

Company Registration No. 200510666D

## Riverstone Holdings Limited

Condensed Interim Consolidated Financial Statements  
For the six months and full year ended 31 December 2021

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## Riverstone Holdings Limited and Subsidiary Companies

### A. Condensed interim consolidated statement of profit or loss and other comprehensive income

	Note	Group			
		6 months ended 31 December 2021	6 months ended 31 December 2020	12 months ended 31 December 2021	12 months ended 31 December 2020
		RM'000	RM'000	RM'000	RM'000
<b>Revenue</b>	4	1,062,956	1,203,181	3,082,447	1,829,882
Cost of sales		(551,343)	(503,296)	(1,175,615)	(932,269)
<b>Gross profit</b>		511,613	699,885	1,906,832	897,613
Other income		12,158	3,141	18,169	4,680
Selling and distribution expenses		(12,830)	(12,692)	(28,410)	(22,010)
General and administrative expenses		(17,647)	(18,722)	(48,555)	(34,427)
Other operating income/(expenses) – net		5,965	(5,331)	10,703	(4,148)
<b>Operating profit</b>		499,259	666,281	1,858,739	841,708
Finance costs		(52)	(148)	(150)	(355)
<b>Profit before taxation</b>	6	499,207	666,133	1,858,589	841,353
Income tax expense	7	(122,045)	(156,405)	(440,696)	(194,099)
<b>Profit for the financial period</b>		377,162	509,728	1,417,893	647,254
<b>Other comprehensive income:</b>					
<b>Items that may be reclassified subsequently to profit or loss</b>					
Foreign currency translation		(2,000)	(7,275)	1,117	(5,585)
Other comprehensive income for the financial period		(2,000)	(7,275)	1,117	(5,585)
<b>Total comprehensive income for the financial period</b>		375,162	502,453	1,419,010	641,669
<b>Profit attributable to:</b>					
Equity holders of the Company		377,162	509,728	1,417,893	647,254
Non-controlling interests		– (1)	– (1)	– (1)	– (1)
		377,162	509,728	1,417,893	647,254
<b>Total comprehensive income attributable to:</b>					
Equity holders of the Company		375,162	502,453	1,419,010	641,669
Non-controlling interests		– (1)	– (1)	– (1)	– (1)
		375,162	502,453	1,419,010	641,669
<b>Earnings per share</b>					
Basic (sen)		25.44	34.39	95.66	43.67
Diluted (sen)		25.44	34.39	95.66	43.67

(1) Denotes amounts less than RM500.

## Riverstone Holdings Limited and Subsidiary Companies

### B. Condensed interim statements of financial position

		Group		Company	
	Note	31 December 2021	31 December 2020	31 December 2021	31 December 2020
		RM'000	RM'000	RM'000	RM'000
<b>Non-current assets</b>					
Property, plant and equipment	11	691,194	587,281	–	–
Investments in subsidiary companies		–	–	202,794	199,236
Deferred tax assets		823	570	–	–
		692,017	587,851	202,794	199,236
<b>Current assets</b>					
Inventories		153,012	121,989	–	–
Trade receivables		232,009	319,735	–	–
Other receivables		2,755	1,213	153,754	20,064
Prepayments		5,404	4,963	58	57
Derivatives	10	1,335	2,931	–	–
Tax recoverable		145	145	–	–
Fixed deposits		982,933	296,707	417,096	281,522
Cash at banks and in hand		629,998	352,236	7,334	5,526
		2,007,591	1,099,919	578,242	307,169
<b>Total assets</b>		2,699,608	1,687,770	781,036	506,405
<b>Current liabilities</b>					
Payables and accruals		152,849	166,376	305	332
Borrowings	12	1,578	6,516	–	–
Contract liabilities		6,187	15,415	–	–
Provision for taxation		151,396	93,586	31	31
		312,010	281,893	336	363
<b>Net current assets</b>		1,695,581	818,026	577,906	306,806
<b>Non-current liabilities</b>					
Borrowings	12	–	1,542	–	–
Employee benefit obligations		531	511	–	–
Deferred tax liabilities		54,610	45,727	–	–
		55,141	47,780	–	–
<b>Total liabilities</b>		367,151	329,673	336	363
<b>Net assets</b>		2,332,457	1,358,097	780,700	506,042

Riverstone Holdings Limited and Subsidiary Companies

B. Condensed interim statements of financial position (cont'd)

	Note	Group		Company	
		31 December 2021	31 December 2020	31 December 2021	31 December 2020
		RM'000	RM'000	RM'000	RM'000
<b>Equity attributable to owners of the Company</b>					
Share capital	13	156,337	156,337	156,337	156,337
Treasury shares		(815)	(815)	(815)	(815)
Reserves		2,176,930	1,202,570	625,178	350,520
		2,332,452	1,358,092	780,700	506,042
<b>Non-controlling interests</b>		5	5	–	–
<b>Total equity</b>		2,332,457	1,358,097	780,700	506,042
<b>Total equity and liabilities</b>		2,699,608	1,687,770	781,036	506,405

Riverstone Holdings Limited and Subsidiary Companies

C. Condensed interim statements of changes in equity

Group	Attributable to equity holders of the Company				Total reserves RM'000	Non-controlling interests RM'000	Total equity RM'000
	Share capital (Note 13) RM'000	Treasury shares RM'000	Retained earnings RM'000	Other reserves RM'000			
<b>2021</b>							
<b>Balance at 1 January 2021</b>	156,337	(815)	1,245,405	(42,835)	1,202,570	5	1,358,097
Profit for the financial period	–	–	1,417,893	–	1,417,893	– <sup>(1)</sup>	1,417,893
Other comprehensive income for the financial period	–	–	–	1,117	1,117	–	1,117
Total comprehensive income for financial period	–	–	1,417,893	1,117	1,419,010	– <sup>(1)</sup>	1,419,010
Dividends (Note 8)	–	–	(444,650)	–	(444,650)	– <sup>(1)</sup>	(444,650)
Transfer to statutory reserve	–	–	(3,008)	3,008	–	–	–
<b>Balance at 31 December 2021</b>	156,337	(815)	2,215,640	(38,710)	2,176,930	5	2,332,457
<b>2020</b>							
<b>Balance at 1 January 2020</b>	156,337	(815)	672,189	(38,291)	633,898	5	789,425
Profit for the financial period	–	–	647,254	–	647,254	– <sup>(1)</sup>	647,254
Other comprehensive income for the financial period	–	–	–	(5,585)	(5,585)	–	(5,585)
Total comprehensive income for the financial period	–	–	647,254	(5,585)	641,669	– <sup>(1)</sup>	641,669
Dividends (Note 8)	–	–	(72,997)	–	(72,997)	– <sup>(1)</sup>	(72,997)
Transfer to statutory reserve	–	–	(1,041)	1,041	–	–	–
<b>Balance at 31 December 2020</b>	156,337	(815)	1,245,405	(42,835)	1,202,570	5	1,358,097

<sup>(1)</sup> Denotes amounts less than RM500.

Riverstone Holdings Limited and Subsidiary Companies

C. Condensed interim statements of changes in equity (cont'd)

Company	Share capital (Note 13) RM'000	Treasury shares RM'000	Retained earnings RM'000	Other reserves RM'000	Total reserves RM'000	Total equity RM'000
<b>2021</b>						
<b>Balance at 1 January 2021</b>	156,337	(815)	313,393	37,127	350,520	506,042
Profit for the financial period	–	–	713,029	–	713,029	713,029
Other comprehensive income for the financial period	–	–	–	6,279	6,279	6,279
Total comprehensive income for the financial period	–	–	713,029	6,279	719,308	719,308
Dividends (Note 8)	–	–	(444,650)	–	(444,650)	(444,650)
<b>Balance at 31 December 2021</b>	156,337	(815)	581,772	43,406	625,178	780,700
<b>2020</b>						
<b>Balance at 1 January 2020</b>	156,337	(815)	50,436	43,246	93,682	249,204
Profit for the financial period	–	–	335,954	–	335,954	335,954
Other comprehensive income for the financial period	–	–	–	(6,119)	(6,119)	(6,119)
Total comprehensive income for the financial period	–	–	335,954	(6,119)	329,835	329,835
Dividends (Note 8)	–	–	(72,997)	–	(72,997)	(72,997)
<b>Balance at 31 December 2020</b>	156,337	(815)	313,393	37,127	350,520	506,042

## Riverstone Holdings Limited and Subsidiary Companies

### D. Condensed interim consolidated statement of cash flows

	Group	
	12 months ended 31 December 2021 RM'000	12 months ended 31 December 2020 RM'000
<b>Cash flows from operating activities</b>		
Profit before taxation	1,858,589	841,353
Adjustments for:		
Depreciation of property, plant and equipment	55,790	52,559
Property, plant and equipment written off	136	84
Gain on disposal of property, plant and equipment	(125)	(890)
Fair value loss/(gain) on derivatives	1,596	(1,270)
Interest expense	150	355
Interest income	(16,189)	(3,161)
<b>Operating cash flows before working capital changes</b>	1,899,947	889,030
Increase in inventories	(31,023)	(24,694)
Decrease/(increase) in receivables and prepayments	85,743	(164,750)
Increase in employee benefit obligations	20	47
(Decrease)/increase in payables, accruals and contract liabilities	(26,651)	62,324
<b>Cash flows generated from operations</b>	1,928,036	761,957
Interest paid	(150)	(355)
Interest received	16,189	3,161
Income tax paid	(374,256)	(62,051)
<b>Net cash flows generated from operating activities</b>	1,569,819	702,712
<b>Cash flows from investing activities</b>		
Proceeds from disposal of property, plant and equipment	434	1,859
Purchase of property, plant and equipment	(156,346)	(91,815)
Installments paid for purchase of land	–	(9,171)
<b>Net cash flows used in investing activities</b>	(155,912)	(99,127)
<b>Cash flows from financing activities</b>		
Proceeds from revolving credit	–	2,000
Repayment of revolving credit	–	(2,000)
Repayment of borrowings	(6,000)	(6,000)
Payment of principal portion of lease liabilities	(540)	(526)
Dividends paid	(444,650)	(72,997)
<b>Net cash flows used in financing activities</b>	(451,190)	(79,523)
Net increase in cash and cash equivalents	962,717	524,062
Effect of foreign currency exchange rates	1,271	(5,528)
Cash and cash equivalents at beginning of financial year	648,943	130,409
<b>Cash and cash equivalents at end of the financial year</b>	1,612,931	648,943



## Riverstone Holdings Limited and Subsidiary Companies

### E. Notes to the condensed interim consolidated financial statements

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#### 1. Corporate information

Riverstone Holdings Limited (the Company) is incorporated and domiciled in Singapore and whose shares are publicly traded on the Mainboard of the Singapore Exchange. These condensed interim consolidated financial statements as at and for the six months ended 31 December 2021 comprise the Company and its subsidiaries (collectively, the Group).

The principal activity of the Company is investment holding. The principal activities of the subsidiary companies are set out as below:

<b>Name of company (Country of incorporation)</b>	<b>Principal activities</b>
(1) Riverstone Resources Sdn Bhd (Malaysia)	Manufacturer and distributor of examination gloves, cleanroom gloves and finger cots
Riverstone Industrial Products Sdn Bhd (Malaysia)	Manufacturer of plastic bags and trader in latex products
(2) Eco Medi Glove Sdn Bhd (Malaysia)	Manufacturer and distributor of examination gloves, cleanroom gloves and finger cots
Eco Star Glove Sdn Bhd (Malaysia)	Manufacturer and distributor of examination gloves, cleanroom gloves and finger cots
Protective Technology Co. Ltd (Thailand)	Manufacturer and distributor of cleanroom gloves
Riverstone Resources (S) Pte Ltd (Singapore)	Distributor of cleanroom products

(1) Subsidiary company held by Riverstone Resources Sdn Bhd:

<b>Name of company (Country of incorporation)</b>	<b>Principal activities</b>
Riverstone Resources (Wuxi) Co. Ltd (People's Republic of China)	Processing and packing of cleanroom gloves

(2) Subsidiary company held by Eco Medi Glove Sdn Bhd:

<b>Name of company (Country of incorporation)</b>	<b>Principal activities</b>
Eco Medi Glove Products (Shenzhen) Co. Ltd (People's Republic of China)	Distributor of cleanroom and medical glove products

**E. Notes to the condensed interim consolidated financial statements**

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**2. Basis of preparation**

The condensed interim consolidated financial statements for the six months ended 31 December 2021 have been prepared in accordance with Singapore Financial Reporting Standards (International) (“SFRS(I)”) 1-34 *Interim Financial Reporting* issued by the Accounting Standards Council Singapore. The condensed interim consolidated financial statements do not include all the information required for a complete set of financial statements. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group’s financial position and performance of the Group since the last interim financial statements for the year ended 30 June 2021.

The accounting policies adopted are consistent with those of the previous financial year which were prepared in accordance with SFRS(I)s, except for the adoption of new and amended standards as set out in Note 2.1.

The condensed interim consolidated financial statements are presented in Ringgit Malaysia (“RM”) and all values are rounded to the nearest thousand (“RM’000”), except when otherwise indicated.

**2.1 New and amended standards adopted by the Group**

A number of amendments to Standards have become applicable for the current reporting period. The Group did not have to change its accounting policies or make retrospective adjustments as a result of adopting those standards.

**2.2 Use of judgements and estimates**

In preparing the condensed interim consolidated financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

Management is of the opinion that there is no significant judgement made in applying accounting policies and no estimation uncertainty that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

**3. Seasonal operations**

The Group’s businesses are not affected significantly by seasonal or cyclical factors during the financial period.

E. Notes to the condensed interim consolidated financial statements

4. Segment information

The management considers the business from both a geographic and business segment perspective. Geographically, management manages and monitors the business in the three primary geographic areas: Malaysia, Thailand and China. All geographic locations are engaged in the manufacture and sale of gloves and non-glove consumables such as finger cots, static shielding bags, face masks, wipers and packaging materials.

Segment results, assets and liabilities include items directly attributable to a segment as well as those that can be allocated on a reasonable basis.

Inter-segment pricing, if any, is determined on an arm's length basis. Segment revenue, expenses and results include transfers between segments. These transfers are eliminated on consolidation.

Segment capital expenditure is the total cost incurred during the period to acquire segment assets which are expected to be used for more than one period.

(a) **Geographical information**

	Malaysia	Thailand	China	Others	Eliminations	Total
1 July 2021 to 31 December 2021	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
<b>Revenue:</b>						
External	963,737	43,183	45,046	10,990	–	1,062,956
Inter segment	144,095	29,237	3,270	526,610 <sup>(1)</sup>	(703,212)	–
Total revenue	1,107,832	72,420	48,316	537,600	(703,212)	1,062,956
<b>Results:</b>						
Segment result	432,260	34,836	15,495	529,111	(512,443)	499,259
Finance costs	(31)	–	(21)	–	–	(52)
Profit before taxation	432,229	34,836	15,474	529,111	(512,443)	499,207
Income tax expense	(110,460)	(5,300)	(3,872)	(2,125)	(288)	(122,045)
Total profit	321,769	29,536	11,602	526,986	(512,731)	377,162
<b>Assets and liabilities:</b>						
Segment assets	2,230,588	75,032	72,117	437,890	(116,019)	2,699,608
Segment liabilities	438,696	13,394	9,226	4,980	(99,145)	367,151
<b>Other segment information:</b>						
Additions to non-current assets	78,829	3	22	5	–	78,859

(1) Includes dividend income from subsidiaries.

## Riverstone Holdings Limited and Subsidiary Companies

### E. Notes to the condensed interim consolidated financial statements

#### 4. Segment information (cont'd)

##### (a) Geographical information (cont'd)

1 July 2020 to 31 December 2020	Malaysia	Thailand	China	Others	Eliminations	Total
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
<b>Revenue:</b>						
External	1,123,781	23,666	42,843	12,891	–	1,203,181
Inter segment	170,957	25,002	6,764	308,740 <sup>(1)</sup>	(511,463)	–
Total revenue	1,294,738	48,668	49,607	321,631	(511,463)	1,203,181
<b>Results:</b>						
Segment result	631,772	17,730	13,429	309,321	(305,971)	666,281
Finance costs	(1,203)	–	(32)	–	1,087	(148)
Profit before taxation	630,569	17,730	13,397	309,321	(304,884)	666,133
Income tax expense	(150,019)	(2,303)	(2,983)	(1,845)	745	(156,405)
Total profit	480,550	15,427	10,414	307,476	(304,139)	509,728
<b>Assets and liabilities:</b>						
Segment assets	1,361,900	53,427	50,752	300,184	(78,493)	1,687,770
Segment liabilities	355,803	11,575	17,622	9,594	(64,921)	329,673
<b>Other segment information:</b>						
Additions to non-current assets	71,296	85	1,826	1	–	73,208

<sup>(1)</sup> Includes dividend income from subsidiaries.

## Riverstone Holdings Limited and Subsidiary Companies

### E. Notes to the condensed interim consolidated financial statements

#### 4. Segment information (cont'd)

##### (a) Geographical information (cont'd)

1 January 2021 to 31 December 2021	Malaysia	Thailand	China	Others	Eliminations	Total
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
<b>Revenue:</b>						
External	2,867,588	84,749	94,263	35,847	–	3,082,447
Inter segment	324,569	53,492	10,289	716,546 <sup>(1)</sup>	(1,104,896)	–
Total revenue	3,192,157	138,241	104,552	752,393	(1,104,896)	3,082,447
<b>Results:</b>						
Segment result	1,754,043	65,381	35,779	721,519	(717,983)	1,858,739
Finance costs	(102)	–	(48)	–	–	(150)
Profit before taxation	1,753,941	65,381	35,731	721,519	(717,983)	1,858,589
Income tax expense	(416,402)	(9,573)	(8,946)	(3,679)	(2,096)	(440,696)
Total profit	1,337,539	55,808	26,785	717,840	(720,079)	1,417,893
<b>Assets and liabilities:</b>						
Segment assets	2,230,588	75,032	72,117	437,890	(116,019)	2,699,608
Segment liabilities	438,696	13,394	9,226	4,980	(99,145)	367,151
<b>Other segment information:</b>						
Additions to non-current assets	159,615	495	127	5	–	160,242

<sup>(1)</sup> Includes dividend income from subsidiaries.

## Riverstone Holdings Limited and Subsidiary Companies

### E. Notes to the condensed interim consolidated financial statements

#### 4. Segment information (cont'd)

##### (a) Geographical information (cont'd)

1 January 2020 to 31 December 2020	Malaysia	Thailand	China	Others	Eliminations	Total
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
<b>Revenue:</b>						
External	1,691,259	42,752	70,156	25,715	–	1,829,882
Inter segment	324,199	48,948	9,459	339,665 <sup>(1)</sup>	(722,271)	–
Total revenue	2,015,458	91,700	79,615	365,380	(722,271)	1,829,882
<b>Results:</b>						
Segment result	794,909	34,414	16,246	339,992	(343,853)	841,708
Finance costs	(3,802)	–	(32)	–	3,479	(355)
Profit before taxation	791,107	34,414	16,214	339,992	(340,374)	841,353
Income tax expense	(183,722)	(4,269)	(3,520)	(2,435)	(153)	(194,099)
Total profit	607,385	30,145	12,694	337,557	(340,527)	647,254
<b>Assets and liabilities:</b>						
Segment assets	1,361,900	53,427	50,752	300,184	(78,493)	1,687,770
Segment liabilities	355,803	11,575	17,622	9,594	(64,921)	329,673
<b>Other segment information:</b>						
Additions to non-current assets	102,800	370	5,476	1	–	108,647

<sup>(1)</sup> Includes dividend income from subsidiaries.

##### (b) Business information

The Group predominantly manufactures and sells gloves. It is not meaningful to show the total assets employed and capital expenditure by business activities as the assets and liabilities are generally shared and not identifiable by business segments.

	Gloves	Others	Total
	RM'000	RM'000	RM'000
<b>Revenue:</b>			
Sales to external customers			
- 6 months ended 31 December 2021	1,051,588	11,368	1,062,956
- 6 months ended 31 December 2020	1,182,609	20,572	1,203,181
- 12 months ended 31 December 2021	3,057,942	24,505	3,082,447
- 12 months ended 31 December 2020	1,792,402	37,480	1,829,882

## Riverstone Holdings Limited and Subsidiary Companies

### E. Notes to the condensed interim consolidated financial statements

#### 5. Financial assets and financial liabilities

Set out below is an overview of the financial assets and financial liabilities of the Group as at 31 December 2021 and 31 December 2020:

	<b>Group</b>		<b>Company</b>	
	<b>31</b>	<b>31</b>	<b>31</b>	<b>31</b>
	<b>December</b>	<b>December</b>	<b>December</b>	<b>December</b>
	<b>2021</b>	<b>2020</b>	<b>2021</b>	<b>2020</b>
	RM'000	RM'000	RM'000	RM'000
<b>Financial Assets:</b>				
Financial assets at fair value through profit or loss (FVPL)	1,335	2,931	–	–
Cash and bank balances, fixed deposits, trade and other receivables (Amortised cost)	1,847,393	969,766	578,184	307,112
	<u>1,848,728</u>	<u>972,697</u>	<u>578,184</u>	<u>307,112</u>

	<b>Group</b>		<b>Company</b>	
	<b>31</b>	<b>31</b>	<b>31</b>	<b>31</b>
	<b>December</b>	<b>December</b>	<b>December</b>	<b>December</b>
	<b>2021</b>	<b>2020</b>	<b>2021</b>	<b>2020</b>
	RM'000	RM'000	RM'000	RM'000
<b>Financial Liabilities:</b>				
Trade and other payables and borrowings (Amortised cost)	154,427	174,434	305	332
	<u>154,427</u>	<u>174,434</u>	<u>305</u>	<u>332</u>

## Riverstone Holdings Limited and Subsidiary Companies

### E. Notes to the condensed interim consolidated financial statements

#### 6. Profit before taxation

##### 6.1 Significant items

	Group			
	6 months ended 31 December 2021 RM'000	6 months ended 31 December 2020 RM'000	12 months ended 31 December 2021 RM'000	12 months ended 31 December 2020 RM'000
<b>Income</b>				
Interest income from bank balances	10,962	2,021	16,189	3,161
<b>Expenses</b>				
Interest expenses on borrowings	52	148	150	355
Depreciation of property, plant and equipment	28,067	26,990	55,790	52,559
Net foreign exchange (gain)/loss – net	(4,768)	4,539	(17,681)	2,187
Fair value (gain)/loss on derivatives	(3,903)	(1,680)	1,596	(1,270)
Property, plant and equipment written off	125	28	136	84
Gain on disposal of property, plant and equipment	(155)	(30)	(125)	(890)

##### 6.1 Related party transactions

###### (a) *Sale and purchase of goods and services*

In addition to the related party information disclosed elsewhere in the financial statements, the following significant transactions between the Group and its related parties took place on terms agreed between the parties during the financial period.

	Group			
	6 months ended 31 December 2021 RM'000	6 months ended 31 December 2020 RM'000	12 months ended 31 December 2021 RM'000	12 months ended 31 December 2020 RM'000
Other related parties:				
Purchases of repair and maintenance services	8	52	18	65
Purchases of plant and equipment	94	781	896	838

Other related parties comprise companies in which the major shareholder is a close family member of certain directors of the Company.



## Riverstone Holdings Limited and Subsidiary Companies

### E. Notes to the condensed interim consolidated financial statements

#### 6. Profit before taxation (cont'd)

#### 6.1 Related party transactions (cont'd)

##### (b) *Compensation of key management personnel*

	Group			
	6 months ended 31 December 2021 RM'000	6 months ended 31 December 2020 RM'000	12 months ended 31 December 2021 RM'000	12 months ended 31 December 2020 RM'000
Directors' fee	389	293	715	600
Short term benefits	1,302	1,682	3,122	3,193
Central Provident Fund contributions	176	186	299	316
Performance incentive scheme	(2,814)	8,072	15,909	13,042
	(947)	10,233	20,045	17,151
Comprise amounts paid to:				
- Directors of the Company	(2,150)	6,941	12,887	12,466
- Other key management personnel	1,203	3,292	7,158	4,685
	(947)	10,233	20,045	17,151

The directors are of the opinion that all the transactions above have been entered into in the normal course of business and have been established on terms and conditions that are not materially different from those obtainable in transactions with unrelated parties.

E. Notes to the condensed interim consolidated financial statements

7. Income tax expense

The Group calculates the period income tax expense using the tax rate that would be applicable to the expected total annual earnings. The major components of income tax expense in the condensed interim consolidated statement of profit or loss are:

	<b>Group</b>			
	<b>6 months ended 31 December 2021 RM'000</b>	<b>6 months ended 31 December 2020 RM'000</b>	<b>12 months ended 31 December 2021 RM'000</b>	<b>12 months ended 31 December 2020 RM'000</b>
<b>Current income tax</b>				
Current income tax expense	116,129	121,648	427,844	147,425
Under/(over) provision in respect of prior years	1,457	(210)	1,457	(210)
Withholding tax on foreign sourced income	2,760	2,145	2,760	2,145
<b>Deferred income tax</b>				
Deferred income tax expense relating to origination and reversal of temporary difference	1,644	31,971	8,580	43,888
Movements in undistributed foreign sourced dividend income	2,345	369	2,345	369
(Over)/under provision in respect of prior years	(2,290)	482	(2,290)	482
	122,045	156,405	440,696	194,099

8. Dividends

	<b>Group and Company</b>	
	<b>12 months ended 31 December 2021 RM'000</b>	<b>12 months ended 31 December 2020 RM'000</b>
<b>Declared and paid during the financial year</b>		
Final exempt (one-tier) dividend for 2020: 16.00 sen (2019: 5.85 sen) per ordinary share	237,147	43,353
Special exempt (one-tier) dividend for 2020: 4.00 sen (2019: nil) per ordinary share	59,287	—
Interim exempt (one-tier) dividend for 2021: 10.00 sen (2020: 4.00 sen) per ordinary share	148,216	29,644
	444,650	72,997

E. Notes to the condensed interim consolidated financial statements

8. Dividends (cont'd)

	<b>Group and Company</b>	
	<b>12 months ended 31 December 2021</b>	<b>12 months ended 31 December 2020</b>
	RM'000	RM'000
<b><i>Proposed but not recognized as a liability as at 31 December</i></b>		
Special interim exempt (one-tier) dividend for 2021: 10.00 sen (2020: nil) per ordinary share	148,216	–
Special exempt (one-tier) dividend for 2021: nil (2020: 4.00 sen) per ordinary share	–	59,287
Final exempt (one-tier) dividend for 2021: 28.00 sen (2020: 16.00 sen) per ordinary share	415,007	237,147
	563,223	296,434
	563,223	296,434

9. Net asset value

	<b>Group</b>		<b>Company</b>	
	<b>31 December 2021</b>	<b>31 December 2020</b>	<b>31 December 2021</b>	<b>31 December 2020</b>
	RM	RM	RM	RM
Net asset value per ordinary share	1.57	0.92	0.53	0.34

10. Fair value of financial instruments

Fair value hierarchy

The Group categorises fair value measurements using a fair value hierarchy that is dependent on the valuation inputs used as follows:

- Level 1 – Quoted prices (unadjusted) in active market for identical assets or liabilities that the Group can access at the measurement date,
- Level 2 – Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly, and
- Level 3 – Unobservable inputs for the asset or liability.

Fair value measurements that use inputs of different hierarchy levels are categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

E. Notes to the condensed interim consolidated financial statements

10. Fair value of financial instruments (cont'd)

(a) **Asset and liability measured at fair value**

The following table shows an analysis of asset and liability measured at fair value by level at the respective reporting period:

	<b>Group Significant observable inputs other than quoted prices (Level 2)</b>	
	<b>31 December 2021 RM'000</b>	<b>31 December 2020 RM'000</b>
	<b>Financial assets:</b>	
<u>Derivatives (Note 5)</u>		
- Forward currency contracts	1,335	2,931

Level 2 fair value

Forward currency contracts are valued using a valuation technique with market observable inputs. The most frequently applied valuation techniques include forward pricing and swap models, using present value calculations. The models incorporate various inputs including the credit quality of counterparties, foreign exchange spot and forward rates and forward rate curves.

(b) **Fair value of financial instruments that are not carried at fair value and whose carrying amounts are a reasonable approximation of fair value**

The carrying amounts of current trade and other receivables, cash and cash equivalents, payables and accruals and borrowings are reasonable approximation of fair values, either due to their short-term nature or that they are floating rate instruments that are re-priced to market interest rates on or near the end of the reporting period.

11. **Property, plant and equipment**

During the year ended 31 December 2021, the Group acquired assets amounting to RM160,242,000 (31 December 2020: RM99,476,000) and disposed of assets amounting to RM309,000 (31 December 2020: RM969,000).

## Riverstone Holdings Limited and Subsidiary Companies

### E. Notes to the condensed interim consolidated financial statements

#### 12. Borrowings

	<b>Group</b>	
	<b>31 December 2021 RM'000</b>	<b>31 December 2020 RM'000</b>
<b>Amount repayable within one year</b>		
Secured term loan	1,000	6,000
Lease liabilities	578	516
	1,578	6,516
<b>Amount repayable after one year</b>		
Secured term loan	–	1,000
Lease liabilities	–	542
	–	1,542
<b>Total borrowings</b>	1,578	8,058

The lease liabilities are secured by the lessor's title to the leased assets. The Group is restricted from assigning and subleasing the leased assets.

The bank borrowings are secured by a corporate guarantee of the Company and a charge over a piece of leasehold land and buildings.

#### 13. Share capital

	<b>Group and Company</b>			
	<b>31 December 2021 No. of shares</b>	<b>31 December 2020 No. of shares</b>	<b>31 December 2021 RM'000</b>	<b>31 December 2020 RM'000</b>
At 1 January	1,484,904,100	742,452,050	156,337	156,337
Shares issued during the year	–	742,452,050	–	–
<b>At 31 December</b>	1,484,904,100	1,484,904,100	156,337	156,337

As at 31 December 2021, the Company held 2,736,000 of its issued shares as treasury shares (31 December 2020: 2,736,000).

The Company's subsidiaries do not hold any shares in the Company as at 31 December 2021 and 31 December 2020.

#### 14. Subsequent events

There are no known subsequent events which have led to adjustments to this set of interim financial statements.

**OTHER INFORMATION**

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**1. Review**

The condensed consolidated statement of financial position of Riverstone Holdings Limited and Subsidiary Companies as at 31 December 2021 and the related condensed consolidated profit or loss and other comprehensive income, condensed consolidated statement of changes in equity and condensed consolidated statement of cash flows for the six-month period then ended and certain explanatory notes have not been audited or reviewed.

**2. Review of performance of the Group**

2a Income Statement Review

For the FY2021, the Group achieved RM3,082.4 million total revenue, a 68.5% increase as compared to RM1,829.9 million in FY2020. Cost of sales increased to RM1,175.6 million in FY2021 in line with the increase in products produced. Gross profit rose 112.4% from RM897.6 million to RM1,906.8 million in FY2021. The Group's gross profit margin improved from 49.1% to 61.9% due to higher average selling price.

The Group's other income increased by 288.2% to RM18.2 million in FY2021 mainly due to higher interest income from higher placement of fixed deposits.

Selling and distribution expenses increased by 29.1% from RM22.0 million in FY2020 to RM28.4 million in FY2021 mainly due to the increase in sales activities.

General and administrative expenses increased by 41.0% to RM48.6 million in FY2021 mainly due to increase in staff costs.

The Group reporting a net other operating income of RM10.7 million in FY2021 mainly due to a net foreign exchange gain.

The Group's effective tax rate was higher at 23.7% in FY2021 compared to 23.1% in FY2020 due to lower reinvestment allowances recognised from qualifying capital expenditure in FY2021.

Overall in FY2021, the Group's profit before taxation and profit after taxation increased by 120.9% to RM1,858.6 million and 119.1% to RM1,417.9 million respectively.

2b Balance Sheet Review

As at 31 December 2021, non-current assets which consist of property, plant and equipment (PPE) and deferred tax assets increased to RM692.0 million from RM587.9 million. PPE increased to RM691.2 million from RM587.3 million mainly on additions amounting to RM160.2 million coupled with foreign exchange adjustment offset by the depreciation charge of RM55.8 million and PPE written or disposed off. Deferred tax assets (DTA) has increased to RM0.8 million.

Inventories increased from RM122.0 million as at 31 December 2020 to RM153.0 million as at 31 December 2021 mainly due to higher production volume. Trade receivables decreased from RM319.7 million to RM232.0 million mainly due to better collection.

**OTHER INFORMATION**

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**2. Review of performance of the Group (cont'd)**

2b Balance Sheet Review (cont'd)

Cash and cash equivalents increased from RM648.9 million as at 31 December 2020 to RM1,612.9 million as at 31 December 2021. For the FY2021, the Group generated RM1,569.8 million in net cash flows from operating activities and net cash flows used in investing activities amounting to RM155.9 million were mainly for the purchase of PPE. The Group's net cash flows used in financing activities in FY2021 amounted to RM451.2 million for repayment of bank borrowings and payment of dividends.

Current liabilities increased to 312.0 million as at 31 December 2021 mainly due to higher provision for taxation of RM151.4 million as at 31 December 2021. Payables and accruals fall to RM152.8 million as at 31 December 2021 from RM166.4 million.

Non-current liabilities increased to RM55.1 million as at 31 December 2021 from RM47.8 million mainly due to the increase in deferred tax liabilities.

**3. Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results.**

Not applicable

**4. A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months.**

As previously announced, the Group will add an additional capacity of up to 1.5 billion pieces of gloves by end of 2022 in accordance with its expansion plans, which will bring the Group's total annual production capacity up to 12.0 billion pieces of gloves.

Macroeconomic headwinds such as US Dollar fluctuations, volatile raw material prices and increase in overall production costs continue to remain challenging for the Group. The COVID-19 pandemic and possible reimposition of movement control restrictions in Malaysia could also pose additional challenges to the Group.

**5. Dividend information**

5a Current Financial Period Reported on

Any dividend recommended for the current financial period reported on?

Yes. The Board is pleased to recommend a one-tier tax exempt special interim dividend of 10.00 sen (RM) per ordinary share (2020: nil) in respect of the year ended 31 December 2021 ("Special Interim Dividend").

A proposed final tax exempt (one-tier) dividend of 28.00 sen (RM) per ordinary share for the financial year ended 31 December 2021 will be recommended for shareholders' approval at the forthcoming Annual General Meeting (AGM) ("Proposed Final Dividend").

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**5. Dividend information (cont'd)**

Recommended Special Interim Dividend

Name of Dividend	Special Interim Tax Exempt Dividend
Dividend Type	Cash
Dividend amount per Share (in sen)	10.00 sen (RM) per ordinary share
Tax Rate	Tax-exempt one-tier

Proposed Final Dividend (subject to members' approval at the forthcoming AGM)

Name of Dividend	Final Tax Exempt Dividend
Dividend Type	Cash
Dividend amount per Share (in sen)	28.00 sen (RM) per ordinary share
Tax Rate	Tax-exempt one-tier

Dividend Paid

Name of Dividend	Interim Tax Exempt Dividend
Dividend Type	Cash
Dividend amount per Share (in sen)	10.00 sen (RM) per ordinary share
Tax Rate	Tax-exempt one-tier

5b Corresponding Period of the Immediate Preceding Financial Year

Any dividend declared for the corresponding period of the immediately preceding financial year?

Yes

Name of Dividend	Interim Tax Exempt Dividend
Dividend Type	Cash
Dividend amount per Share (in sen)	4.00 <sup>#</sup> sen (RM) per ordinary share
Tax Rate	Tax-exempt one-tier

<sup>#</sup> The Interim Tax Exempt Dividend was paid to ordinary share capital of 742,452,050 prior to Bonus Shares Alloted and issued on 17 November 2020.



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5. Dividend information (cont'd)

5b Corresponding Period of the Immediate Preceding Financial Year (cont'd)

Name of Dividend	Special Tax Exempt Dividend
Dividend Type	Cash
Dividend amount per Share (in sen)	4.00 sen (RM) per ordinary share
Tax Rate	Tax-exempt one-tier

Name of Dividend	Final Tax Exempt Dividend
Dividend Type	Cash
Dividend amount per Share (in sen)	16.00 sen (RM) per ordinary share
Tax Rate	Tax-exempt one-tier

5c Date Payable

The Special Interim Dividend will be paid on 6 April 2022.

The Proposed Final Dividend will be paid on 19 May 2022, subject to members' approval at the forthcoming Annual General Meeting.

5d Record Date

**Special Interim Dividend**

The Share Transfer Books and Register of Members of the Company will be closed on 16 March 2022 for the preparation of dividend warrants for the special interim tax-exempt (one-tier) dividend of 10.00 sen (RM) per ordinary share for the financial year ended 31 December 2021 (the "Special Interim Dividend").

Duly completed registrable transfers received by the Company's Share Registrar, Boardroom Corporate & Advisory Services Pte. Ltd. of 1 Harbourfront Avenue, #14-07 Keppel Bay Tower, Singapore 098632 up to 5.00 p.m. on 15 March 2022 (the "Record Date") will be registered to determine members' entitlements to the Special Interim Dividend. Members whose securities accounts with The Central Depository (Pte) Limited are credited with shares at 5.00 p.m. on the Record Date will be entitled to the Special Interim Dividend.

Payment of the Special Interim Dividend will be made on 6 April 2022.

**Final Dividend**

Subject to members' approval to the proposed final dividend at the forthcoming Annual General Meeting, the Share Transfer Books and Register of Members of Riverstone Holdings Limited (the "Company") will be closed on 6 May 2022 for the preparation of dividend warrants to the proposed final tax exempt (one-tier) dividend of 28.00 sen (RM) per ordinary for the financial year ended 31 December 2021 (the "Proposed Final Dividend").

Duly completed registrable transfers received by the Company's Share Registrar, Boardroom Corporate & Advisory Services Pte. Ltd. of 1 Harbourfront Avenue, #14-07 Keppel Bay Tower, Singapore 098632 up to 5.00 p.m. on 5 May 2022 (the "Record Date") will be registered to determine members' entitlements to the Proposed Final Dividend. Members

## Riverstone Holdings Limited and Subsidiary Companies

### OTHER INFORMATION

whose securities accounts with The Central Depository (Pte) Limited are credited with shares at 5.00 p.m. on the Record Date will be entitled to the Proposed Final Dividend.

Payment of the Proposed Final Dividend, if approved by the members at the Annual General Meeting, will be made on 19 May 2022.

#### 6. Interested person transactions

The Company does not have an Interested Person Transactions mandate.

#### 7. Disclosure of person occupying a managerial position in the issuer or any of its principal subsidiaries who is a relative of a director or chief executive officer or substantial shareholder of the issuer pursuant to Rule 704(13) in the format below. If there are no such persons, the issuer must make an appropriate negative statement.

Name	Age	Family Relationship with any Director and/or Substantial Shareholder	Current position and duties, and the year position was first held	Details of changes in duties and position held, if any, during the year
Wong Teek Son	60	Brother of Mr Wong Teek Choon, who is the Group's Business Development Manager and substantial shareholder of the Company	<p><b>Current position</b> Executive Chairman, Chief Executive Officer of the Group since 3 August 2005</p> <p><b>Duties</b> Responsible for developing and formulating the business strategies and manages the day-to-day operations of the Group</p>	No changes in duties and position
Wong Teek Choon	48	Brother of Mr Wong Teek Son, who is the Executive Chairman, Chief Executive Officer and substantial shareholder of the Company	<p><b>Current position</b> Group's Business Development Manager</p> <p><b>Duties</b> Responsible for the production of cleanroom finger cots and exploring business development opportunities for the Group</p>	No changes in duties during the year. Mr Wong Teek Choon ceased as Alternate Director to Mr Wong Teek Son with effective from 11 August 2020.

**OTHER INFORMATION**

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**8. Confirmation that the issuer has procured undertaking from all its directors and executive officers (in the format set out in Appendix 7.7) under Rule 720(1)**

The Company has received undertaking from all its directors and executive officers in the format as set out in Appendix 4.4 Rule 720(1) of the Listing Manual of the SGX-ST.

**CONFIRMATION BY THE BOARD**

On behalf of the Board of Directors, I, the undersigned, hereby confirm to the best of our knowledge that nothing has come to the attention of the Board of Directors which may render the condensed interim consolidated financial statements of the Group for the financial year ended 31 December 2021 to be false or misleading in any material aspect.

**On behalf of the Board of Directors**

WONG TEEK SON  
EXECUTIVE CHAIRMAN AND CHIEF EXECUTIVE OFFICER  
22 February 2022

This release may contain forward looking statements that involve risks and uncertainties. Actual future performance, outcomes and results may differ materially from those expressed in forward looking statements as a result of a number of risks, uncertainties and assumptions. Representative examples of these factors include (without limitation) general industry and economic conditions, interest rate trends, cost of capital and capital availability, competition from other companies, shifts in customer demands, customers and partners, changes in operating expenses, including employee wages, benefits and training, governmental and public policy changes and the continued availability of financing in the amounts and the terms necessary to support future business. You are cautioned not to place undue reliance on these forward looking statements, which are based on current view of management on future events.