

Riverstone Holdings Ltd

Corporate
Presentation
3Q2023



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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



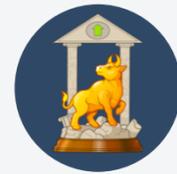
1989



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

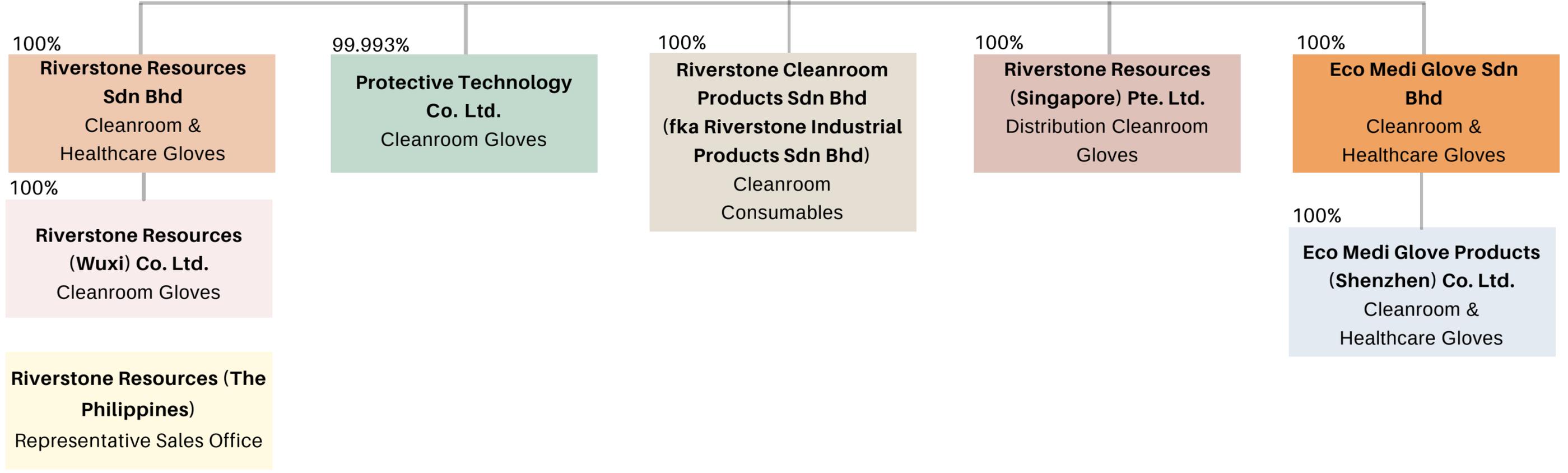
2020/21



GROUP STRUCTURE



Riverstone Holdings Limited
(Investment Holding)





BUSINESS SITES



 **MALAYSIA (BUKIT BERUNTUNG)**
RIVERSTONE RESOURCES SDN BHD



 **MALAYSIA (TAIPING)**
RIVERSTONE RESOURCES SDN BHD



 **MALAYSIA (BUKIT BERUNTUNG)**
RIVERSTONE CLEANROOM PRODUCTS SDN BHD
fka 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



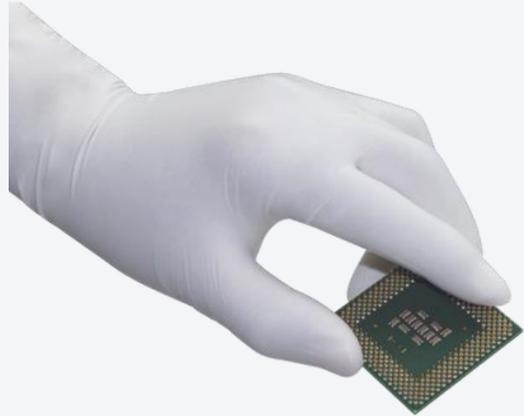
Examination gloves



Food grade gloves



Personal protective equipment



01 Introduction

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

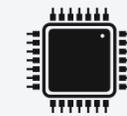
02 Product Suite

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

03 Business Model

- (i) Riverstone is an own-brand manufacturer (OBM), developing high tech cleanroom gloves that's sold directly to customers via regional offices
- (ii) 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 (3Q2023 unaudited)

YOY Comparison

QOQ Comparison

Result Overview

Result Overview

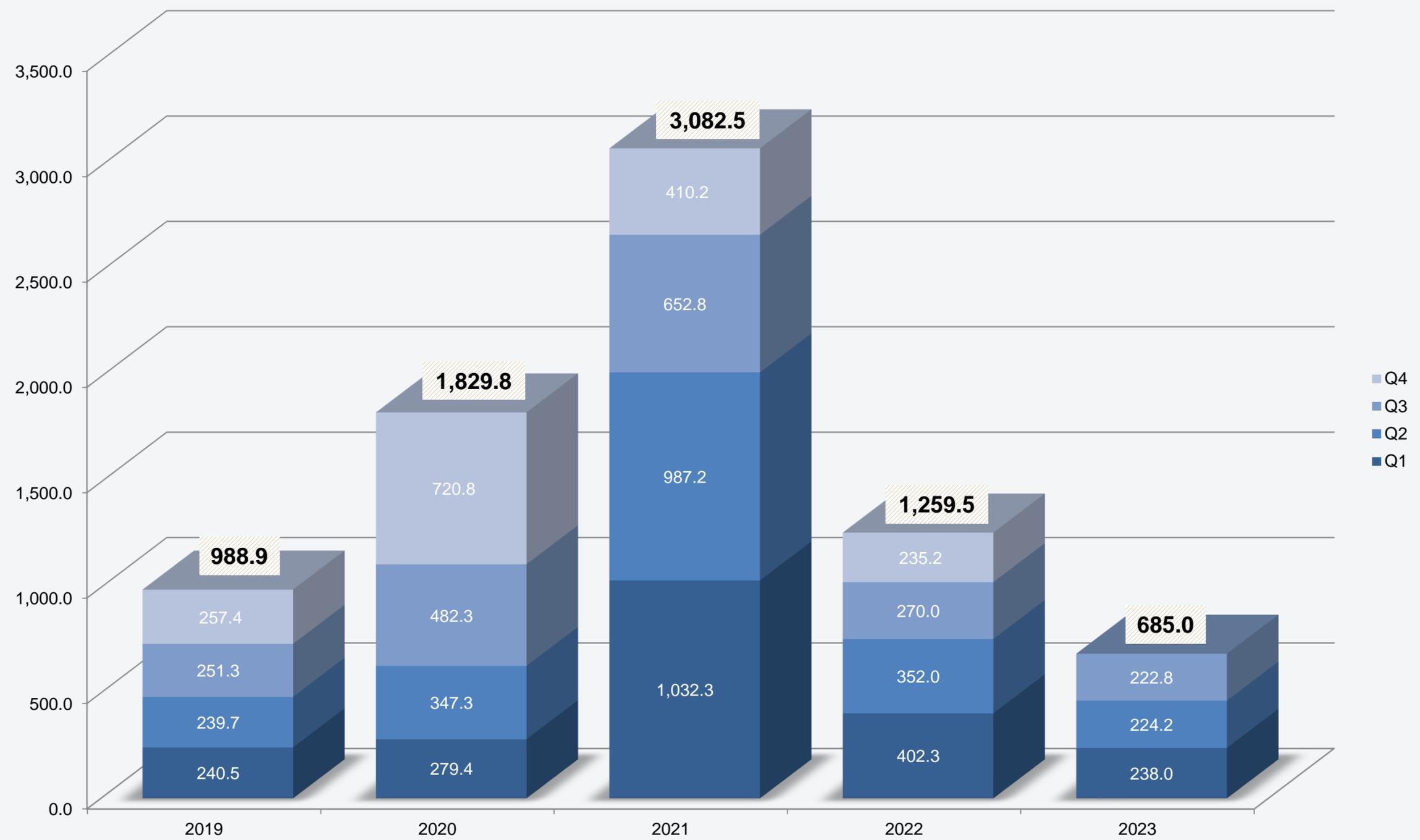
	9M2023 (RM'000)	9M2022 (RM'000)	Change (%)	3Q2023 (RM'000)	2Q2023 (RM'000)	Change (%)
Revenue	684,962	1,024,307	(33.1)	222,801	224,160	(0.6)
Gross Profit	204,557	379,507	(46.1)	77,784	64,828	20.0
Profit Before Tax	194,760	358,808	(45.7)	73,513	61,637	19.3
Net Profit	152,850	272,385	(43.9)	59,267	46,864	26.5

*Totalled figures may have some discrepancy due to rounding



FINANCIAL HIGHLIGHTS (3Q2023 unaudited)

Revenue (RM'million)

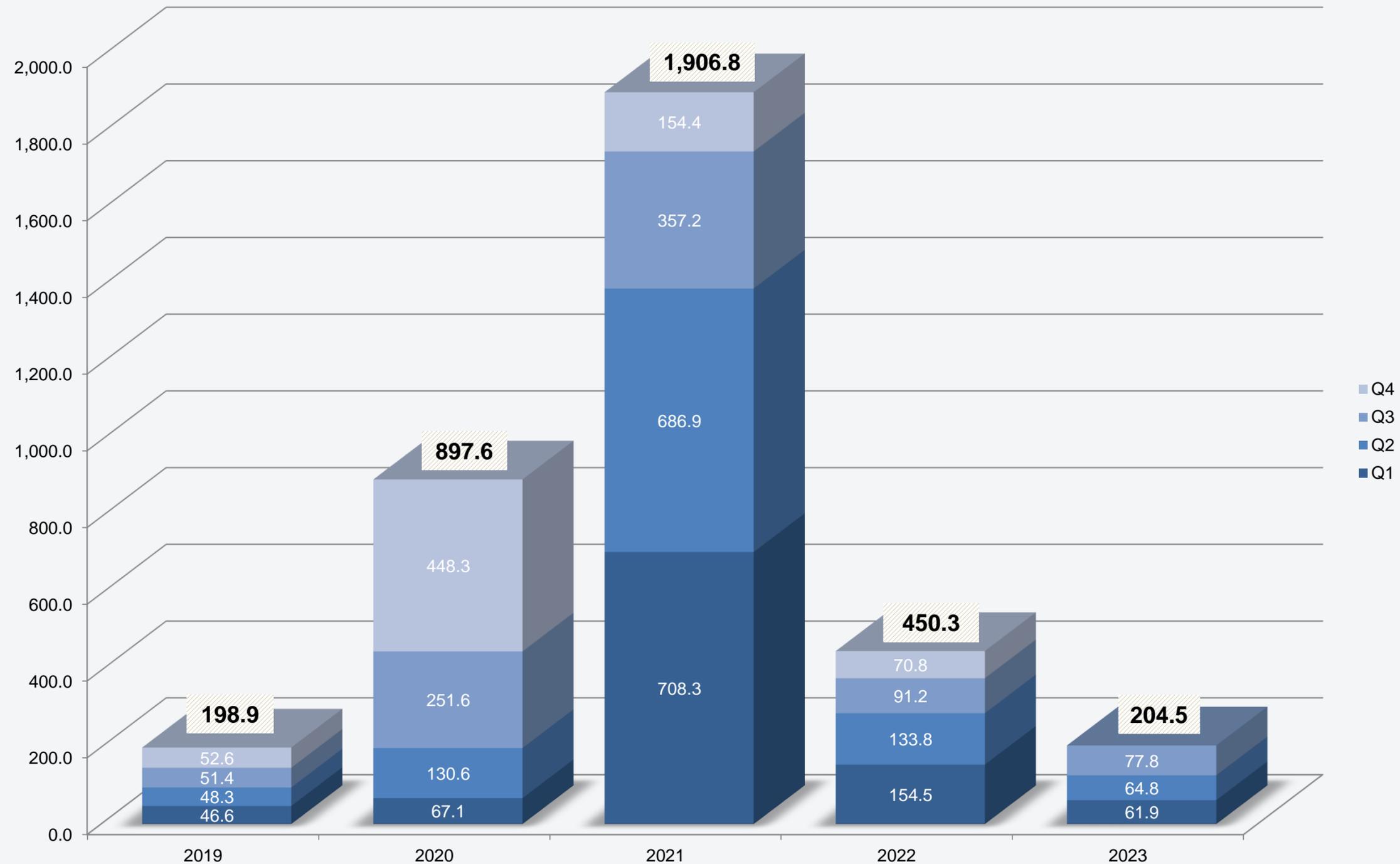


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FINANCIAL HIGHLIGHTS (3Q2023 unaudited)

Gross Profit (RM'million)

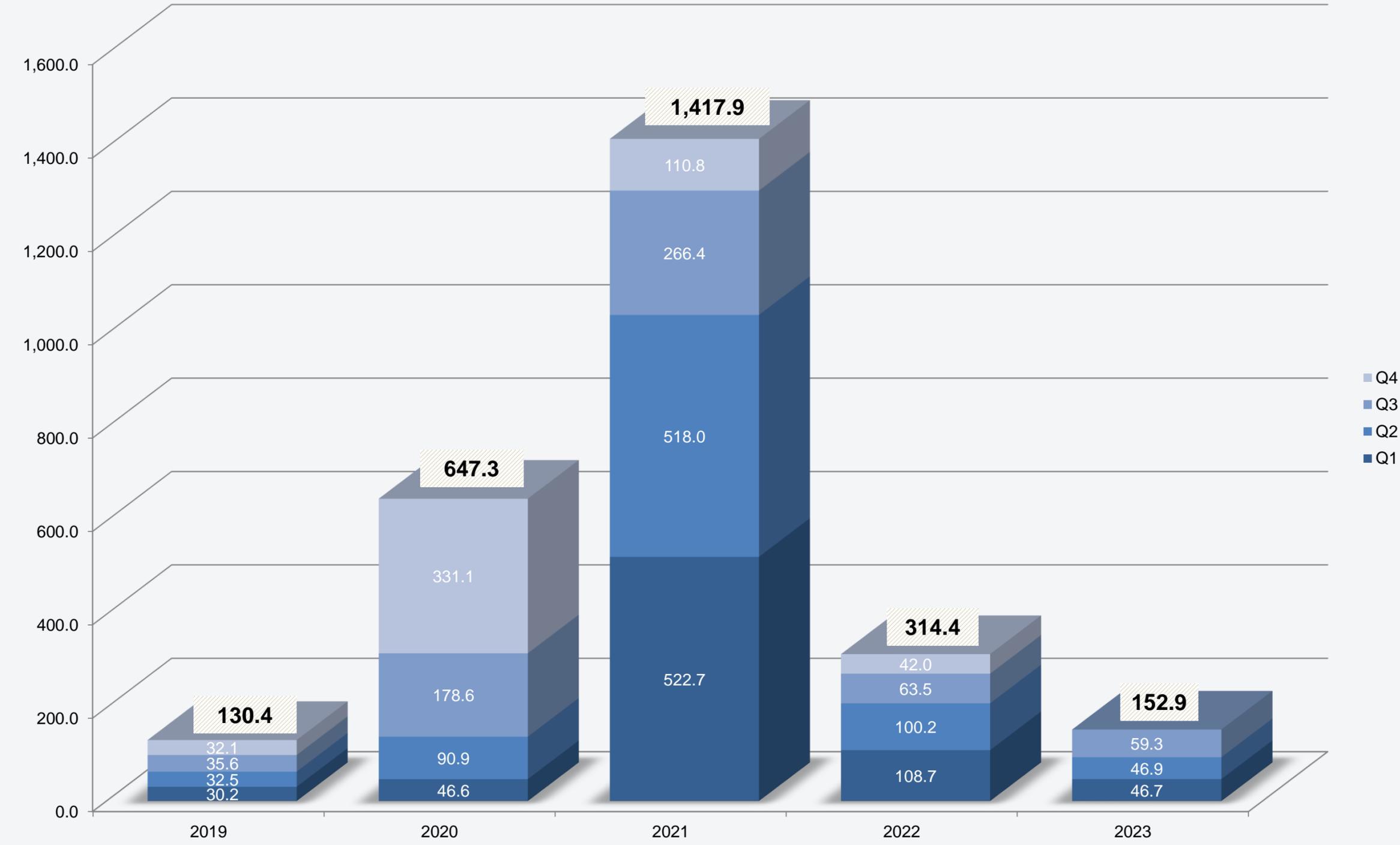


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FINANCIAL HIGHLIGHTS (3Q2023 unaudited)

Net Profit (RM'million)

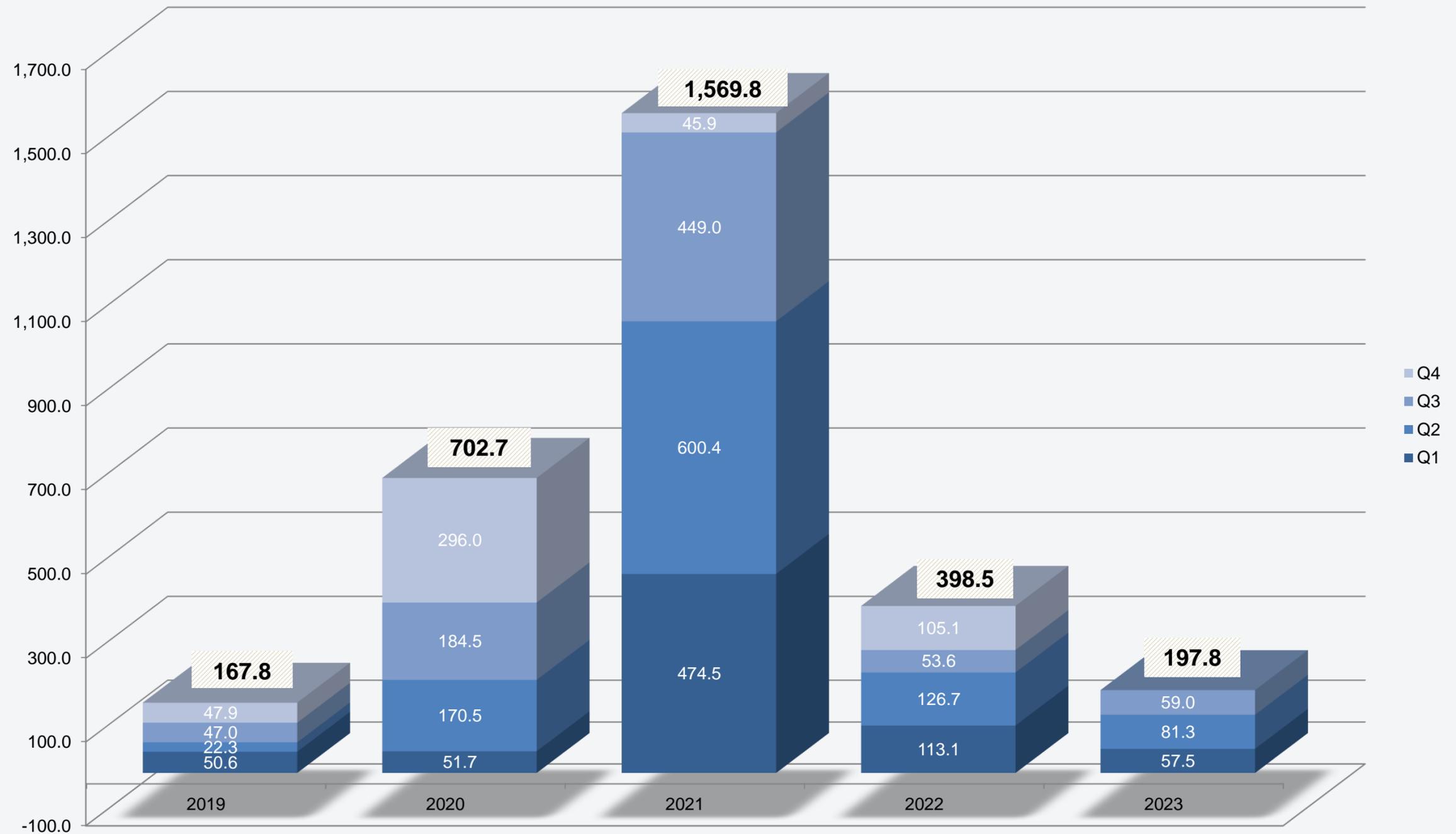


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FINANCIAL HIGHLIGHTS (3Q2023 unaudited)

Operating Cash Flow (RM'million)



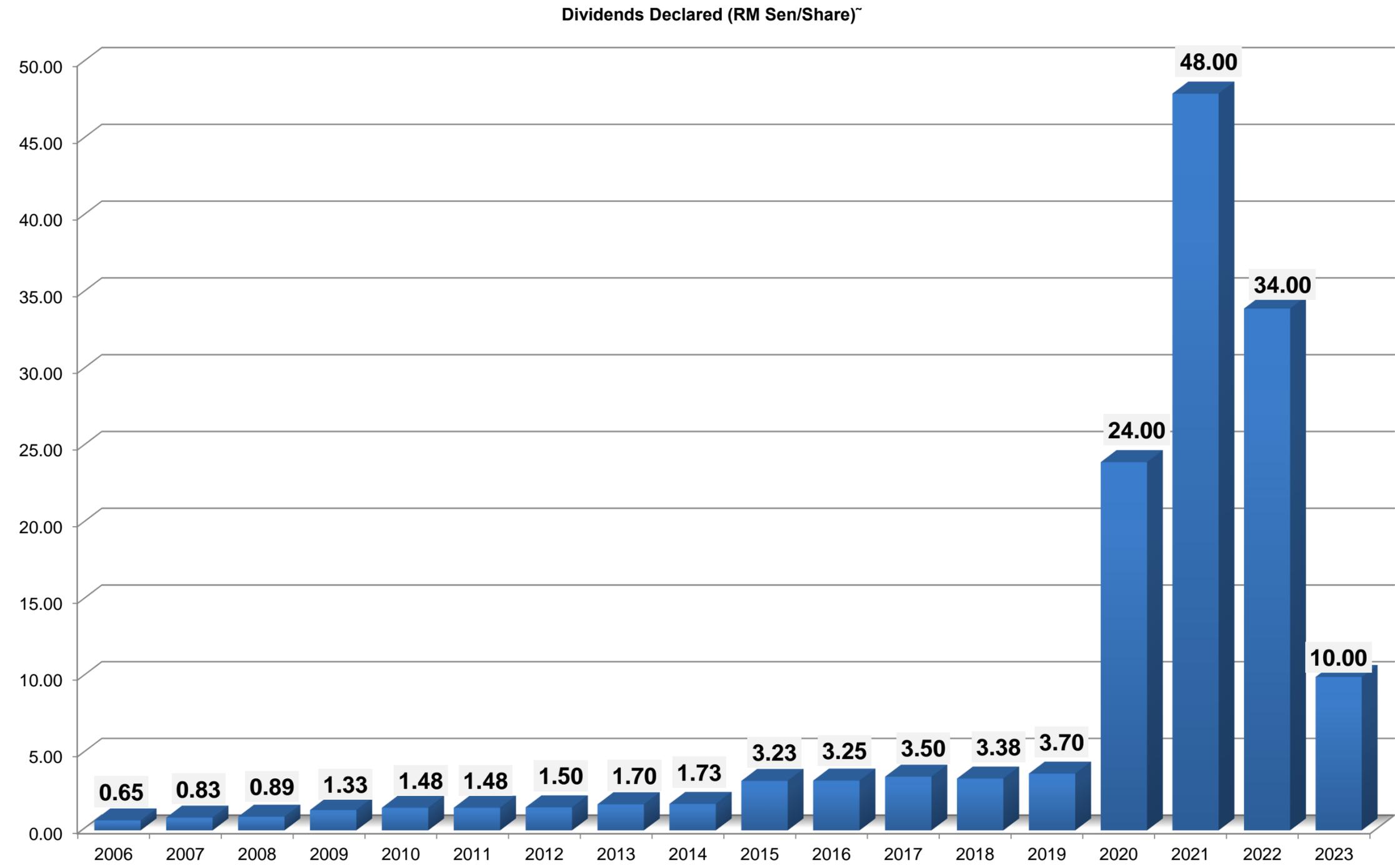
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FINANCIAL HIGHLIGHTS (9M2023 unaudited)

Consistent Dividend since IPO

Dividend Payout Ratio	
9M2023	97.0%
FY2022	160.3%
FY2021	50.2%
FY2020	55.0%
FY2019	42.0%
FY2018	38.6%
FY2017	40.7%
FY2016	40.0%
FY2015	37.8%
FY2014	36.0%
FY2013	42.4%
FY2012	49.3%
FY2011	48.4%
FY2010	45.5%
FY2009	55.6%
FY2008	45.2%
FY2007	45.0%





Competitive Advantages



Extensive R&D



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



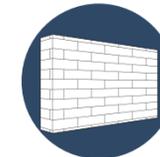
Partnership & collaboration with
customers



Solutions provider



State-of-the-art product
testing facilities



High barrier to entry for cleanroom
gloves



RESILIENT BALANCE SHEET AT ALL TIMES SINCE 2006

- Net cash position
- Sustainable positive operating cash flow

CONSISTENT DIVIDEND PAYOUT

- Consistent payout since listing

DISTINCTION FROM PEERS

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

EXTENSIVE R&D

- 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

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

ESG FOCUS

- Committed to a sustainable future and ESG improvement

Challenges



Competition from newcomers & Chinese manufacturers



Increase in gas, utility and labour cost

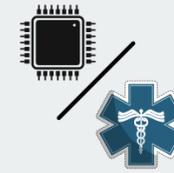


Overcapacity of medical gloves in industry



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

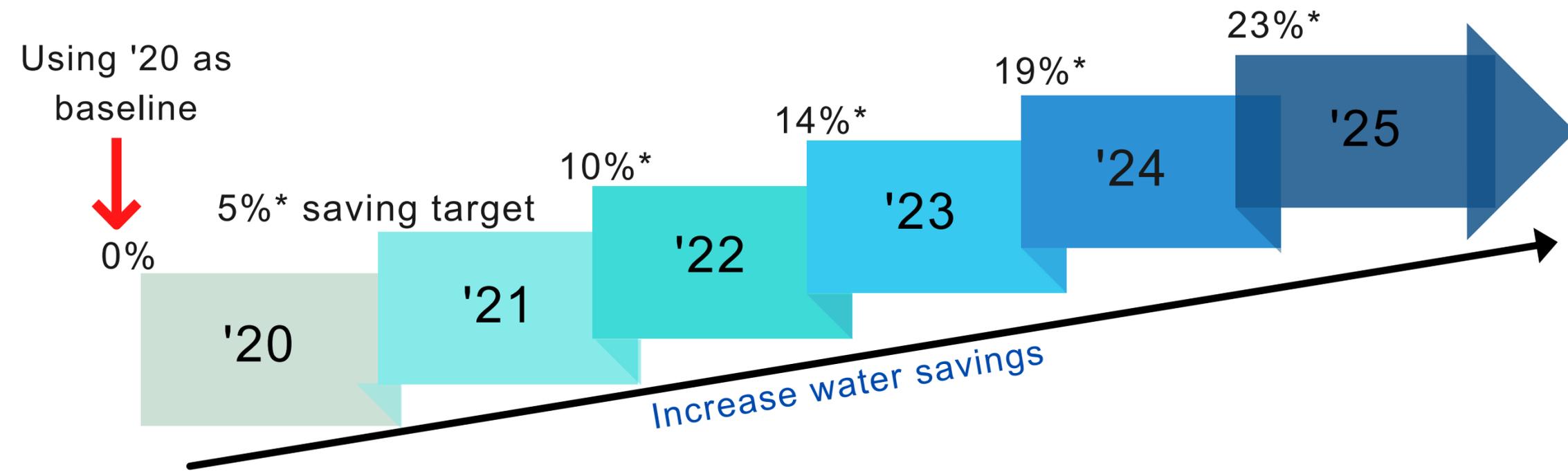


Riverstone Holdings Ltd

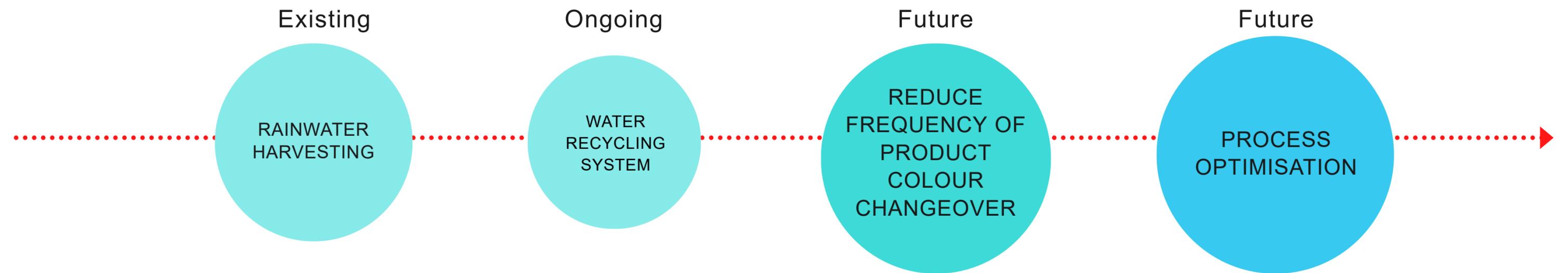
ESG presentation 2023



REDUCE WATER USAGE



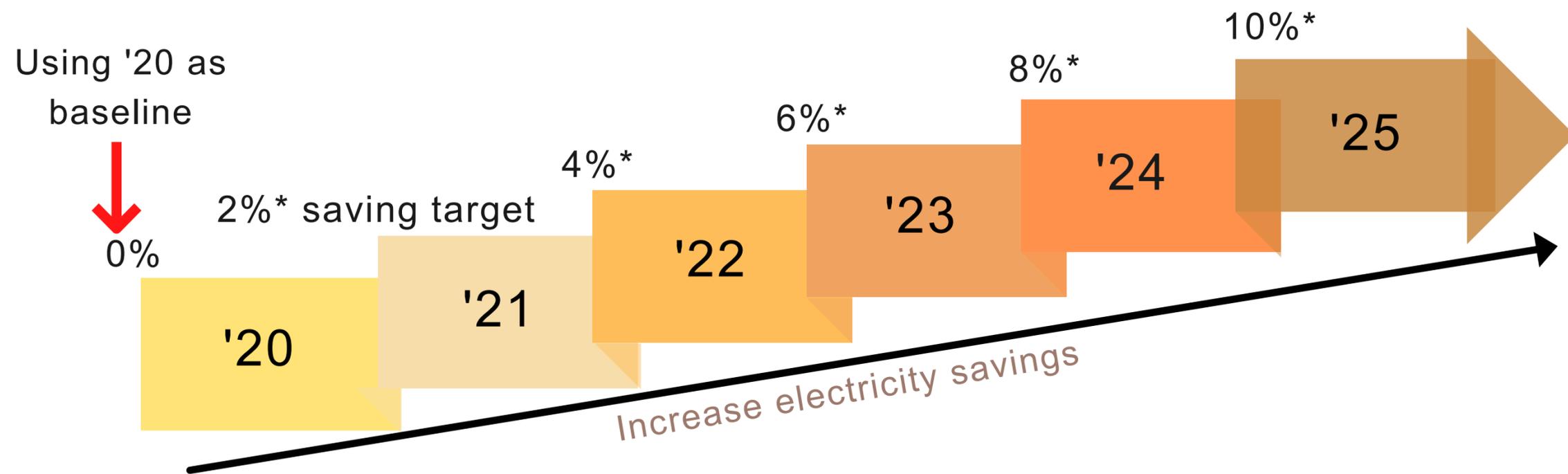
*All % water savings are calculated by using '20 as the baseline.



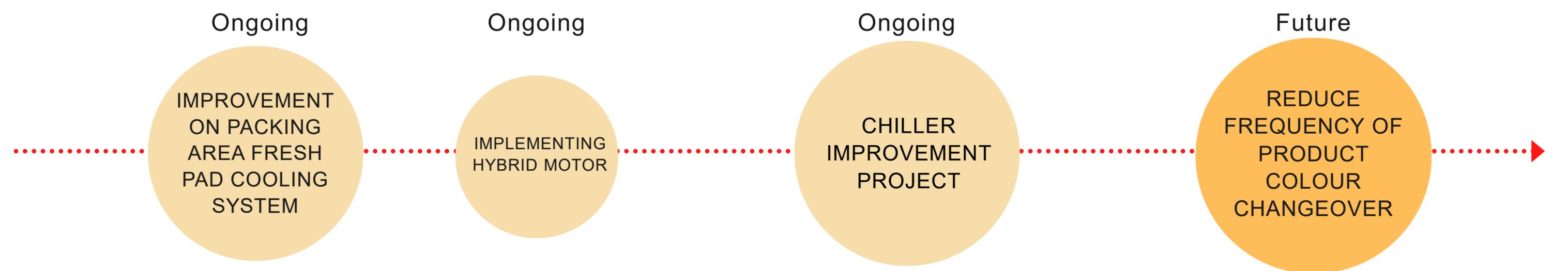
• Reduce water withdrawal

• Reduce water consumption

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"

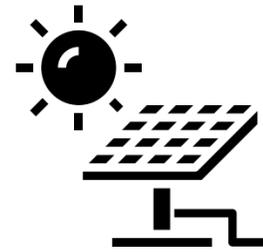
Reduced Product Colour Options = Fewer Changeovers = Waste is Minimised



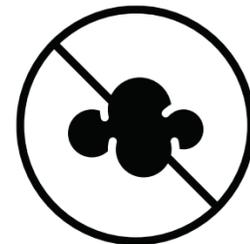
Objective: Sales team to encourage customers to reduce glove colour options.

SUSTAINABLE ENERGY WITH EMISSION REDUCTION

Solar panel

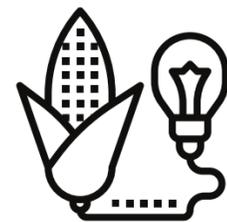


- Aims to generate 600,000 kWh electricity from solar energy annually.



- Reduces greenhouse gas emission by approximately 351 tCO₂e/year.

Biomass



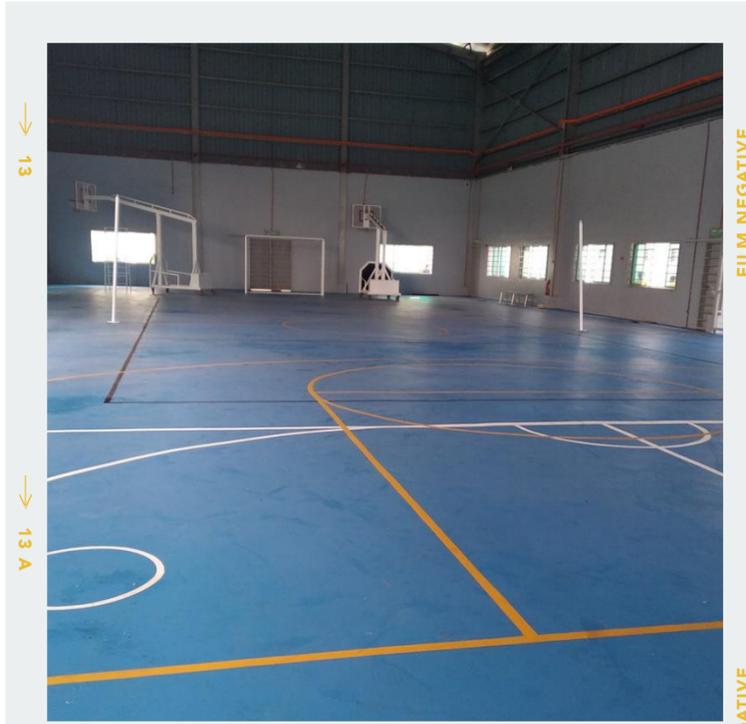
- Biomass is a renewable energy source from byproducts (sawdust, wood chips & palm kernels).



- Continuous Emission Monitoring System (CEMS) has been 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, 2 executive directors and 2 alternate 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



- Comprises representatives from 8 departments (Production, Engineering, R&D, Maintenance, QA, Health & Safety, Finance and HR).
- Appointed individual country heads (China, Thailand and Malaysia) to the committee.
- Responsible for the continuous improvement of the company's performance in ESG aspects.



CERTIFICATIONS & COMPLIANCES





THANK YOU