

UNAUDITED RESULTS FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2018

PART I - INFORMATION REQUIRED FOR ANNOUNCEMENTS OF QUARTERLY (Q1, Q2 & Q3), HALF-YEAR AND FULL YEAR RESULTS

The Company was incorporated on 3 August 2005 and listed on the Official List of the Singapore Exchange Securities Trading Limited (the "SGX-ST") on 20 November 2006.

1 (a) (i) An income statement and statement of comprehensive income, (for the group), together with a comparative statement for the corresponding period of the immediately preceding financial year.

Consolidated Income Statement

| | Group | | | Group | | |
|-------------------------------------|------------------------------|------------------------------|--------------------------|------------------------------|------------------------------|--------------------------|
| | 3Q2018 | 3Q2017 | | 9M2018 | 9M2017 | |
| | 1 Jul 2018 to 30 Sep 2018 | 1 Jul 2017 to 30 Sep 2017 | Increase / (decrease) | 1 Jan 2018 to 30 Sep 2018 | 1 Jan 2017 to 30 Sep 2017 | Increase / (decrease) |
| | RM'000 | RM'000 | % | RM'000 | RM'000 | % |
| Revenue | 239,528 | 187,809 | 27.5% | 663,588 | 606,744 | 9.4% |
| Cost of sales | (193,397) | (136,978) | 41.2% | (522,318) | (460,481) | 13.4% |
| Gross profit | 46,131 | 50,831 | (9.2%) | 141,270 | 146,263 | (3.4%) |
| Other income | 657 | 695 | (5.5%) | 2,401 | 2,098 | 14.4% |
| Selling and distribution expenses | (4,335) | (3,594) | 20.6% | (11,816) | (10,909) | 8.3% |
| General and administrative expenses | (5,413) | (6,234) | (13.2%) | (16,416) | (18,655) | (12.0%) |
| Other operating income/ (expenses) | 546 # | (1,740) # | (131.4%) | (2,429) # | (7,479) # | (67.5%) |
| Finance costs | (231) | (285) | (18.9%) | (730) | (757) | (3.6%) |
| Profit before taxation | 37,355 | 39,673 | (5.8%) | 112,280 | 110,561 | 1.6% |
| Income tax expense | (5,232) | (5,329) | (1.8%) | (15,520) | (15,500) | 0.1% |
| Profit after taxation | 32,123 | 34,344 | (6.5%) | 96,760 | 95,061 | 1.8% |
| Profit attributable to: | | | | | | |
| Equity holders of the Company | 32,123 | 34,344 | (6.5%) | 96,760 | 95,061 | 1.8% |
| Non-controlling interests | - * | - * | N/M | - * | - * | N/M |
| | 32,123 | 34,344 | | 96,760 | 95,061 | |

Consolidated Statement of Comprehensive Income

| | Group | | | Group | | |
|--|------------------------------|------------------------------|--------------------------|------------------------------|------------------------------|--------------------------|
| | 3Q2018 | 3Q2017 | | 9M2018 | 9M2017 | |
| | 1 Jul 2018 to 30 Sep 2018 | 1 Jul 2017 to 30 Sep 2017 | Increase / (decrease) | 1 Jan 2018 to 30 Sep 2018 | 1 Jan 2017 to 30 Sep 2017 | Increase / (decrease) |
| | RM'000 | RM'000 | % | RM'000 | RM'000 | % |
| Profit after taxation | 32,123 | 34,344 | (6.5%) | 96,760 | 95,061 | 1.8% |
| Other comprehensive income: | | | | | | |
| Items that may be reclassified subsequently to profit or loss | | | | | | |
| Foreign currency translation gain/ (loss) | 1,979 | (1) | N/M | (740) | 282 | (362.4%) |
| Total comprehensive income | 34,102 | 34,343 | (0.7%) | 96,020 | 95,343 | 0.7% |
| Total comprehensive income attributable to: | | | | | | |
| Equity holders of the Company | 34,102 | 34,343 | (0.7%) | 96,020 | 95,343 | 0.7% |
| Non-controlling interests | - * | - * | N/M | - * | - * | N/M |
| | 34,102 | 34,343 | | 96,020 | 95,343 | |

1 (a) (ii) The net profit attributable to shareholders includes the following (charges)/credits:

| | Group | | | Group | | |
|---|------------------------------|------------------------------|--------------------------|------------------------------|------------------------------|--------------------------|
| | 3Q2018 | 3Q2017 | | 9M2018 | 9M2017 | |
| | 1 Jul 2018 to 30 Sep 2018 | 1 Jul 2017 to 30 Sep 2017 | Increase / (decrease) | 1 Jan 2018 to 30 Sep 2018 | 1 Jan 2017 to 30 Sep 2017 | Increase / (decrease) |
| | RM'000 | RM'000 | % | RM'000 | RM'000 | % |
| Depreciation of property, plant and equipment | (10,189) | (8,577) | 144.4% | (30,398) | (25,146) | 20.9% |
| Net foreign exchange (loss)/ gain | (648) # | (2,324) # | (72.1%) | 3,254 # | (10,180) # | (132.0%) |
| Trade receivables recovered | - | - | N/M | - | 3 | (100.0%) |
| Property, plant and equipment written off | (6) | - | 166.7% | (30) | (9) | 233.3% |
| (Loss)/ gain on disposal of property, plant and equipment | (21) | 174 | (500.0%) | (43) | 117 | (136.8%) |
| Fair value gain/ (loss) on derivatives | 2,226 # | 1,261 # | 76.5% | (2,748) # | 5,696 # | (148.2%) |
| Research and development expenses | (806) | (558) | 44.4% | (2,036) | (2,188) | (6.9%) |
| Interest income from bank balances | 456 | 511 | 52.9% | 1,494 | 1,586 | (5.8%) |
| Interest on bank borrowings | (231) | (285) | 62.2% | (730) | (757) | (3.6%) |

N/M Not Meaningful

* Denote amount less than RM500

The net foreign exchange (loss)/ gain and fair value gain/ (loss) on derivatives have been included in other operating expenses

RIVERSTONE HOLDINGS LIMITED

1 (b) (i) A statement of financial position (for the issuer and group), together with a comparative statement as at the end of the immediately preceding financial year.

| | Group | | Company | |
|---|-----------------|-----------------|-----------------|-----------------|
| | As at | As at | As at | As at |
| | 30.09.18 | 31.12.17 | 30.09.18 | 31.12.17 |
| | RM'000 | RM'000 | RM'000 | RM'000 |
| Non-current assets | | | | |
| Property, plant and equipment | 464,256 | 419,845 | - | - |
| Investments in subsidiary companies | - | - | 198,809 | 199,486 |
| Deferred tax asset | 9,750 | 9,737 | - | - |
| | <u>474,006</u> | <u>429,582</u> | <u>198,809</u> | <u>199,486</u> |
| Current assets | | | | |
| Inventories | 89,758 | 71,131 | - | - |
| Trade receivables | 148,098 | 142,535 | - | - |
| Other receivables | 13,728 | 15,418 | - | 23,337 |
| Prepayments | 5,046 | 2,414 | 29 | 27 |
| Tax recoverable | 973 | 973 | - | - |
| Derivatives | - | 2,101 | - | - |
| Fixed deposits | 27,735 | 29,459 | - | 8,926 |
| Cash at banks and in hand | 78,441 | 84,791 | 11,502 | 11,627 |
| | <u>363,779</u> | <u>348,822</u> | <u>11,531</u> | <u>43,917</u> |
| Current liabilities | | | | |
| Payables and accruals | 113,054 | 101,631 | 438 | 330 |
| Bank borrowings (secured) | 6,000 | 6,000 | - | - |
| Derivatives | 647 | - | - | - |
| Provision for taxation | 5,917 | 7,893 | 2 | 6 |
| | <u>125,618</u> | <u>115,524</u> | <u>440</u> | <u>336</u> |
| Net current assets | <u>238,161</u> | <u>233,298</u> | <u>11,091</u> | <u>43,581</u> |
| Non-current liabilities | | | | |
| Bank borrowings (secured) | 14,500 | 19,000 | - | - |
| Employee benefit obligations | 272 | 239 | - | - |
| Deferred tax liabilities | 11,001 | 11,025 | - | - |
| | <u>25,773</u> | <u>30,264</u> | <u>-</u> | <u>-</u> |
| Net assets | <u>686,394</u> | <u>632,616</u> | <u>209,900</u> | <u>243,067</u> |
| Equity attributable to equity holders of the Company | | | | |
| Share capital | 156,337 | 156,337 | 156,337 | 156,337 |
| Treasury shares | (815) | (815) | (815) | (815) |
| Reserves | 530,867 | 477,089 | 54,378 | 87,545 |
| | <u>686,389</u> | <u>632,611</u> | <u>209,900</u> | <u>243,067</u> |
| Non-controlling interests | 5 | 5 | - | - |
| Total equity | <u>686,394</u> | <u>632,616</u> | <u>209,900</u> | <u>243,067</u> |

RIVERSTONE HOLDINGS LIMITED

1 (b) (ii) Aggregate amount of group's borrowings and debt securities

| | Group | |
|---|---------------------------|---------------------------|
| | As at 30.09.18 | As at 31.12.17 |
| | RM'000 | RM'000 |
| Amount repayable in one year or less, or on demand | | |
| Bank borrowings (secured) | <u>6,000</u> | <u>6,000</u> |
| | <u>6,000</u> | <u>6,000</u> |
| Amount repayable after one year | | |
| Bank borrowings (secured) | <u>14,500</u> | <u>19,000</u> |
| | <u>14,500</u> | <u>19,000</u> |

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

RIVERSTONE HOLDINGS LIMITED

1 (c) A statement of cash flows (for the group), together with a comparative statement for the corresponding period of the immediately preceding financial year.

| | Group | | Group | |
|---|--|--|--|--|
| | 3Q2018 1 Jul 2018 to 30 Sep 2018 | 3Q2017 1 Jul 2017 to 30 Sep 2017 | 9M2018 1 Jan 2018 to 30 Sep 2018 | 9M2017 1 Jan 2017 to 30 Sep 2017 |
| | RM'000 | RM'000 | RM'000 | RM'000 |
| Cash flows from operating activities | | | | |
| Profit before taxation | 37,355 | 39,673 | 112,280 | 110,561 |
| Adjustments for: | | | | |
| Depreciation of property, plant and equipment | 10,189 | 8,577 | 30,398 | 25,146 |
| Property, plant and equipment written off | 6 | - | 30 | 9 |
| Loss/ (gain) on disposal of property, plant and equipment | 21 | (174) | 43 | (117) |
| Fair value (gain)/ loss on derivatives | (2,226) | (1,261) | 2,748 | (5,696) |
| Interest expense | 231 | 285 | 730 | 757 |
| Interest income | (456) | (511) | (1,494) | (1,586) |
| Operating cash flows before working capital changes | 45,120 | 46,589 | 144,735 | 129,074 |
| Decrease/ (increase) in inventories | 5,554 | (4,464) | (18,627) | (1,064) |
| (Increase)/ decrease in receivables and prepayments | (8,894) | 19,886 | (6,505) | 22,955 |
| Increase in payables and accruals | 12,112 | 3,513 | 11,423 | 1,076 |
| Increase in employee benefit obligations | 21 | - | 33 | - |
| Cash flows from operations | 53,913 | 65,524 | 131,059 | 152,041 |
| Income tax paid | (9,451) | (6,929) | (17,533) | (16,133) |
| Interest paid | (231) | (285) | (730) | (757) |
| Interest received | 456 | 511 | 1,494 | 1,586 |
| Net cash flows from operating activities | 44,687 | 58,821 | 114,290 | 136,737 |
| Cash flows from investing activities | | | | |
| Proceeds from disposal of property, plant and equipment | 75 | 324 | 104 | 987 |
| Purchase of property, plant and equipment | (31,055) | (32,043) | (74,724) | (90,195) |
| Net cash flows used in investing activities | (30,980) | (31,719) | (74,620) | (89,208) |
| Cash flows from financing activities | | | | |
| Proceeds from term loans | - | - | - | 30,000 |
| Repayment of bank borrowings | (1,500) | (1,500) | (4,500) | (3,500) |
| Dividends paid | - | - | (42,242) | (38,462) |
| Net cash flows used in financing activities | (1,500) | (1,500) | (46,742) | (11,962) |
| Net increase/ (decrease) in cash and cash equivalents | 12,207 | 25,602 | (7,072) | 35,567 |
| Effect of foreign currency exchange rates | 1,448 | (33) | (1,002) | 154 |
| Cash and cash equivalents at beginning of period | 92,521 | 113,347 | 114,250 | 103,195 |
| Cash and cash equivalents at end of period | 106,176 | 138,916 | 106,176 | 138,916 |
| Cash and cash equivalents comprise the followings at end of the financial period | | | | |
| Fixed deposits | 27,735 | 30,613 | 27,735 | 30,613 |
| Cash at banks and in hand | 78,441 | 108,303 | 78,441 | 108,303 |
| Cash and cash equivalent at end of the financial period | 106,176 | 138,916 | 106,176 | 138,916 |

- 1 (d) (i) A statement (for the issuer and group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding year of the immediately preceding financial year.

| GROUP | Share Capital RM'000 | Treasury Shares RM'000 | Retained Earnings RM'000 | Other Reserves RM'000 | Total Reserves RM'000 | Non- controlling Interests RM'000 | Total Equity RM'000 |
|---|-------------------------------------|---------------------------------------|---|--------------------------------------|----------------------------------|--|------------------------------------|
| 9M2017 | | | | | | | |
| Balance at 1 January 2017 | 156,337 | (815) | 436,331 | (37,350) | 398,981 | 5 | 554,508 |
| Total comprehensive income for the period | - | - | 95,061 | 282 | 95,343 | - * | 95,343 |
| Payment of FY2016 final dividend | - | - | (38,462) | - | (38,462) | - | (38,462) |
| Balance at 30 September 2017 | 156,337 | (815) | 492,930 | (37,068) | 455,862 | 5 | 611,389 |
| 9M2018 | | | | | | | |
| Balance at 1 January 2018 | 156,337 | (815) | 515,843 | (38,754) | 477,089 | 5 | 632,616 |
| Total comprehensive income for the period | - | - | 96,760 | (740) | 96,020 | - * | 96,020 |
| Payment of FY2017 final dividend | - | - | (42,242) | - | (42,242) | - | (42,242) |
| Balance at 30 September 2018 | 156,337 | (815) | 570,361 | (39,494) | 530,867 | 5 | 686,394 |
| 3Q2017 | | | | | | | |
| Balance at 1 July 2017 | 156,337 | (815) | 458,586 | (37,067) | 421,519 | 5 | 577,046 |
| Total comprehensive income for the period | - | - | 34,344 | (1) | 34,343 | - * | 34,343 |
| Balance at 30 September 2017 | 156,337 | (815) | 492,930 | (37,068) | 455,862 | 5 | 611,389 |
| 3Q2018 | | | | | | | |
| Balance at 1 July 2018 | 156,337 | (815) | 538,238 | (41,473) | 496,765 | 5 | 652,292 |
| Total comprehensive income for the period | - | - | 32,123 | 1,979 | 34,102 | - * | 34,102 |
| Balance at 30 September 2018 | 156,337 | (815) | 570,361 | (39,494) | 530,867 | 5 | 686,394 |

* Denote amount less than RM500

| | Share Capital RM'000 | Treasury Shares RM'000 | Retained Earnings RM'000 | Other Reserves RM'000 | Total Reserves RM'000 | Total Equity RM'000 |
|---|----------------------------|------------------------------|--------------------------------|-----------------------------|--------------------------|------------------------|
| <u>COMPANY</u> | | | | | | |
| 9M2017 | | | | | | |
| Balance at 1 January 2017 | 156,337 | (815) | 40,553 | 49,666 | 90,219 | 245,741 |
| Total comprehensive income for the period | - | - | 18,142 | 762 | 18,904 | 18,904 |
| Payment of FY2016 final dividend | - | - | (38,462) | - | (38,462) | (38,462) |
| Balance at 30 September 2017 | 156,337 | (815) | 20,233 | 50,428 | 70,661 | 226,183 |
| 9M2018 | | | | | | |
| Balance at 1 January 2018 | 156,337 | (815) | 42,239 | 45,306 | 87,545 | 243,067 |
| Total comprehensive income for the period | - | - | 10,857 | (1,782) | 9,075 | 9,075 |
| Payment of FY2017 final dividend | - | - | (42,242) | - | (42,242) | (42,242) |
| Balance at 30 September 2018 | 156,337 | (815) | 10,854 | 43,524 | 54,378 | 209,900 |
| 3Q2017 | | | | | | |
| Balance at 1 July 2017 | 156,337 | (815) | 20,531 | 50,855 | 71,386 | 226,908 |
| Total comprehensive income for the period | - | - | (298) | (427) | (725) | (725) |
| Balance at 30 September 2017 | 156,337 | (815) | 20,233 | 50,428 | 70,661 | 226,183 |
| 3Q2018 | | | | | | |
| Balance at 1 July 2018 | 156,337 | (815) | 11,135 | 38,671 | 49,806 | 205,328 |
| Total comprehensive income for the period | - | - | (281) | 4,853 | 4,572 | 4,572 |
| Balance at 30 September 2018 | 156,337 | (815) | 10,854 | 43,524 | 54,378 | 209,900 |

- 1 (d) (ii) Details of any changes in the company's share capital arising from rights issue, bonus issue, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State the number of shares that may be issued on conversion of all the outstanding convertibles, if any, against the total number of issued shares excluding treasury shares and subsidiary holdings of the issuer, as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year. State also the number of shares held as treasury shares and the number of subsidiary holdings, if any, and the percentage of the aggregate number of treasury shares and subsidiary holdings held against the total number of shares outstanding in a class that is listed as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year.

| Share capital | Number of shares | Share Capital RM'000 |
|----------------------------------|---------------------|-------------------------|
| Issued and fully paid up: | | |
| As at 31 December 2017 | <u>742,452,050</u> | <u>156,337</u> |
| As at 30 September 2018 | <u>742,452,050</u> | <u>156,337</u> |

As at 30 September 2018, the Company held 1,368,000 of its issued shares as treasury shares (31 December 2017: 1,368,000).

Other than the above mentioned, the Company does not have any outstanding share convertibles at the end of the financial period under review.

- 1 (d)(iii) To show the total number of issued shares excluding treasury shares as at the end of the current financial period and as at the end of the immediately preceding year.

| | As at 30.09.18 | As at 31.12.17 |
|---|--------------------|--------------------|
| Total number of issued shares | 742,452,050 | 742,452,050 |
| Less: Treasury shares | <u>(1,368,000)</u> | <u>(1,368,000)</u> |
| Total number of issued shares excluding treasury shares | <u>741,084,050</u> | <u>741,084,050</u> |

- 1 (d) (iv) A statement showing all sales, transfers, disposal, cancellation and/or use of treasury shares as at the end of the current financial period reported on.

There were no sales, transfers, disposal, cancellation and/ or use of treasury shares during the current financial period reported on.

- 1 (d) (v) A statement showing all sales, transfers, disposal, cancellation and/or use of subsidiary holdings as at the end of the current financial period reported on.

There were no sales, transfers, disposal, cancellation and/ or use of subsidiary holdings as at the end of the current financial period reported on.

2. Whether the figures have been audited or reviewed, and in accordance with which auditing standard or practice.

The figures have not been audited or reviewed by the Company's auditors.

3. Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of a matter).

Not applicable

4. Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied.

Except as explained in note 5, the Group and the Company have applied the same accounting policies and method of computation applied in the financial statements for the current reporting period as those adopted in the most recently audited consolidated financial statements for the financial year ended 31 December 2017.

5. If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change.

The adoption of the new and revised FRSs is assessed to have no material impact to the results of the Group and the Company for the financial year ended 31 December 2018.

6. Earnings per ordinary share of the group for the current financial period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends:-

| | Group | |
|--|---------------|---------------|
| | 3Q2018 | 3Q2017 |
| Earnings per share ("EPS") in sen (RM) | | |
| a) Basic | 4.33 | 4.63 |
| b) On a fully diluted basis | 4.33 | 4.63 |

Earnings per share for the third quarter ended 30 September 2018 is calculated based on profit from ordinary activities after taxation of RM32.1 million divided by weighted average of 741.1 million number of ordinary shares in issue. As for comparative, earnings per share for the third quarter ended 30 September 2017 is calculated based on profit from ordinary activities after taxation of RM34.3 million divided by weighted average of 741.1 million number of ordinary shares in issue.

As there were no share options and other potential issuance granted, the basic and fully diluted earnings per share are the same.

7. Net asset value (for the issuer and group) per ordinary share based on the total number of issued shares excluding treasury shares of the issuer at the end of the:-

- (a) current financial period reported on; and
- (b) immediately preceding financial year.

| | Group | | Company | |
|---------------------------------|---------------------------|---------------------------|---------------------------|---------------------------|
| | As at 30.09.18 | As at 31.12.17 | As at 30.09.18 | As at 31.12.17 |
| Net asset per share in sen (RM) | 92.62 | 85.36 | 28.32 | 32.80 |

The Group and Company net asset backing per ordinary share as at 30 September 2018 and 31 December 2017 are calculated based on 741.1 million ordinary shares in issue excluding treasury shares.

RIVERSTONE HOLDINGS LIMITED

8. A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. It must include a discussion of the following:-
- a) any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and
 - b) any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.

a) INCOME STATEMENT REVIEW

For 3Q2018, the Group achieved RM239.5 million in total revenue, a 27.5% increase as compared to RM187.8 million in 3Q2017. With the increase in total revenue, the cost of sales had increased by 41.2% to RM193.4 million in 3Q2018. The Group's gross profit reduced 9.2% year-on-year (yoy) from RM50.8 million to RM46.1 million.

The Group's other income had a marginal reduction to RM0.7 million in 3Q2018 mainly due to lower interest income.

Selling and distribution expenses increased by 20.6% yoy to RM4.3 million in 3Q2018 mainly due to increase in marketing expenses.

General and administrative expenses decreased by 13.2% to RM5.4 million yoy mainly due to a reduction in performance incentives.

Other operating expenses has a reduction of 131.4% from RM1.7 million in 3Q2017 to credits of RM0.5 million in 3Q2018 due to the foreign exchange gain.

The Group's effective tax rate was at 14.0% due to availability of tax incentives. Income tax expenses decreased to RM5.2 million as a result of lower taxable income.

Overall for the 3Q2018, the Group's profit before tax reduced by 5.8% to RM37.4 million and profit after tax decreased by 6.5% to RM32.1 million when compared to 3Q2017.

b) BALANCE SHEET REVIEW

As at 30 September 2018, non-current assets which consist of Property, plant and equipment (PPE) and deferred tax asset, increased to RM474.0 million from RM429.6 million. PPE increased to RM464.3 million from RM419.8 million mainly on acquisition of RM74.7 million coupled with foreign exchange adjustment of RM0.3 million offset by the depreciation charge and PPE written off/ disposals of RM30.4 million and RM0.1 million respectively. The deferred tax asset increased marginally to RM9.8 million mainly due to the availability of reinvestment allowances.

Trade receivables and inventories increased from RM142.5 million to RM148.1 million and RM71.1 million to RM89.8 million as at 30 September 2018 respectively mainly due to increase in sales and higher production volume. As a results of refund from Goods and services tax, other receivables reduced to RM13.7 million as at 30 September 2018 from RM15.4 million. Prepayments increased from RM2.4 million to RM5.0 million as at 30 September 2018 mainly due to prepayment of Malaysian government levy for foreign workers.

Cash and cash equivalents reduced to RM106.2 million as at 30 September 2018 from RM114.3 million as at 31 December 2017. For the 3Q2018, the Group generated RM44.7 million in net cash flows from operating activities and net cash flows used in investing activities amounting to RM31.0 million were mainly for the purchase of PPE. The Group has net cash flows used in financing activities in 3Q2018 amounting to RM1.5 million for the repayment of bank borrowings.

Current liabilities increased to RM125.6 million as at 30 September 2018 from RM115.5 million as at 31 December 2017. This was mainly due to higher payables and accruals from RM101.6 million to RM113.1 million and derivatives of RM0.6 million as at 30 September 2018. Provision for taxation was RM5.9 million as at 30 September 2018, reduced from RM7.9 million as at 31 December 2017.

Non-current liabilities declined to RM25.8 million as at 30 September 2018 from RM30.3 million mainly due to the repayment of bank borrowings of RM4.5 million.

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

Not applicable

RIVERSTONE HOLDINGS LIMITED

- 10. 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.**

Phase 5 expansion plan is progressively being carried out in Taiping, Perak, Malaysia. By the end of December 2018 our Group will have a total annual production capacity of 9.0 billion gloves.

In addition, the Group has plans to add another 1.4 billion pieces of gloves by the end of 2019 as Phase 6, giving the Group a total annual production capacity of 10.4 billion pieces of gloves.

The foreign currency fluctuations particularly in US Dollars, volatile raw material prices, increase in overall production costs and competition from the other glove manufacturers remain challenging for the Group.

- 11. If a decision regarding dividend has been made:-**

- (a) Whether an interim (final) ordinary dividend has been declared (recommended); and**

None

- (b) Corresponding period of the immediately preceding financial year**

None

- (c) Whether the dividend is before tax, net of tax or tax exempt. If before tax or net of tax, state the tax rate and the country where the dividend is derived. (If the dividend is not taxable in the hands of shareholders, this must be stated).**

Not applicable

- (d) The date the dividend is payable.**

Not applicable

- (e) The date on which Registrable Transfers received by the company (up to 5.00 pm) will be registered before entitlements to the dividend are determined.**

Not applicable

- 12. If no dividend has been declared (recommended), a statement to that effect.**

No dividend has been declared or recommended for the third quarter ended 30 September 2018.

- 13. If the group has obtained a general mandate from shareholders for Interested Parties Transactions (IPTs), the aggregate value of such transactions as required under Rule 920(1)(a)(ii). If no IPT mandate has been obtained, a statement to that effect.**

The Company does not have an Interested Person Transactions mandate.

- 14. Statement by Directors
Pursuant to SGX Listing Rule 705(5)**

The Directors confirm that, to the best of their knowledge, nothing has come to the attention of the Board of Directors which may render the unaudited financial results of Riverstone Holdings Limited for the third quarter ended 30 September 2018 presented in this announcement to be false or misleading in any material respect.

- 15. Confirmation that the issuer has procured undertakings from all its directors and executive officers under SGX Listing Rule 720(1)**

The Company has procured undertakings from all its directors and executive officers.

BY ORDER OF THE BOARD

WONG TEEK SON
EXECUTIVE CHAIRMAN AND CHIEF EXECUTIVE OFFICER

01 November 2018

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.