

Riverstone reports net profit of RM46.9 million in 2Q2023, increases its range of customised products

- Revenue was sequentially lower due to weakening end demand in the consumer electronics industry; the industry expected to recover in 2024
- Gross margin expanded 2.9 percentage points due to product mix improvement with a higher proportion of customised healthcare gloves and lower raw material costs
- Declared interim dividend of RM0.05 per share, a payout ratio of 79% based on 1H23 net profit

Financial Highlights (RM' million)	2Q23	1Q23	2Q22	q-o-q (%)	y-o-y (%)	1H23	1H22	y-o-y (%)
Revenue	224.2	238.0	352.0	(5.8)	(36.3)	462.2	754.3	(38.7)
Gross Profit	64.8	61.9	133.8	4.7	(51.5)	126.8	288.3	(56.0)
Gross Margin	28.9%	26.0%	38.0%	2.9pts	(9.1pts)	27.4%	38.2%	(10.8pts)
Profit Before Tax	61.6	59.6	126.9	3.4	(51.4)	121.2	270.9	(55.2)
Net Profit	46.9	46.7	100.2	0.3	(53.2)	93.6	208.9	(55.2)
Diluted EPS (sen)	3.16	3.15	6.76	0.3	(53.4)	6.31	14.1	(55.2)

pts = percentage points

Singapore, 7 August 2023 – SGX 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 second quarter (“**2Q2023**”) and six months ended 30 June 2023 (“**1H2023**”).

The Group reported revenue of RM224.2 million in 2Q2023, which was 5.8% lower quarter-on-quarter (“q-o-q”) due to the decrease in cleanroom gloves orders as end-demand for consumer electronics dropped. However, gross profit increased 4.7% q-o-q to RM64.8 million in 2Q2023 while gross profit margin expanded 2.9 percentage points. The improvement was attributed to a better product mix given the increase in customised healthcare gloves products as well as lower raw material costs.

Riverstone declared an interim dividend of 5 sen per share, translating to a dividend payout ratio of 79% based on 1H23 net profit.

Executive Chairman and CEO, **Mr. Wong Teek Son** commented, “Our long-term strategy to reconfigure our product portfolio is gaining good traction. In 2Q2023, we saw a larger proportion of customized products sold to customers in the healthcare segment. These unique products are, on average, better priced and are able to fetch higher margins for the business.”

According to reports by International Data Corp. (“IDC”), global smartphone, PC, and tablet shipments are projected to decline in 2023 but will subsequently rebound in 2024.¹²

“On our cleanroom glove products, though there are some near-term headwinds due to weakening end-demand for consumer electronics, we are anticipating a sector recovery in the first half of next year. That, coupled with an improving product mix will set us up for a stronger FY2024,” Wong added.

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 3,000 people throughout its six manufacturing facilities in Malaysia (4), Thailand (1) and China (1) with an annual production capacity of 10.5 billion gloves. 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 Exchange in 2006. (www.riverstone.com.my)

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

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¹ <https://www.eetasia.com/idc-weak-consumer-demand-continues-to-delay-smartphone-market-recovery/>

² <https://www.idc.com/getdoc.jsp?containerId=prUS50864323#:text=However%2C%20IDC%20expects%20the%20market.by%20the%20end%20of%202027.>