Leader in the Manufacturing of Cleanroom and Healthcare Gloves



Riverstone Holdings Limited 2QFY2016 Results Briefing 12 Aug 2016







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Group Financial Highlights 2QFY2016 and 1HFY2016





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Results Overview

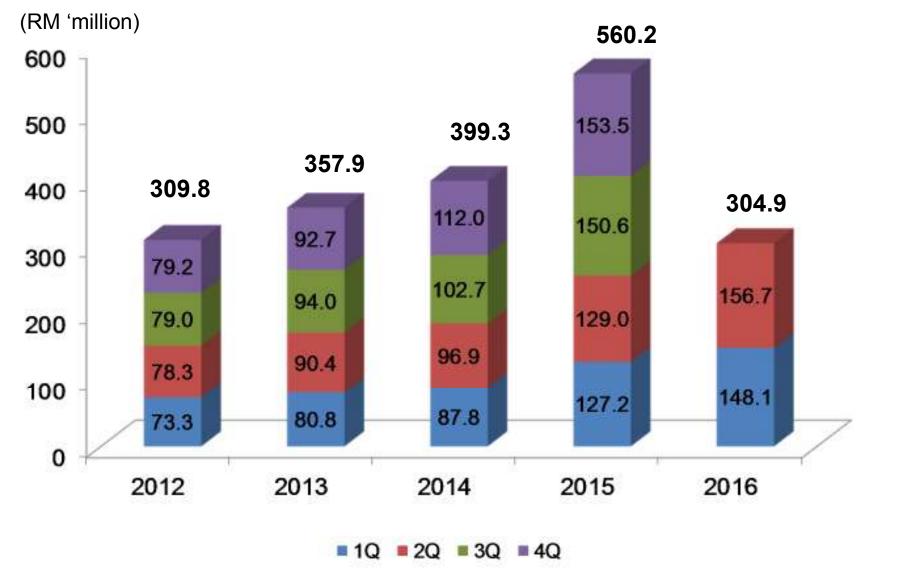


- Revenue increased 21.5% yoy to RM156.7 million for 2QFY2016
 - Growing revenue from RM148.1 million in 1QFY2016 or 5.8%
 - > 1HFY2016: RM304.9 million (1HFY2015: RM256.1 million) or 19.0%
- Net profit increased 1.2% yoy to RM27.3 million for 2QFY2016
 - Growing net profit from RM27.2 million in 1QFY2016 or 0.5%
 - > 1HFY2016: RM54.5 million (1HFY2015: RM54.0 million) or 0.9%
- Continues to generate positive operating free cash flow of RM40.7 million for 2QFY2016 and RM54.0 million for 1HFY2016
- Net cash position of RM98.9 million with zero debt
- Board of Directors declares interim dividend of 1.30 sen (RM) per share



Growing Revenues





* Annual figures may have some discrepancy due to rounding

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Net Profit Growth

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(RM 'million) 126.5 140 130 120 37.2 110 100 71.0 90 58.0 80 35.3 54.5 70 39.7 22.4 60 16.0 50 27.3 16.5 27.0 40 8.4 15.7 10.5 30 20 16.1 14.4 11.0 27.0 27.2 16.0 11.8 10 97 0 2012 2013 2014 2015 2016 1Q 3Q 2Q 4Q

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* Annual figures may have some discrepancy due to rounding

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Year End 31 Dec	As at 30 Jun 2016 (RM'000)	As at 31 Dec 2015 (RM'000)
Net cash and cash equivalents	98,942	128,682
Total borrowings	0	0
Net cash flow from operating activities	40,698 (2QFY2016)	27,445 (2QFY2015)
Shareholders equity	492,281	481,505
Net assets (RM Sen per share) ¹	66.43	129.95
Return on equity ("ROE") ²	22.1% (1HFY2016)	26.2% (1HFY2015)

¹Based on 741.1 million shares and 370.5 million ordinary shares in issue excluding treasury shares as at 30 June 2016 and 31 December 2015 respectively



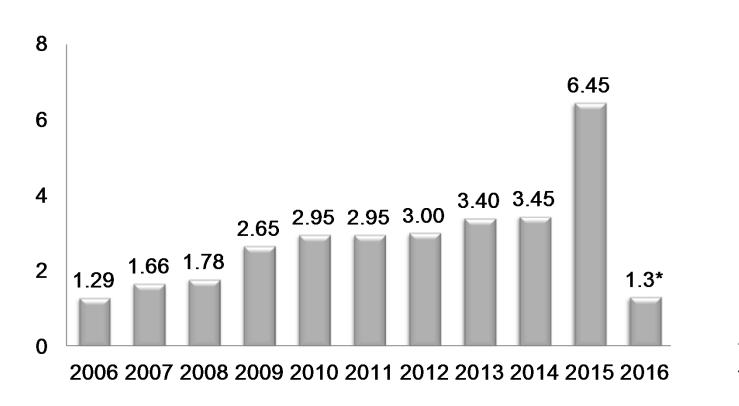
²Calculated on an annualised basis

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Dividend Declared (RM Sen/ Share)~



Dividend Payout Ratio

FY2015: 37.8% FY2014: 36.1% FY2013: 43.5% FY2012: 53.9% FY2011: 49.2% FY2010: 46.4% FY2009: 53.5%[^] FY2008: 45.7% FY2007: 45.0% FY2006: 35.5%

[^] including a special 1 sen tax-exempt dividend

* An interim tax-exempt dividend of 1.30 sen (2Q2015: 1.20 sen after adjusting for 1:1 bonus shares allotted and issued on 1 February 2016 that brought total number of shares to 742.5 million) (RM) per ordinary share for FY2016 has been approved by the Board.



Outlook, Growth Plans & Key Challenges







- Phase 3 to add one billion in total production capacity to 6.2 billion gloves by FY2016
- On track for completion to meet increased demands from new and existing customers
- Identification and penetration of new segments for cleanroom gloves
- Continue to tap on fast-growing market for healthcare gloves

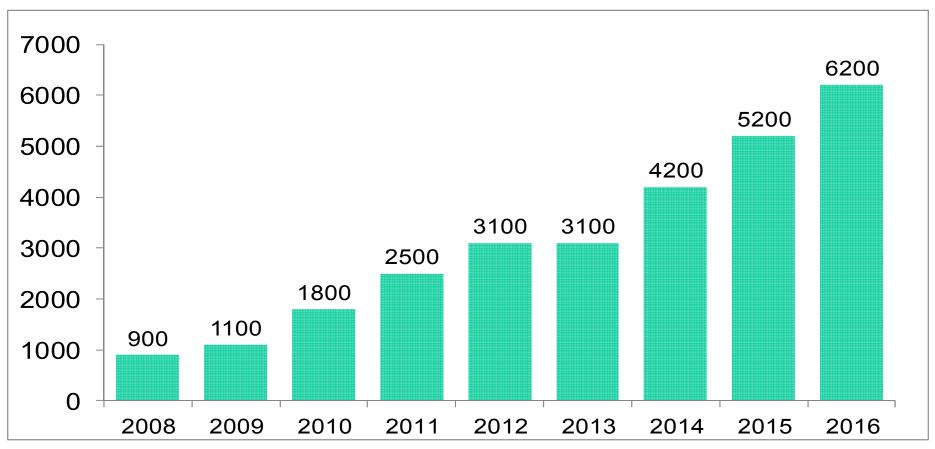






No. of gloves at the end of each year

Million pieces



Key Challenges in Glove Industry



Challenge	Action
1) Competition	 Cleanroom: Continue to target new markets and customers Healthcare: Focus on customised and premium products
2) Increase in cost such as raw material, labour& fuel	 Automation Improve productivity by Lean process and six sigma Reduce changeover time by installing an additional line



Q & A

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Thank You

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