



**B E S H O M**

THE BEST STARTS FROM HOME

**BESHOM HOLDINGS BERHAD**

Registration No. 202101001114 (1401412-A)

## ANNUAL GENERAL MEETING

26 SEPTEMBER 2023

**SUSTAINABILITY IS A JOURNEY**

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# Financial Performance Highlights

Revenue

**RM174.2** million

Total Equity

**RM309.7** million

PBT

**RM24.3** million

Dividend Per Share

**5** sen

Net Assets Per Share

**RM1.03**



**“Despite the expectations of a rebound in the global economy with the worst pandemic crisis behind us, the operating environment remains challenging”**

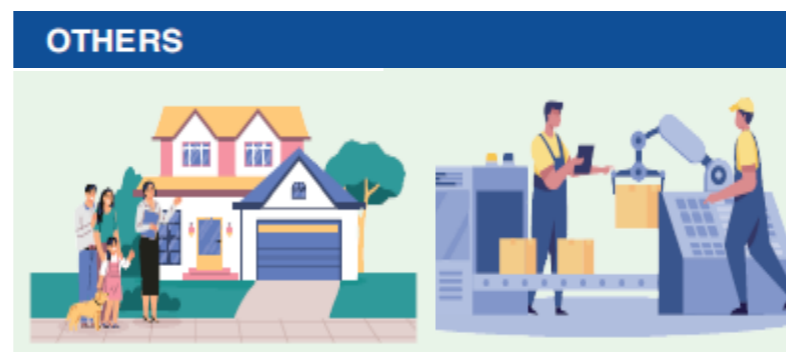
**“As we embraced normalcy that most of the COVID-19 restrictions being uplifted, we were nevertheless faced with other economic uncertainties”**

- FY2023 was another challenging year and our financial performance reflected the challenging trading environment, primarily due to uncertainties in the global political and economic environment
- Financial performance was disrupted by low consumer confidence in the face of high interest rates which affected the ability and willingness to spend, supply chain bottlenecks and the weakening of RM
- However, we continue to maintain an unbroken track record of profitability supported by the Group’s solid financial position



# Business Segment Overview

- No significant changes in the nature of the principal activities of the Group during the financial year
- Following the successful completion of our internal reorganisation on 29 Nov 21, BESHOM has become the investment holding entity assuming the listing status
- Major business operating entities are segmented into:





- Remains as the anchor revenue and profit contributor of the Group despite its financial performance for FY2023
- The MLM segment delivered Revenue of RM70.7 million ( FY2022 : RM115.4 million) and PBT of RM7.4 million (FY2022 : RM21.1 million)
- The financial performance was due to lower distributor base, weakening of members' purchasing power and emergence of other casual employment options
- Our distributor base comprises more than 75% female and > 50% are within the age group 31-45.
- During the financial year, the MLM segment rolled out several activities to motivate, attract and retain distributors



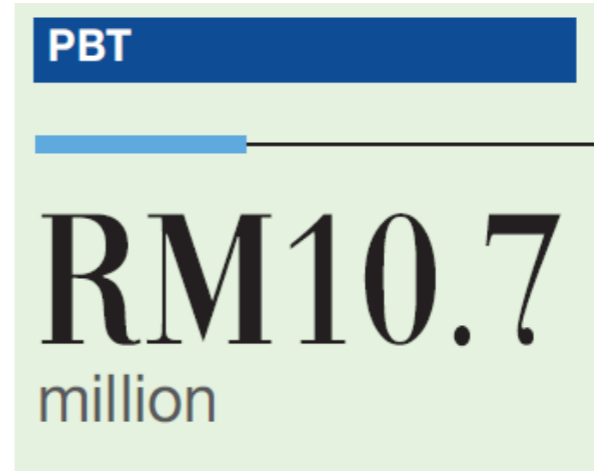
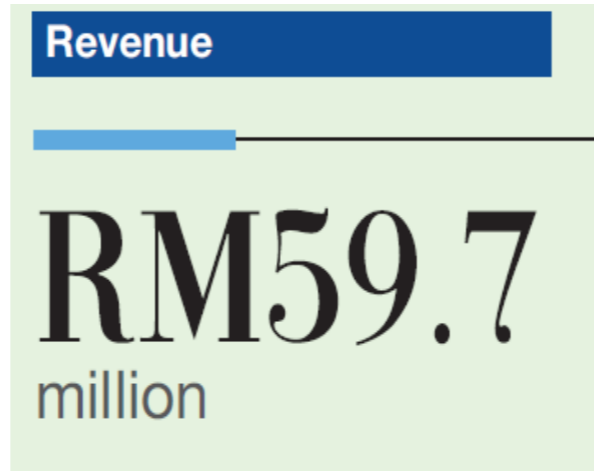
MOTIVATE



ATTRACT



RETAIN



- Wholesale segment is the largest profit contributor for FY2023
- Revenue improved by RM6.6 million (+12.4%) but PBT decreased by RM1.7 million (-13.7%)
- Sales improved largely due to aggressive promotional activities and incentives scheme but we incurred higher sales and marketing costs
- The Wholesale segment implemented the following market positioning initiatives for FYE 2023:



**PRODUCT  
DEVELOPMENT**



**NETWORK POSITIONING  
AND EXPANSION**



**MARKETING  
ACTIVITIES**





## RETAIL

### Revenue

**RM39.0**  
million

### PBT

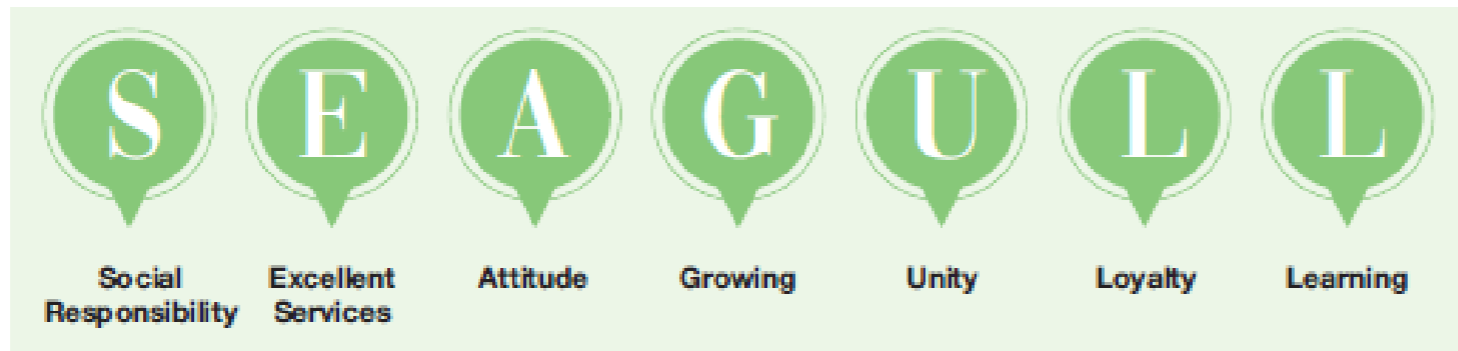
**RM2.8**  
million

- Represented by 55 retail chain stores and franchises across Klang Valley and all major states in Malaysia
- Revenue improved by RM2.0 million (+5.4%) but PBT decreased by RM0.6 million (-17.6%)
- Return to pre COVID-19 normalcy with improvement in sales but PBT was affected by higher rental and other operating cost
- Organised a series of promotional and marketing activities with event-exclusive deals and offers to capitalise on revived customers' interests in physical retail stores
- Implemented aggressive two-pronged members recruitment programme, incentivising outlet staff to recruit new members, while launching an attractive membership package via our e-Store
- Participated in promotional activities on AstroGo Live Broadcast to expand distribution network



# Sustainability

- At Beshom Group, We strive to generate sustainable value for our stakeholders including Shareholders and Investors, our Employees, our Customers, our Supply Chain Partners and Business Associates and not forgetting the Society, Communities within the reach of our operations and products, as well as the natural environment.
- Sustainability considerations encompassing economic, environmental, social governance aspects, play a central role in how the Group drives its value creation in the short, medium, and long term.
- Our operations and processes are developed incorporating practices from compliance standards to better international practices relating to environmental, social, and governance aspects.



# Outlook

- Elevated inflation, higher interest rates and the weakening of Ringgit Malaysia are expected to impact consumer spending and cause households to become even more value conscious
- The effects of these changes are still filtering through the economy and have contributed to a more uncertain outlook for 2023/2024
- In response to the prevailing economic uncertainties, we will continue to focus on the Group's existing businesses with the following strategies:

## Optimising business operations

Streamlining operational efficiency and strengthening existing businesses through operating excellence for cost management

## Refreshing image and brand portfolio

Enhancing physical outlets and digital platforms to refresh brand portfolio for a better customer experience

## Motivational initiatives

Securing growth opportunities through finetuning sales incentive schemes across all business segments

## Reconstituting distributors' base

Maintaining a sustainable distributors' base with focused group marketing activities and growth opportunities



