cleanroom glove business and to maintain our leading position, we are building one new cleanroom facility in each of our locations in Bukit Beruntung and Taiping. This would enable us to meet any surges in cleanroom glove demand in the future. The technical requirements have also made it difficult for competitors to affect our market leadership position for customers new and old.*

The medical glove industry is currently undergoing a normalization trend with demand and ASPs coming off COVID-19 highs. The extensive investment in production expansion from the investments made by the market and new players during the COVID-19 peaks has resulted in a current oversupply of gloves and

inventory. The Malaysian Rubber Glove Manufacturers Association has lowered their projected global demand for rubber gloves for 2022 by 12%¹, confirming the short-term challenges of the industry in Malaysia.

Our planned expansion to increase capacity to 12.0 billion for end 2022 is on track while we continue to fortify our cleanroom gloves segment.

– 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 2021. 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. Kamal Samuel

Mr. Keroy Chua

Email: Riverstone@financialpr.com.sg

Phone: +65 6438 2990

¹ <https://www.businesstimes.com.sg/asean-business/malaysia-sees-global-demand-for-rubber-gloves-falling-as-pandemic-comes-under-control>