

**HAI-O ENTERPRISE BERHAD (22544-D)**  
(Incorporated in Malaysia)

MINUTES of the 43<sup>rd</sup> Annual General Meeting of the Company held at Ballroom I, Level 2, The Federal Hotel Kuala Lumpur, No. 35, Jalan Bukit Bintang, 55100 Kuala Lumpur, Malaysia on Tuesday, 25 September 2018 at 11.30 a.m.

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PRESENT : Tan Kai Hee – Chairman  
Others – As per attendance list attached

**1. QUORUM**

On behalf of the Chairman, Mr Tan Keng Kang, the Group Managing Director extended a warm welcome to all the shareholders, Board of Directors and invitees to the 43<sup>rd</sup> Annual General Meeting (43<sup>rd</sup> AGM). Upon confirming the presence of a quorum, the meeting was called to order at 11.30 a.m.

**2. NOTICE**

There being no objection, the notice convening the meeting, having been circulated earlier to all the members of the Company within the prescribed notice period, was taken as read. Datin Sunita was then invited to lead the Meeting through the agenda.

Datin Sunita reported that the Company has received 753 valid proxies carrying 55,924,703 shares or representing 19.25% of the Company's issued share capital.

On behalf of the Board of Directors, Datin Sunita welcomed Ms Tan Beng Ling and Professor Hajjah Ruhanas binti Harun who were appointed as Independent Non-Executive Directors of the Company on 16 April 2018 and 2 July 2018 respectively and briefly introduced Ms Tan and Professor Hajjah Ruhanas to the shareholders.

The Meeting was informed that the Company has received a letter from the Minority Shareholders Watchdog Group ("MSWG") dated 19 September 2018. Datin Sunita thereafter invited Ms Irene Chew, the Company Secretary, to read out MSWG's questions and the Company's responses thereto for the Meeting's information. Copies of the letter from MSWG and the Company's reply to MSWG are attached as Appendices I and II respectively.

Before the Meeting proceeded with the first item of the agenda, Ms Irene Chew was further invited to brief the presentation slides encompassing the overview of the Company's performance and results for the financial year ended 30 April 2018 together with its business outlook and prospect for the next financial year as per Appendix III.

Next, Datin Sunita informed the Meeting that voting for the resolutions as set out in agendas 2 to 7 in the notice of the 43<sup>rd</sup> AGM will be carried out by poll in line with Bursa's Listing Requirements and GovernAce Advisory & Solutions Sdn Bhd, an independent scrutineer has been appointed to validate the votes. She thereafter

invited Mr Alex Wong to brief the floor on the conduct of E-Polling.

**3. AUDITED FINANCIAL STATEMENTS (“AFS”)  
THE YEAR ENDED 30 APRIL 2018 (“FYE 30 APRIL 2018”)**

The AFS for the FYE 30 April 2018 and the Reports of the Directors and Auditors having been circulated to all the shareholders within the prescribed period were taken as read.

Datin Sunita thereafter invited questions on the AFS from the floor.

Mr Lee Chee Meng (“Mr Lee”), the representative of MSWG, enquired on (i) the type of products categorised under “Seasonal & Others” and (ii) details of the newly acquired properties which are expected to generate rental income of RM400,000 per annum.

On question (i), Datin Sunita informed that the “Seasonal & Others” comprised mainly of products for festive seasons and other non-core sundry products. On the rental income, Mr Hew informed that rental income was contributed by all the three tenanted properties as mentioned in the letter of reply to MSWG.

In replying to the enquiries raised by Mr William Eng, a proxy holder on (i) the capital expenditure (“Capex”) allocated for the two new MLM branches in Sabah, (ii) the rationale for the increase in inventories by approximately RM20 million compared to previous financial year and (iii) clarification of “Equity settled share-based payment transactions” of RM2.6 million disclosed on page 104 -Statement of Cash Flows of the Annual Report, Datin Sunita informed that the capital expenditure incurred for the 2 new MLM branches in Sabah amounting to RM3.0 million. On inventories, Datin Sunita informed that the increase was in tandem with the sales demand. The Board together with the Senior Management has in place an efficient process to manage the working capital and monitor the inventory levels on a quarterly basis. On “Equity settled share-based payment transactions”, these are merely accounting entries for the shares allocated under the Employees’ Share Option Scheme and had no impact on the Group’s cash flow.

**4. RE-ELECTION OF MR TAN KENG KANG WHO RETIRES PURSUANT TO ARTICLE 102(1) OF THE COMPANY’S ARTICLES OF ASSOCIATION (ORDINARY RESOLUTION 1)**

In accordance with Article 102(1) of the Company’s Articles of Association, Mr Tan Keng Kang was due to retire and being eligible, has offered himself for re-election.

The poll results in respect of Ordinary Resolution 1 was recorded as follows:-

	FOR		AGAINST	
	Number of Shares	%	Number of Shares	%
<b>Ordinary Resolution 1</b>	<b>86,933,982</b>	<b>98.7274</b>	<b>1,120,550</b>	<b>1.2726</b>

As 86,933,982 shares representing 98.7274% of the total votes cast were in favour of the motion, Datin Sunita declared the following Ordinary Resolution 1 duly passed:-

“THAT Tan Keng Kang retiring pursuant to Article 102(1) of the Company’s Articles of Association, and being eligible be hereby re-elected as Director of the Company.”

**5. RE-ELECTION OF MR CHIA KUO WUI WHO RETIRES PURSUANT TO ARTICLE 102(1) OF THE COMPANY’S ARTICLES OF ASSOCIATION (ORDINARY RESOLUTION 2)**

In accordance with Article 102(1) of the Company’s Articles of Association, Mr Chia Kuo Wui was due to retire and being eligible, has offered himself for re-election.

The poll results in respect of Ordinary Resolution 2 was recorded as follows:-

	FOR		AGAINST	
	Number of Shares	%	Number of Shares	%
<b>Ordinary Resolution 2</b>	<b>98,268,706</b>	<b>98.8083</b>	<b>1,185,180</b>	<b>1.1917</b>

As 98,268,706 shares representing 98.8083 % of the total votes cast were in favour of the motion, Datin Sunita declared the following Ordinary Resolution 2 duly passed:-

“THAT Chia Kuo Wui retiring pursuant to Article 102(1) of the Company’s Articles of Association, and being eligible be hereby re-elected as Director of the Company.”

**6. RE-APPOINTMENT OF MR SOON ENG SING AS A DIRECTOR (ORDINARY RESOLUTION 3)**

In accordance with Article 102(1) of the Company’s Articles of Association, Mr Soon Eng Sing was due to retire and being eligible, has offered himself for re-election.

The poll results in respect of Ordinary Resolution 3 was recorded as follows:-

	FOR		AGAINST	
	Number of Shares	%	Number of Shares	%
<b>Ordinary Resolution 3</b>	<b>99,153,406</b>	<b>99.4972</b>	<b>501,068</b>	<b>0.5028</b>

As 99,153,406 shares representing 99.4972% of the total votes cast were in favour of the motion, Datin Sunita declared the following Ordinary Resolution 3 duly

passed:-

“THAT Soon Eng Sing retiring pursuant to Article 102(1) of the Company’s Articles of Association, and being eligible be hereby re-elected as Director of the Company.”

**7. RE-APPOINTMENT OF MS TAN BENG LING AS A DIRECTOR (ORDINARY RESOLUTION 4)**

In accordance with Article 109 of the Company’s Articles of Association, Ms Tan Beng Ling was due to retire and being eligible, has offered herself for re-election.

The poll results in respect of Ordinary Resolution 4 was recorded as follows:-

	FOR		AGAINST	
	Number of Shares	%	Number of Shares	%
<b>Ordinary Resolution 4</b>	<b>100,565,055</b>	<b>99.4909</b>	<b>514,568</b>	<b>0.5091</b>

As 100,565,055 shares representing 99.4909% of the total votes cast were in favour of the motion, Datin Sunita declared the following Ordinary Resolution 4 duly passed:-

“THAT Tan Beng Ling retiring pursuant to Article 109 of the Company’s Articles of Association, and being eligible be hereby re-elected as Director of the Company.”

**8. RE-APPOINTMENT OF PROFESSOR HAJJAH RUHANAS BINTI HARUN AS A DIRECTOR (ORDINARY RESOLUTION 5)**

In accordance with Article 109 of the Company’s Articles of Association, Professor Hajjah Ruhanas binti Harun was due to retire and being eligible, has offered herself for re-election.

The poll results in respect of Ordinary Resolution 5 was recorded as follows:-

	FOR		AGAINST	
	Number of Shares	%	Number of Shares	%
<b>Ordinary Resolution 5</b>	<b>100,551,396</b>	<b>99.3946</b>	<b>612,478</b>	<b>0.6054</b>

As 100,551,396 shares representing 99.3946% of the total votes cast were in favour of the motion, Datin Sunita declared the following Ordinary Resolution 5 duly passed:-

“THAT Professor Hajjah Ruhanas binti Harun retiring pursuant to Article 109 of the Company’s Articles of Association, and being eligible be hereby re-elected as Director of the Company.”

**9. PAYMENT OF DIRECTORS' FEES (ORDINARY RESOLUTION 6)**

The Company had proposed a payment of Directors' fees of RM184,958 for the financial year ended 30 April 2018.

The Directors who are also the shareholders of the Company had abstained from voting on this resolution.

The poll results in respect of Ordinary Resolution 6 was recorded as follows:-

	FOR		AGAINST	
	Number of Shares	%	Number of Shares	%
<b>Ordinary Resolution 6</b>	<b>57,329,710</b>	<b>99.9155</b>	<b>48,510</b>	<b>0.0845</b>

As 57,329,710 shares representing 99.9155% of the total votes cast were in favour of the motion, Datin Sunita declared the following Ordinary Resolution 6 duly passed:-

"THAT the payment of Directors' fees of RM184,958 for the financial year ended 30 April 2018 be hereby approved."

**10. THE PAYMENT OF DIRECTORS' REMUNERATION AND BENEFITS (EXCLUDING DIRECTORS' FEES) TO NON-EXECUTIVE DIRECTORS UP TO AN AMOUNT OF RM1,000,000 FROM 26 SEPTEMBER 2018 UNTIL THE NEXT ANNUAL GENERAL MEETING OF THE COMPANY (ORDINARY RESOLUTION 7)**

The Company had proposed a Directors' remuneration and benefits (excluding Directors' fees) to Non-Executive Directors up to an amount of RM1,000,000 from 26 September 2018 until the next Annual General Meeting of the Company.

The Non-Executive Directors who are also the shareholders of the Company had abstained from voting on this resolution.

The poll results in respect of Ordinary Resolution 7 was recorded as follows:-

	FOR		AGAINST	
	Number of Shares	%	Number of Shares	%
<b>Ordinary Resolution 7</b>	<b>93,708,770</b>	<b>93.8697</b>	<b>6,119,792</b>	<b>6.1303</b>

As 93,708,770 shares representing 93.8697% of the total votes cast were in favour of the motion, Datin Sunita declared the following Ordinary Resolution 7 duly passed:-

"THAT the payment of a Directors' remuneration and benefits (excluding Directors' fees) to Non-Executive Directors up to an amount of RM1,000,000 from 26 September 2018 until the next Annual General Meeting of the Company be hereby approved."

approved.”

**11. FINAL SINGLE TIER DIVIDEND OF 11 SEN (ORDINARY RESOLUTION 8)**

The Directors had recommended that a final single tier dividend of 11 sen per ordinary share for the financial year ended 30 April 2018 be paid.

The poll results in respect of Ordinary Resolution 8 was recorded as follows:-

	FOR		AGAINST	
	Number of Shares	%	Number of Shares	%
<b>Ordinary Resolution 8</b>	<b>100,636,841</b>	<b>99.9985</b>	<b>1,500</b>	<b>0.0015</b>

As 100,636,841 shares representing 99.9985% of the total votes cast were in favour of the motion, Datin Sunita declared the following Ordinary Resolution 8 duly passed:-

“THAT the declaration of a final single tier dividend of 11 sen per ordinary share for the financial year ended 30 April 2018 be hereby approved.”

**12. RE-APPOINTMENT OF AUDITORS (ORDINARY RESOLUTION 9)**

Messrs KPMG PLT who was retiring at the 43<sup>rd</sup> AGM had given their consent to seek for re-appointment. It was noted that no other nominations had been received by the Company.

The poll results in respect of Ordinary Resolution 9 was recorded as follows:-

	FOR		AGAINST	
	Number of Shares	%	Number of Shares	%
<b>Ordinary Resolution 9</b>	<b>99,053,932</b>	<b>99.0726</b>	<b>927,218</b>	<b>0.9274</b>

As 99,053,932 shares representing 99.0726% of the total votes cast were in favour of the motion, Datin Sunita declared the following Ordinary Resolution 9 duly passed:-

“THAT Messrs KPMG PLT be and is hereby re-appointed as Company’s Auditors and to hold office until the conclusion of the next Annual General Meeting of the Company at a remuneration to be determined by the Directors.”

**13. AUTHORITY TO ALLOT SHARES PURSUANT TO SECTIONS 75 AND 76 OF THE COMPANIES ACT, 2016 (ORDINARY RESOLUTION 10)**

The next item on the agenda was to seek the shareholders authority for the allotment of shares pursuant to Sections 75 and 76 of the Companies Act, 2016.

The poll results in respect of Ordinary Resolution 10 was recorded as follows:-

	FOR		AGAINST	
	Number of Shares	%	Number of Shares	%
<b>Ordinary Resolution 10</b>	<b>98,928,867</b>	<b>99.0412</b>	<b>957,682</b>	<b>0.9588</b>

As 98,928,867 shares representing 99.0412% of the total votes cast were in favour of the motion, Datin Sunita declared the following Ordinary Resolution 10 duly passed:-

“THAT pursuant to Sections 75 and 76 of the Companies Act, 2016 and subject always to the approval of the relevant authorities, the Directors be and are hereby empowered to issue shares in the Company at any time and upon such terms and conditions and for such purpose as the Directors may, in their absolute discretion deem fit and in the interest of the Company, provided that the aggregate number of the shares issued pursuant to this resolution does not exceed 10% of the total number of shares issued of the Company for the time being and that the Directors be and are also empowered to obtain the approval for the listing of and quotation for the additional shares so issued on Bursa Malaysia Securities Berhad and that such authority shall continue to be in force until the conclusion of the next Annual General Meeting of the Company.

**14. PROPOSED SHARE BUY-BACK BY THE COMPANY (ORDINARY RESOLUTION 11)**

The Company had proposed to seek the approval from the shareholders for a renewal of the Shareholders’ Mandate to buy back the Company’s shares.

The poll results in respect of Ordinary Resolution 11 was recorded as follows:-

	FOR		AGAINST	
	Number of Shares	%	Number of Shares	%
<b>Ordinary Resolution 11</b>	<b>101,067,610</b>	<b>99.9941</b>	<b>6,000</b>	<b>0.0059</b>

As 101,067,610 shares representing 99.9941% of the total votes cast were in favour of the motion, Datin Sunita declared the following Ordinary Resolution 11 duly passed:-

“THAT subject to the rules, regulations and orders made pursuant to the Companies Act, 2016 (“the Act”), provisions of the Company’s Articles of Association and the Listing Requirements of Bursa Malaysia Securities Berhad (“Bursa Securities”) and any other relevant authorities, the Board be and is hereby authorised to purchase the Company’s shares (“Hai-O Shares”) through Bursa Securities (“Proposed Share Buy-Back”) subject to the following:-

- a. the maximum number of Hai-O Shares which may be purchased and/or held as treasury shares by the Company at any point in time pursuant to the Proposed

Share Buy-Back shall not exceed ten percent (10%) of the total number of shares issued of the Company;

- b. the maximum fund to be allocated by the Company for the purpose of purchasing the Hai-O Shares shall not exceed the aggregate of the retained profits of the Company;
- c. the authority conferred by this resolution will be effective immediately upon the passing of this Resolution and will expire at the conclusion of the next Annual General Meeting of the Company, unless earlier revoked or varied by an ordinary resolution of the shareholders of the Company at a general meeting or the expiration of the period within which the next Annual General Meeting is required by law to be held, whichever is the earlier, but not so as to prejudice the completion of purchase(s) by the Company before the aforesaid expiry date and, in any event, in accordance with the provisions of the Listing Requirements of Bursa Securities or any other relevant authorities; and
- d. upon completion of the purchase(s) of the Hai-O Shares by the Company, the Board be and is hereby authorised to retain the Hai-O Shares so purchased as treasury shares, of which may be distributed as dividends to shareholders and/or re-sold on Bursa Securities and/or subsequently cancelled and in other manner as prescribed by the Act, rules, regulations and orders made pursuant to the Act and the requirements of Bursa Securities and any other relevant authorities for the time being in force.

AND that the Board be and is hereby authorised to take all such steps as are necessary or expedient to implement or to effect the purchase(s) of the Hai-O Shares with full power to assent to any condition, modification, variation and/or amendment as may be imposed by the relevant authorities and to take all such steps as they may deem necessary or expedient in order to implement, finalise and give full effect in relation thereto.”

**15. CLOSURE**

The Meeting was declared closed at 12.20 p.m. with a vote of thanks to the Chair.





**43<sup>rd</sup> Annual General Meeting  
25 September 2018**

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**Reply to Questions from  
Minority Shareholder  
Watchdog Group  
(MSWG)**

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## Strategic & Financial Matters

Q1) As disclosed in the MD&A Statement, the Group intends to deepen Fashion, Beauty and Lifestyle products in the MLM segment.

- a) How much is the revenue contribution of this product line to the MLM revenue in terms of value and percentage for FYs 2017 and 2018?
- b) What will be the expected revenue of this product line for FY2019?
- c) Which product line in the MLM segment has the highest and the lowest revenue contribution to the Group's revenue in FY2018?

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### Answer to Q1 (a):

The revenue contribution of the Fashion, Beauty and Lifestyle products to the MLM segment for FY2017 and 2018 is set out below:

Revenue contribution	RM	%
FY2017	16.4 million	5.3
FY2018	25.4 million	7.2

**Answer to Q1 (b):**

Currently, the Group is still undertaking product development for the range of products under “Fashion, Beauty and Lifestyle”. The Group aims to maintain this range of products as one of the key revenue contributors for FY2019.

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**Answer to Q1 (c):**

The highest and lowest revenue contributors to the MLM segment in FY2018 are products from “Food & Beverage” category and “Seasonal & Others” category, respectively.

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## Strategic & Financial Matters

Q2) The Group has acquired investment properties amounting to RM9.77 million in FY2018. (nil in FY2017).

- a) Please provide a breakdown of the investment properties by type, location and cost/ valuation?
- b) What will be the expected rental value per annum from the investment properties?

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### Answer to Q2 (a):

The breakdown of capital expenditure for investment properties of RM9.77 million in FY2018 is set out below:

	Property type / Purpose	Location	Cost
I	Upgrading and enhancement of facade	Bukit Bintang, Kuala Lumpur	RM2.7 million
II	3 units of 5 storey shop houses	Jalan Bendahara, Melaka	RM5.0 million
III	A townhouse for products show-room and exclusive business centre	Ampang, Kuala Lumpur	RM2.07 million
<b>Total</b>			<b>RM9.77 million</b>

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**Answer to Q2 (b):**

The additional investment in properties is expected to generate approximately RM400,000 in rental income to the Group per annum.

**Strategic & Financial Matters**

Q3) What are the gross and net yields of the Group's investment properties excluding the newly acquired investment properties in FY2017 and FY2018?

### **Answer to Q3:**

The Group's investment properties (excluding those acquired in FY2018) has generated an average gross yield of approximately 4.5% per annum and after netting off the related operating expenses, the net yield was about 3% per annum.

### **Strategic & Financial Matters**

Q4) As disclosed in the Group's Cash Flow Statement on page 105 of the Annual Report, the Company has disposed treasury shares and repurchased treasury shares within the FY2018.

- a) Please explain the rationale for the disposal and repurchase?
- b) What was the average price for both the disposed treasury shares and the repurchased treasury shares?

### **Answer to Q4 (a):**

The rationale for the disposal and repurchased of the Company's shares during FY2018 is consistent with item No. 3 of the Share Buy-Back Statement dated 30 August 2017, as summarised below:

- To stabilise the supply and demand of the Company's shares in the open market of Bursa Securities thereby supporting its fundamental value;
- If the Hai-O Shares so purchased by the Company are held as treasury shares, the Company may have the opportunity to distribute those shares as share dividends, thus benefiting the shareholders. The treasury shares may also be re-sold in the open market of Bursa Securities at a price higher than the purchase price, thereby realising a potential gain for Hai-O without affecting the Company's issued share capital; and
- Hai-O may be able to use its financial resources where there is no immediate use for them.

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### **Answer to Q4 (b):**

The average price for the disposed and repurchased treasury shares during the financial year ended 30 April 2018 was RM5.27 and RM4.88 respectively.

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## Strategic & Financial Matters

Q5) What are the gross and net distribution yields of the unit trust funds for both FYs 2017 and 2018. Please provide the rationale for investing in unit trust funds?

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### Answer to Q5:

The average gross and net distribution yields from the unit trust funds invested by the Group for FY2017 and FY2018 is set out below:

	<b>*Average gross yield</b>	<b>Average net yield</b>
FY2017	4.6%	3.5%
FY2018	5.5%	4.2%

*\* Included tax savings*

Financial resources invested in unit trusts (money market or cash fund) which are short term in nature were mainly working capital with no immediate use. The dividends received from these investments are tax exempted which provided tax savings to the Group.

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## **Strategic & Financial Matters**

Q6) What would be the impact on SST to the MLM business as compared to GST?

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### **Answer to Q6:**

The SST is expected to have some impact on our products in terms of costing ranging from 5% to 10% depending on the product components and origins of the raw materials used (imported or locally manufactured) as compared to 6% GST. Subject to market assessment on consumer spending behaviour under the current SST regime and negotiation with our suppliers, we are unable to ascertain the net impact of SST to the MLM business at this juncture.

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## Thank You

**Wisma Hai-O, Lot 11995**

**Batu 2, Jalan Kapar**

**41400 Klang, Selangor D.E.**

**T : 03-33423322 F : 03-33434257**

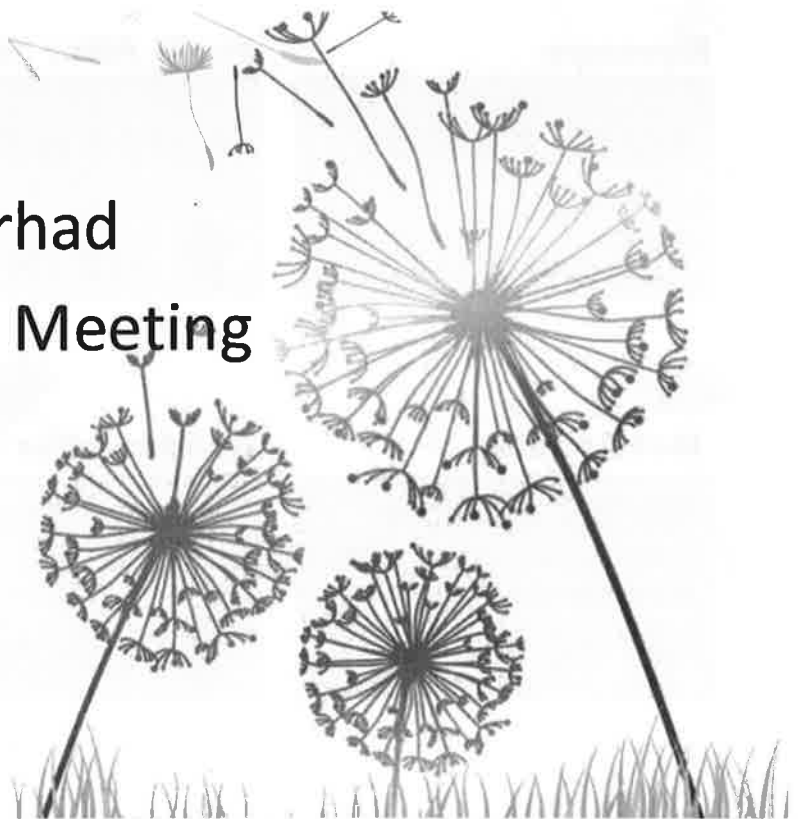
**[www.hai-o.com.my](http://www.hai-o.com.my)**



# Hai-O Enterprise Berhad

## 43<sup>rd</sup> Annual General Meeting

25 September 2018



### **Agenda**

### **FY2018 Performance**

### **Business Segment Performance**

### **Outlook**



# FY2018 Results At A Glance

## Revenue

**RM461.7 million**

↑ +14.2%

## Profit After Taxation

**RM72.5 million**

↑ +22.1%

## Total Assets

**RM396.0 million**

↑ +8.7%

## Net Assets

**RM307.9 million**

*(attributable to equity holders of the parent)*

↑ +8.1%

## Dividend Per Share

**20 sen** full year

↑ +25.0%

## Market Capitalisation

**RM1.5 billion**

*(as at 30 April 2018)*

↑ +30.9% y-o-y

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## Growth Drivers

- ✓ **Consistent performance and long-term operational stability**
- ✓ **Organic growth with existing businesses and ongoing realisation of operation efficiencies**
- ✓ **Key business initiatives**

**Product  
Development**

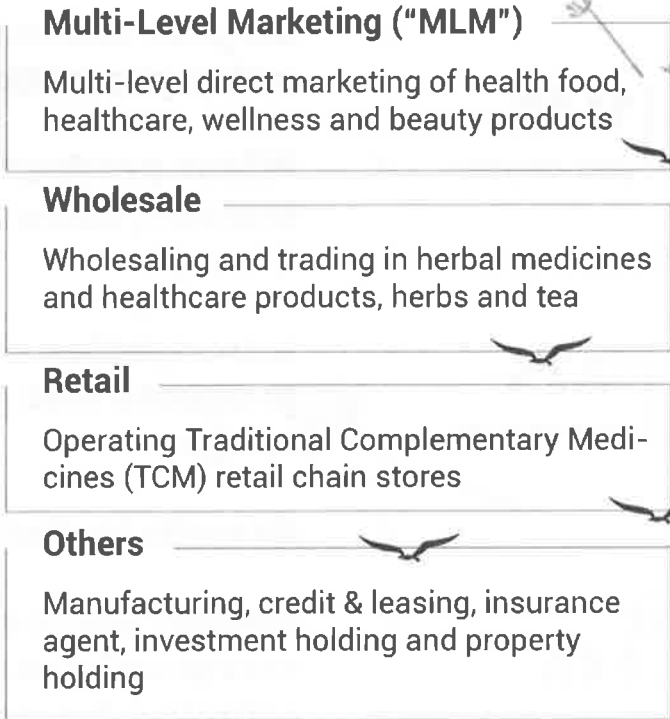
**Members  
Expansion**

**Cost Discipline**

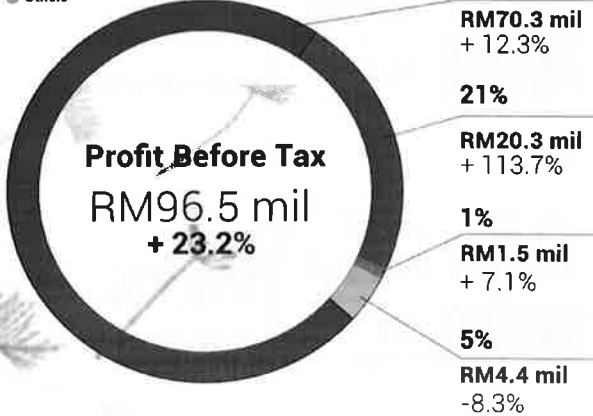
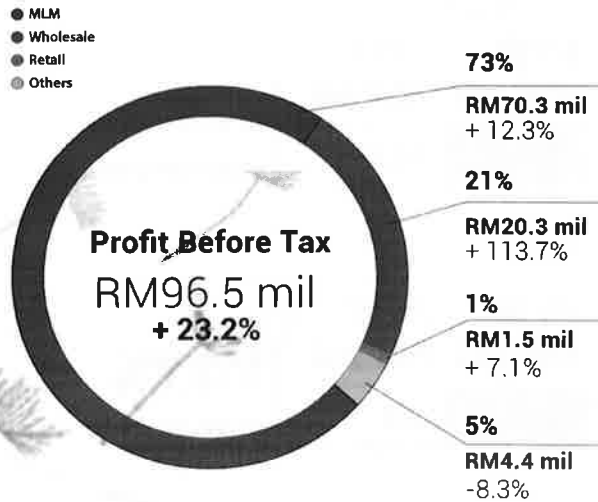
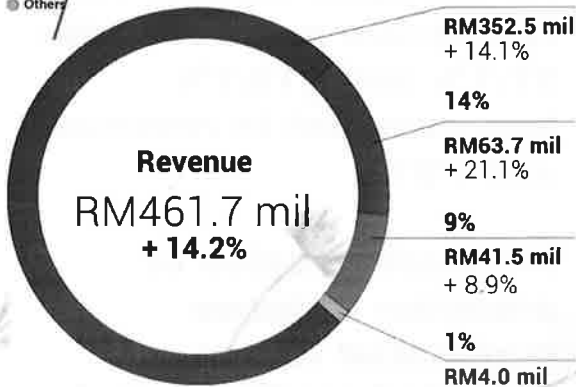
**Operational  
Efficiency**

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# Business Segments / Operating Structure



# Segment Contributions / Segment Performance



- ✓ **Growth in revenue and PBT was contributed by all major business segments**
- ✓ **MLM segment maintained its position as the major contributor for revenue and PBT**



## Segment Review – MLM

### Revenue

FY18	FY17	
RM' mil	RM' mil	
352.5	308.9	↑ 14.1% year-on-year

### PBT

FY18	FY17	
RM' mil	RM' mil	
70.3	62.6	↑ 12.3% year-on-year

### PBT margin

FY18	FY17	
%	%	
19.9	20.3	↓ 0.4% year-on-year

✓ **25-year anniversary grand sales promotion**

✓ **Wider product choices in fashion, beauty and lifestyle**

✓ **Introduction of new products and product range**

✓ **Growth in distributors**

✓ **Margin decreased marginally, mainly affected by marketing development cost**

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## Segment Review – Wholesale

### Revenue\*

FY18	FY17	
RM' mil	RM' mil	
63.7	52.6	↑ 21.1% year-on-year

### PBT

FY18	FY17	
RM' mil	RM' mil	
20.3	9.5	↑ 113.7% year-on-year

### PBT margin

FY18	FY17	
%	%	
10.7	6.4	↑ 4.3% year-on-year

✓ **An exceptional year for Wholesale segment with 21.1% and 113.7% improvement in revenue and PBT**

✓ **Increase in sales of premium Chinese medicated tonics, patented medicine and vintage Pu-Er tea and sustained by inter-segment sales to MLM and Retail segments**

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## Segment Review – Retail

### Revenue

FY18	FY17
RM' mil	RM' mil
41.5	38.1

↑ 8.9%  
year-on-year ✓

**Retail outlets incentive programme and product campaigns contributed to the improvement in revenue and PBT**

### PBT

FY18	FY17
RM' mil	RM' mil
1.5	1.4

↑ 7.1%  
year-on-year ✓

**Intense competition resulted in high operating cost and low profit margin**

### PBT margin

FY18	FY17
%	%
3.6	3.6

↔ year-on-year



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## Outlook

- ✓ **Our business continues to experience intense competition and changes driven by market developments, technological innovation and evolution of customers' needs and expectations**
- ✓ **To focus on the use of technology and promote e-Commerce activities**
- ✓ **Products line-up, including “Ready-To-Wear” clothing, health supplements, skincare extension series and canned food products**
- ✓ **Downside risk to business growth including changes in policy rates, trade tension, downward pressures of RM and weaker consumer sentiments**



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