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**CIMB Securities Corporate FOCUS
Riverstone Holdings Limited
Corporate Presentation**

18 October 2011

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Agenda



- **Overview of Riverstone**
- **Group Performance**
- **Competitive Advantages**

Overview of Riverstone





What we do



***Riverstone
is
a leading manufacturer of
High-Tech Cleanroom
and
Healthcare Gloves***

OUR VISION

***We strive to be a global leader in the manufacture of
Cleanroom and Healthcare Gloves***





Riverstone

- An Integrated Cleanroom Supplier -



Manufactured Products

Source & Market



Products

- Nitrile gloves
- Natural rubber gloves
- Other cleanroom consumables
 - Finger cots
 - Packaging materials
 - Facemasks

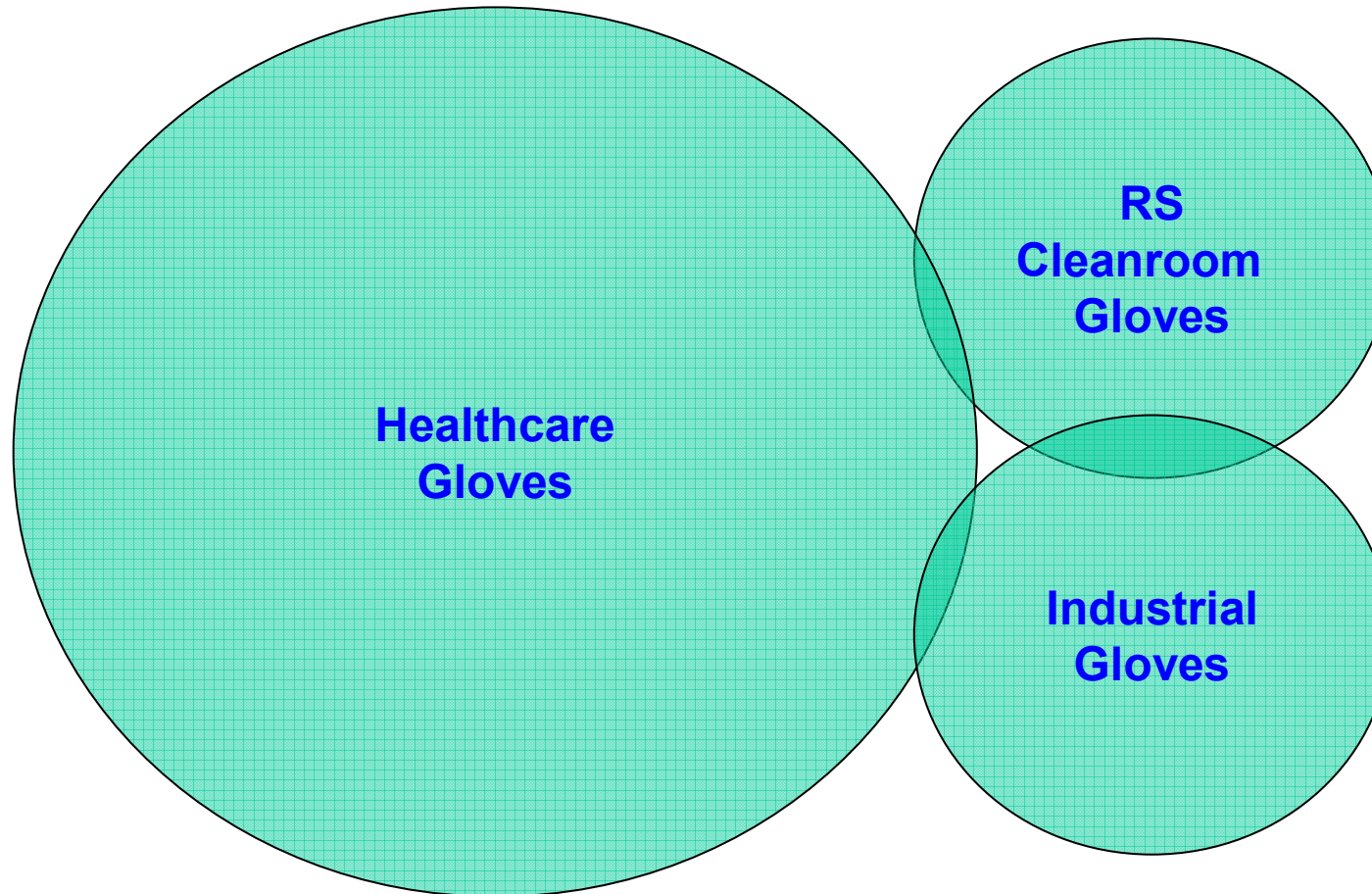
Products

- Other cleanroom consumables
 - Face pouches
 - Hoods, Caps
 - Jumpsuits
 - Shoe covers
 - Critical task wipes
 - Swabs





Our Market Position



**Riverstone is the company that focuses on
High-tech cleanroom gloves**



Our Manufacturing Facilities



- **Integrated manufacturing operations**

- ❖ Malaysia (3), Thailand (1), China (1)
- ❖ Internationally NEBB certified class 10 & class 100 cleanroom facilities
- ❖ ISO 9000 and ISO 14000 certification

- **Annual Capacity as at 30th Sep 2011**

- ❖ 2.2 billion (1.1.2011: 1.8 billion) gloves
- ❖ More than 600 million pieces of finger cots
- ❖ More than 1,500 tonnes of cleanroom packaging materials
- ❖ Over 40 million pieces of face masks



Malaysia Plant in Bukit Beruntung, Selangor



Thailand Plant



China Plant

Our New Manufacturing Plant at Taiping, Malaysia



Produce approx. 100 million
(1.1.2011: 65 million) gloves
monthly





The Industries We Serve In Cleanroom



- High-Tech Electronics Manufacturing
 - Hard Disk Drives
 - Semiconductors
 - LCD
 - External Storage Devices
 - Consumer Electronic Devices

- Medical Devices Manufacturing
- Automobile
- Pharmaceutical
- Aerospace
- Laboratory and Research

Riverstone's Niche In Healthcare Gloves

- Highly customised segments in the healthcare industry, for example:
 - Procedure gloves – for superior barrier protection,
 - High-risk gloves – for better protection in carrying out high risk, hazardous tasks,
 - Hand specific gloves – for providing more comfort and better fitting,
 - Dental gloves – higher priced products and
 - Accelerator-free gloves – to minimise type IV allergic reaction.





We Are Different



Riverstone	Other Gloves Manufacturers
Cleanroom Gloves	
Highly customized	Mass Produced; Standardized Products
Higher Barrier s of Entry •3 processes •Qualification processes take long time •Spec depends on functionality	Comparatively Lower Barrier sof Entry •1 process
Proprietary Brand ; Dealing mainly with Direct End Users	Mainly OEM
High-Tech Value Added To Products (we provide ESD and contamination solution for our customers)	
Innovative product development to meet customers' requirements (meet customer product life cycle requirement)	
Flexible Production Lines To Meet Changing Demands	
Sterile Gloves For Cleanroom and Pharmaceutical Manufacturing Applications	
Healthcare Gloves	
Premium gloves - Accelerator-Free Gloves - Procedure Gloves - Hand Specific Gloves - Sterile product.	





Our products are exported worldwide



Exported to :

- Europe
- Mexico
- US
- Canada
- Singapore
- Malaysia
- Indonesia
- Thailand
- Philippines
- Vietnam
- PRC, Hong Kong
- Japan
- Korea
- Taiwan
- India

Network of international sales offices:

- Singapore
- Malaysia
- Thailand
- Philippines
- PRC
- US

USA

Europe

Asia



Awards

AWARDS



The 2nd Asia Pacific International/Malaysia Honesty Enterprise Keris Award 2003
Jointly organised by Entrepreneur Development Association Malaysia, Yantai Investment Development Board of Shandong of PRC, Penang Municipal Government of Shandong of China and Shanghai Business Magazine



1st in Enterprise 50 Awards 2006 2003/2004/2005
Small and Medium Industries Development Corporation Malaysia



Business Excellence Award 2006 President's Award
Malaysia Canada Business Council Business Excellence Award 2006 President's Award



Selangor Industry Product Excellence Award 2003
Selangor State Investment Centre

SMB Best Overall Award Series 2005
Small and Medium Industries Association of Malaysia



Golden Bull Awards 2003/2005/2006
Nanyang Siang Pau



Best Under A Billion 2010
Forbes Asia



Recognition



RECOGNITION



0120



ISO 14001:2004



ISO 13485:2003



ISO 9001:2008

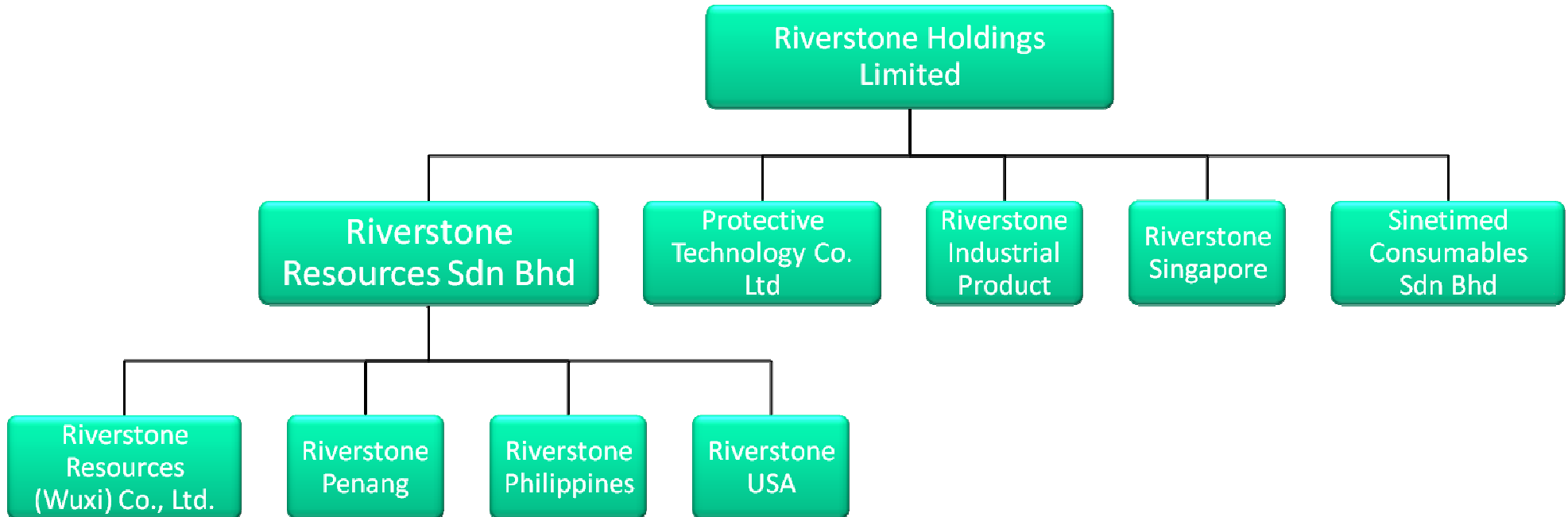


*Department of
Health and Human Services*

FDA



Group Structure

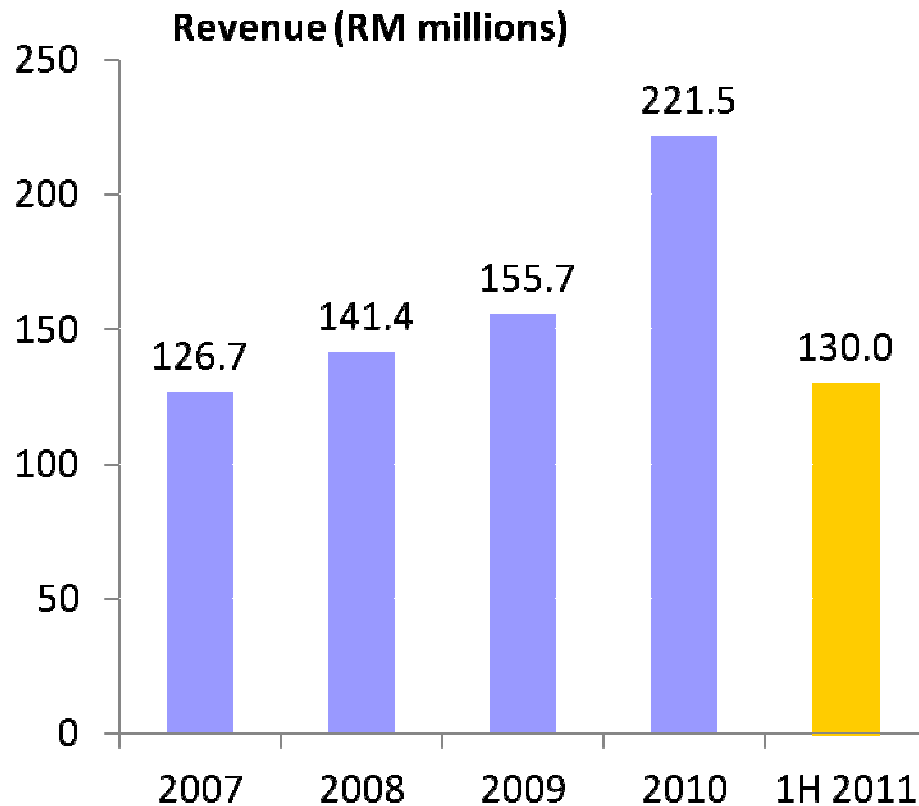


Note: Riverstone Penang, Riverstone Phillipines and Riverstone USA are representative sales office.

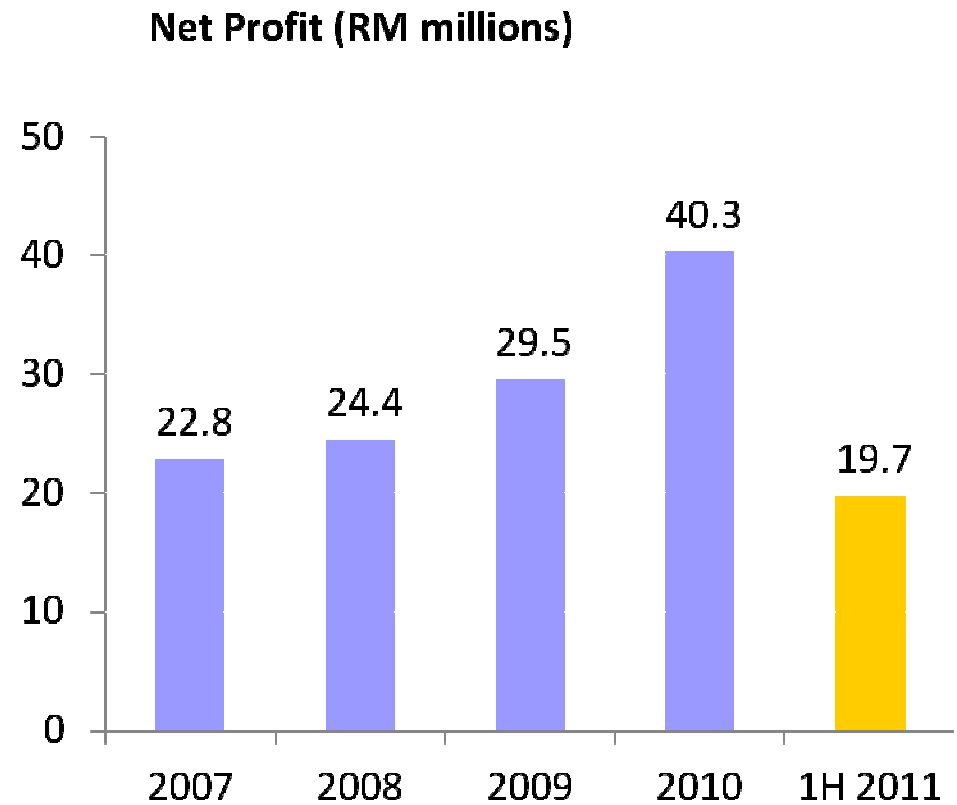
Group Performance



Strong Group Financial Performance



CAGR of 20.47%



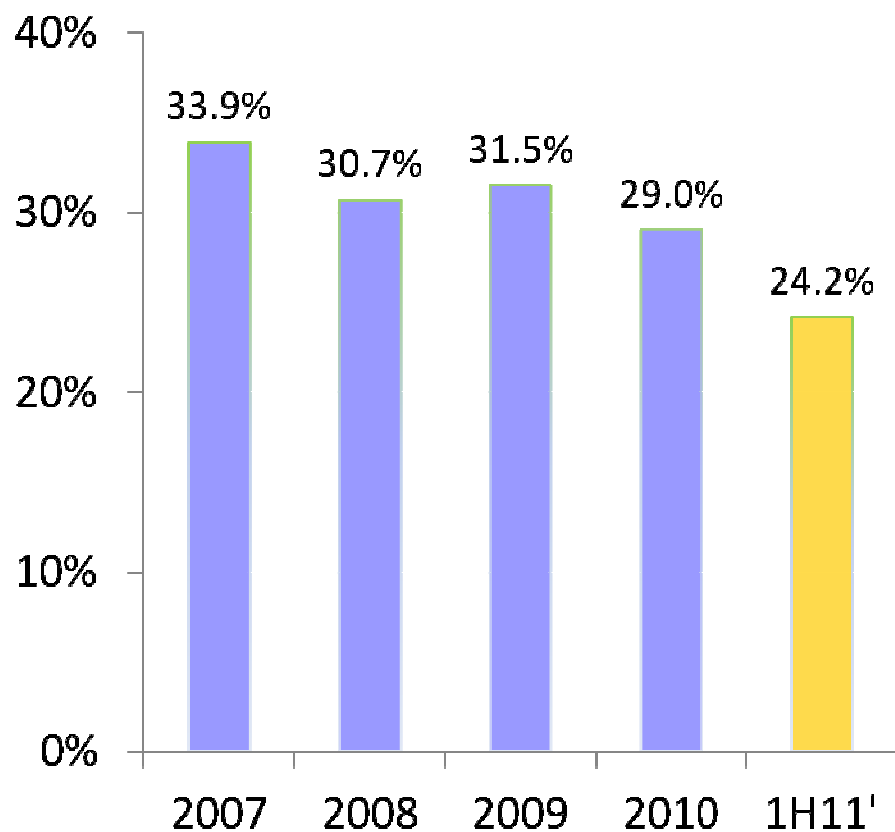
CAGR of 21.01%



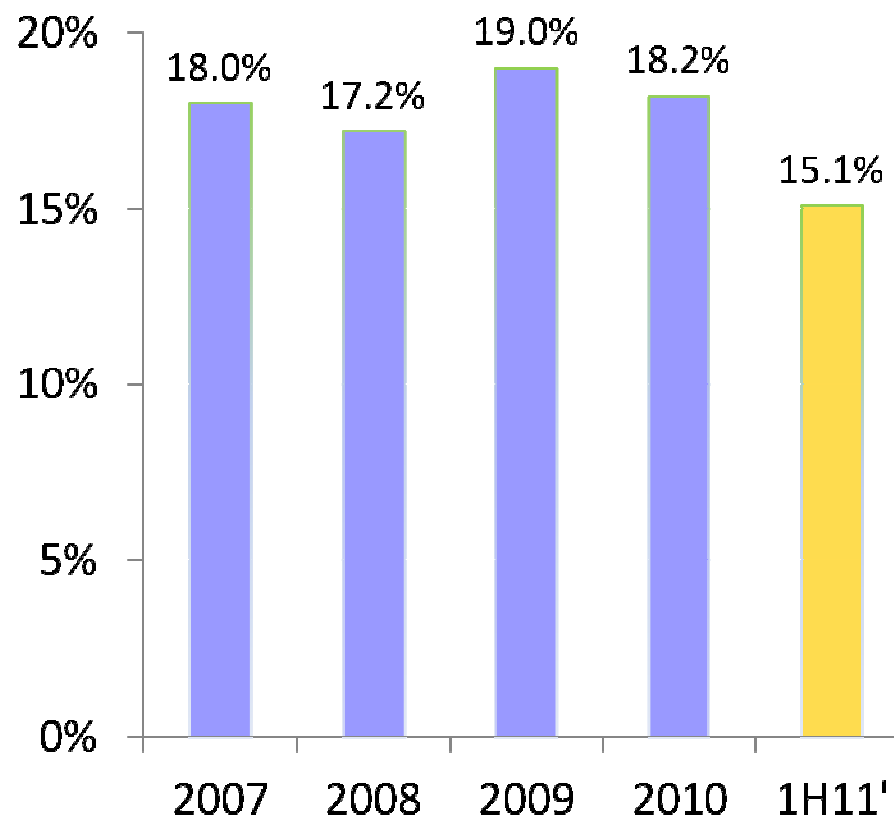
Steady Group Margins



GP Margin

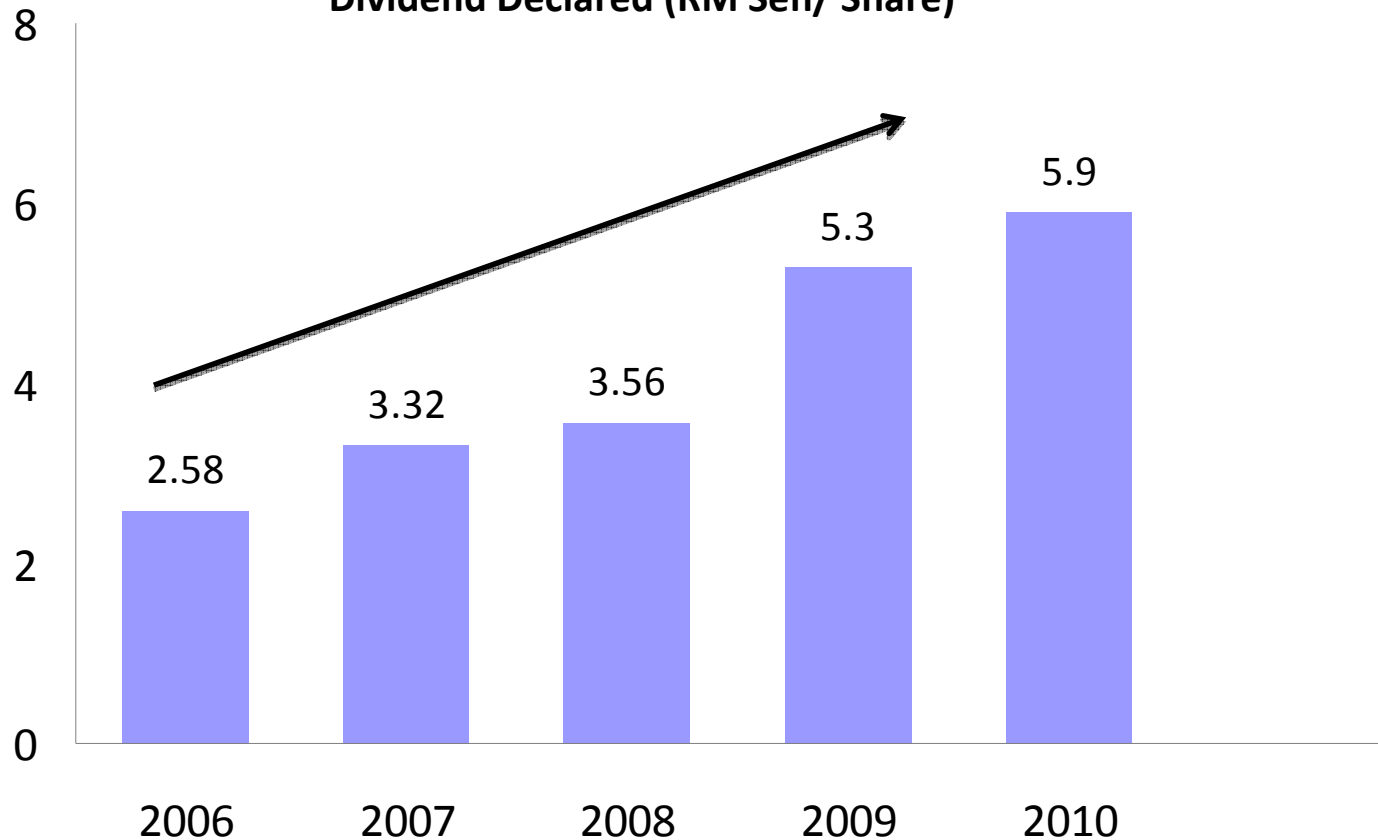


NP Margin



Dividend – Sustainable and Steady Growth

Dividend Declared (RM Sen/ Share)



Dividend Payout Ratio

FY2010: 46.4%
FY2009: 53.5%^
FY2008: 45.7%
FY2007: 45.0%
FY2006: 35.5%

^ including a special 1 sen tax-exempt dividend

Interim tax-exempt dividend of 2.2 sen per ordinary share was declared and paid on 6 Oct 2011 for FY2011





Strong and Healthy Balance Sheet



Year End 31 Dec	As at 31 Dec 2010 (RM '000)	As at 31 Dec 2009 (RM '000)
Net cash and cash equivalent	44,149	47,190
Total borrowings	0	1
Net cash flow from operating activities	50,707	40,588
Shareholders equity	200,260	171,447
Net assets (Sen per share)	63.80	55.39
Return on equity (%)	20.20	17.20
<small>*annualised</small> Debt Equity ratio	0.00:1	0.00:1

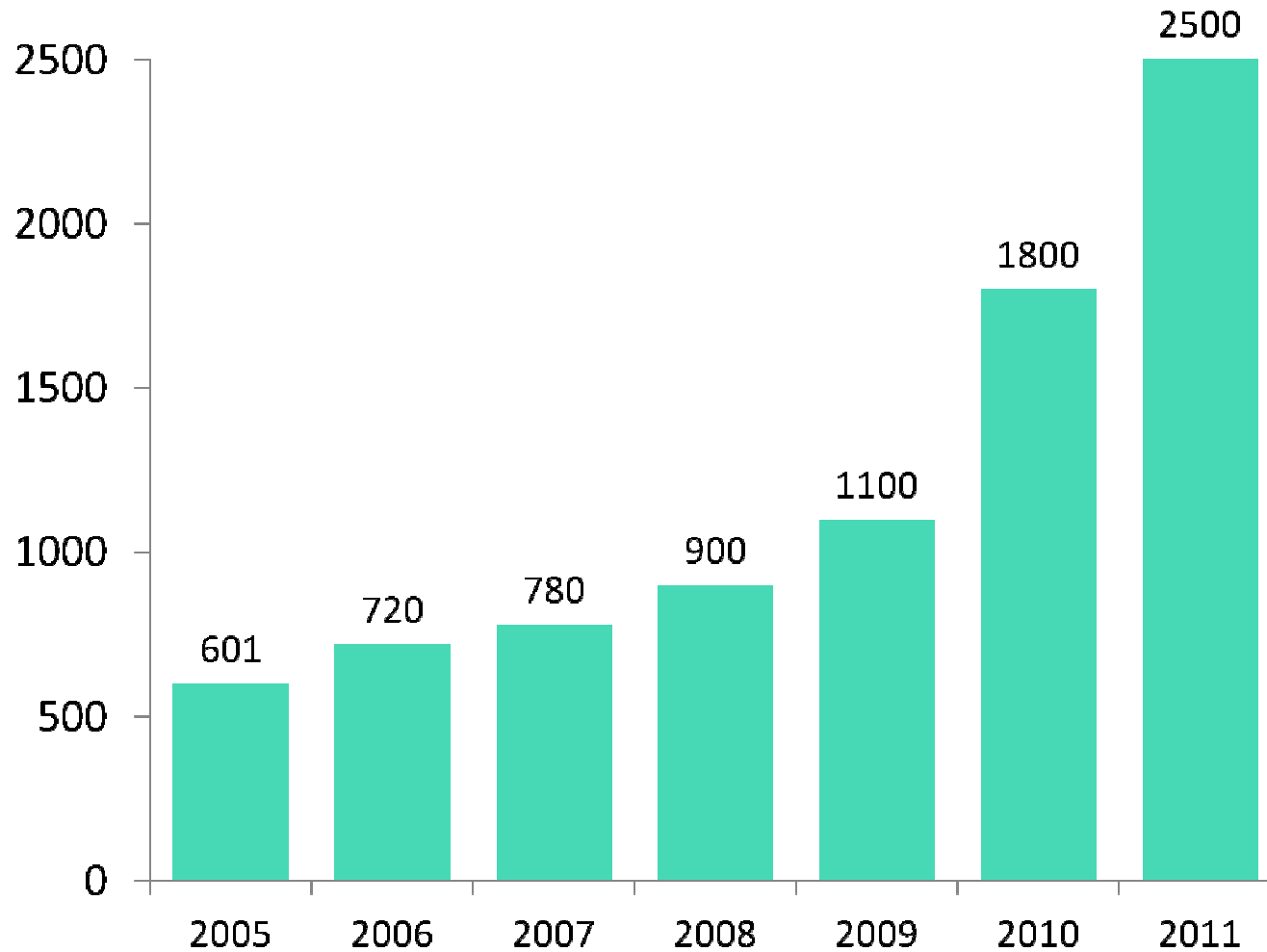


Production Capacity



No. of gloves at the end of each year

Million pieces



**By end of 2011
(Forecast)**

2.5 billion gloves
50% Cleanroom
50% Healthcare





Expansion Plan



	No. of Production Lines	Capacity p.a. (Million Pcs)	Target completion
Total as at 31 Dec 2009:	15 single former and 1 double former	1,100	
On going expansion:			
Riverstone, Taiping (Phase I)	3 single former and 2 double former	700	Completed in Dec 2010
Riverstone, Taiping (Phase II)	1 single former and 3 double former	500	Oct 2011
Riverstone, Bukit Beruntung	2 single former	200	Dec 2011 or Jan 2012
Total expansion by Dec 2011/ Jan 2012		1,400	
Total by Dec 2011/ Jan 2012	21 single former and 6 double former	2,500	



Return on Investment

Assuming an initial investment of 1,000 shares was made during IPO at offer price of S\$0.26 on 20/11/2006. Excluding 1 warrant for every 5 shares at S\$0.02 per warrant introduced in August 2009.

Date	Closing share price (S\$)	No. of shares held	Total market value (S\$)	Accumulated dividend received (S\$)	Cost of Investment (S\$)	Capital Appreciation (S\$)	Total Shareholders return %
20-Nov-06	0.26 (IPO)	1,000	260	0.00	260	0.00	0.00%
2-Jan-07	0.295	1,000	295	17.10	260	52.10	20.04%
3-Jan-08	0.525	1,000	525	33.23	260	298.23	114.70%
2-Jan-09	0.475	1,000	475	50.86	260	265.86	102.25%
4-Jan-10	0.520	1,000	520	72.33	260	332.33	127.82%
3-Jan-11	0.510	1,000	510	87.58	260	337.58	129.84%

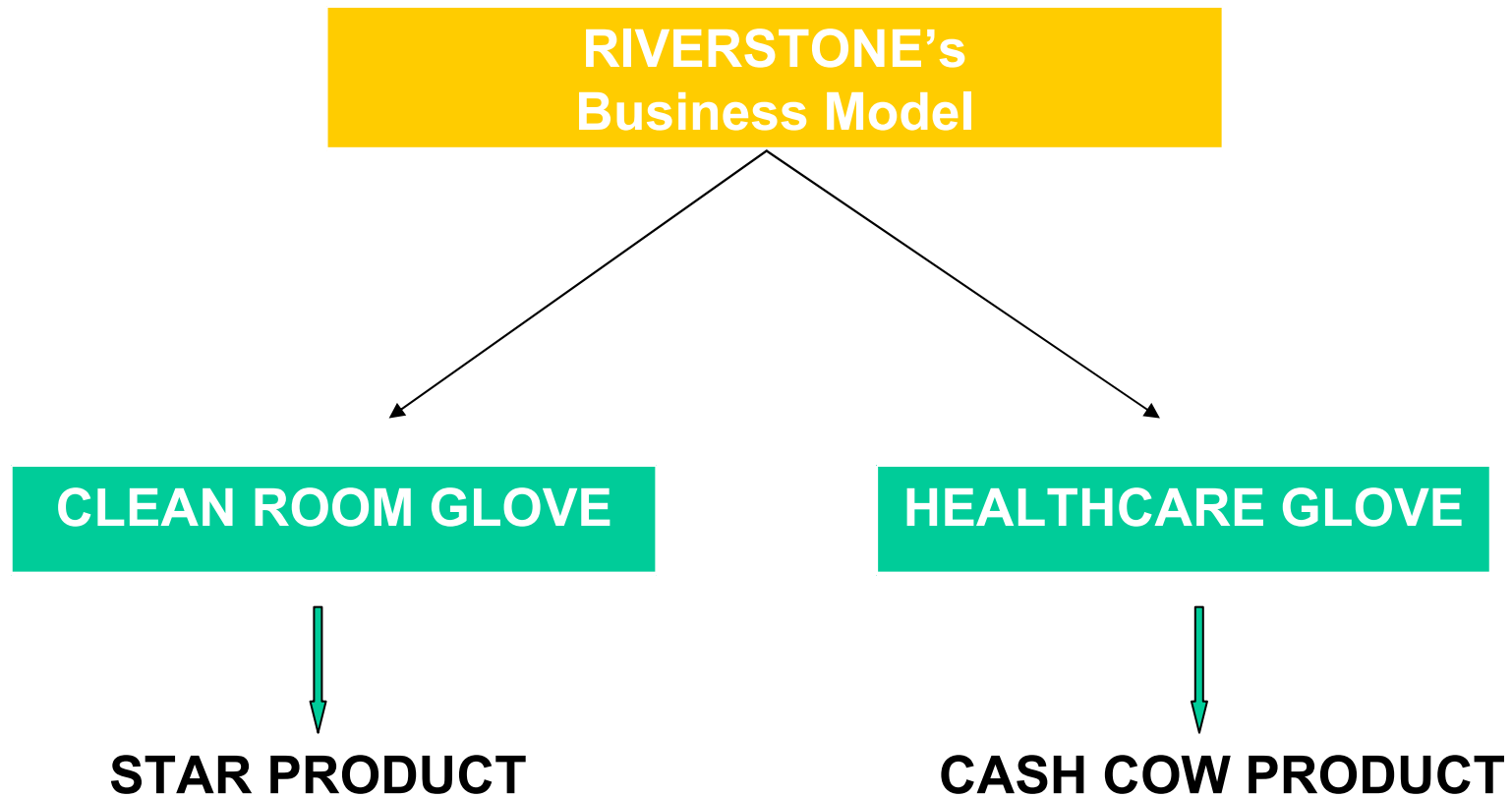
ROI reached as high as 130% since IPO

Competitive Advantages





Competitive Advantage - Riverstone





Competitive Advantage – Cleanroom Gloves



- **Business Model for Our STAR product:**
 - “RS” brand is a choice of suppliers
 - Market directly to end-users and a solution provider
 - Highly customised product
 - Higher barrier of entry into clean room glove industry
 - Commands higher price
 - Not over-reliant on single major customer; well spread out customer base
 - Electronics industry manufacturers want our cleanroom gloves
 - More customers from Japan, Korea & US are using our cleanroom gloves
 - Well recognised by pharmaceutical industry and gaining market share



Competitive Advantage – Cleanroom Gloves



- **State-of-Art R&D facilities certified by Customers:**
 - Dedicated 20-men R&D team
 - Complete and advance lab testing facilities
 - Collaborate with customers on new products development
 - ISO certified (ISO9001:2000 and ISO14001:2004)

- **Manufacturing Facilities:**
 - Use latest technology: focused on production of high end products
 - Flexible and integrated: interchangeable for production of either or both cleanroom and healthcare gloves



Competitive Advantage – Healthcare Glove



- **Business Model for Our Cash Cow product:**
 - A must-use product in the healthcare industry
 - Establish market niche in premium healthcare gloves
 - Provide product customisation solution
 - Nitrile powder free glove – a growth product
 - Customers are well spread and less depend on single major customer
 - Reasonably good price but relatively lower than clean room glove
 - More customers from Europe and US are using our healthcare glove



Challenges in Glove Industry



2 main challenges:

Fluctuation in Nitrile and Latex Prices

Fluctuation in Foreign Currency

There is time lag in making price adjustment whenever there is fluctuation.



RIVERSTONE HOLDINGS LIMITED

“Greater opportunity to Grow”

“Growth is Sustainable”

“Risk can be mitigated”



Thank You



Q&A





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