



1HFY2020 Results Update

18 December 2019



Contents Financial Highlights 1HFY2020

Review by Segment

1HFY2020 vs. 1HFY2019

For the first half of the financial year, the Group recorded lower revenue of RM 134.5 million, a decrease of 21.9% as compared to the previous year corresponding period of RM 172.3 million.

The decrease in revenue was mainly attributable to lower contribution from the three main divisions i.e. Multi-level marketing (“MLM”), Wholesale and Retail divisions.

The Group’s gross profit margin fell by 2.8% as the result of an unfavourable change in sales mix and higher import purchase cost.

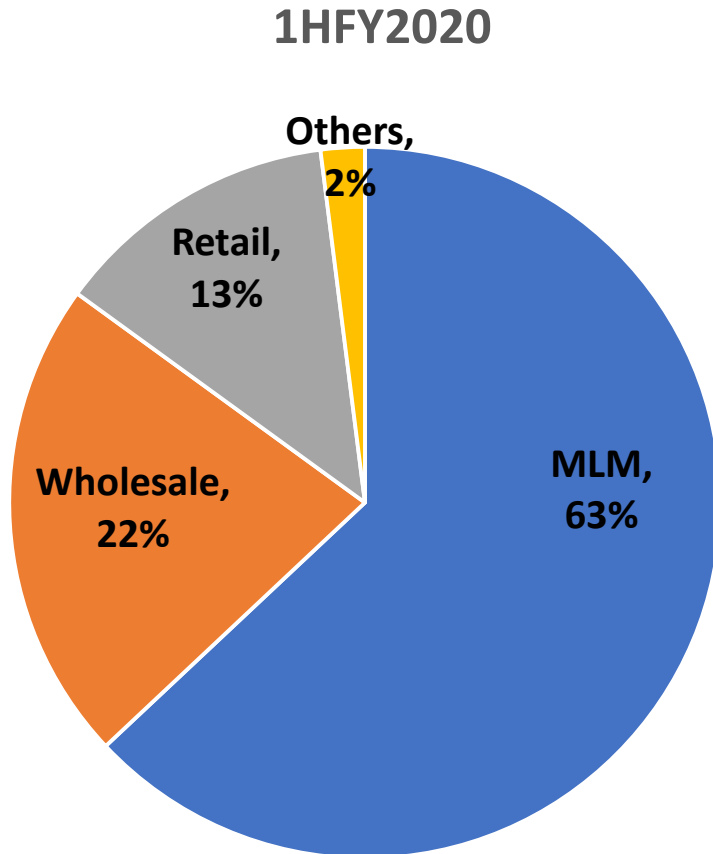
1HFY2020 vs. 1HFY2019

	1HFY2020 31 Oct 2019	1HFY2019 31 Oct 2018	Variance +/-
	(RM'mil)	(RM'mil)	
Revenue	134.45	172.26	-21.9%
Pre-tax Profit	19.74	32.70	-39.6%
Profit After Tax	15.06	24.60	-38.8%
Net Margin (%)	11.2%	14.3%	-3.1%
EPS (sen)	5.19	8.47	-3.28 sen

Statement of Financial Position

	1HFY2020 31 Oct 2019 (RM'mil)	FYE2019 30 April 2019 (audited) (RM'mil)
Net cash + Short term investment	111.46	95.11
Total assets	380.23	364.24
Total liabilities	72.48	43.56
Shareholders' equity	297.82	310.22
Net assets per share (sen)	103	107

Segment Revenue



Segment	1HFY2020 31 Oct 2019		1HFY2019 31 Oct 2018	
	(RM'mil)	(%)	(RM'mil)	(%)
MLM	84.63	63%	121.20	70%
Wholesale	29.95	22%	30.69	18%
Retail	17.77	13%	18.44	11%
Others	2.10	2%	1.93	1%
Total	134.45	100%	172.26	100%



Review by
Segment

Multi Level Marketing (“MLM”)

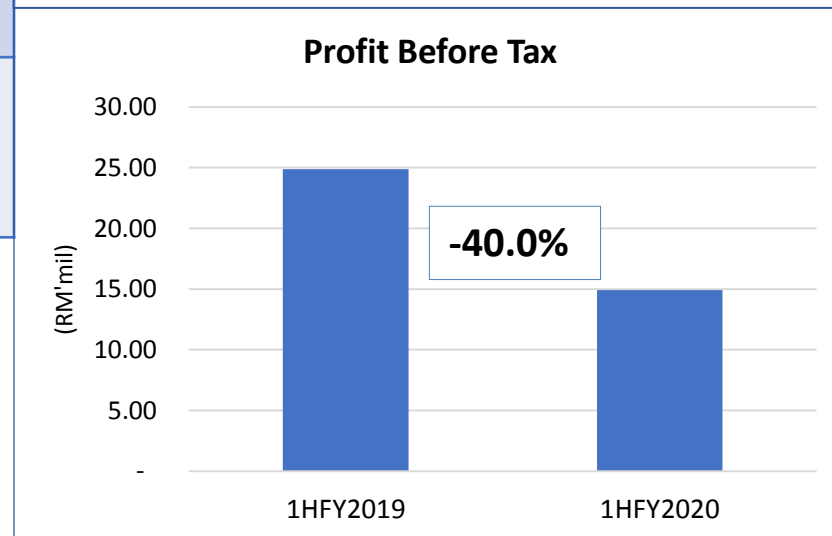
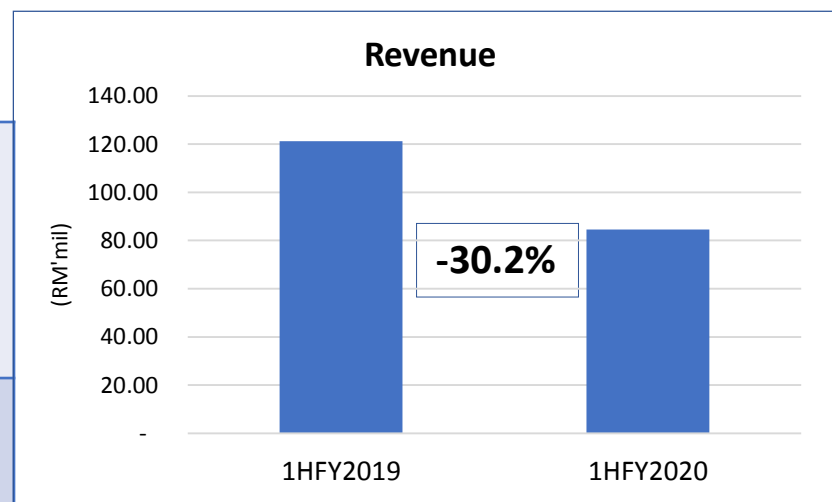
Wholesale

Retail

Others

MLM

MLM Segment	1HFY2020 31 Oct 2019 (RM'mil)	1HFY2019 31 Oct 2018 (RM'mil)	Changes (%)
External Revenue	84.63	121.20	-30.2%
Profit Before Tax	14.92	24.88	-40.0%



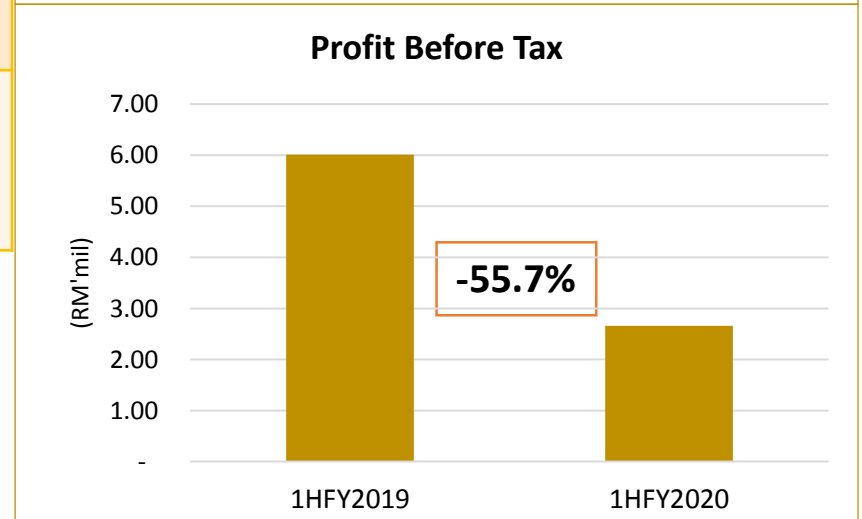
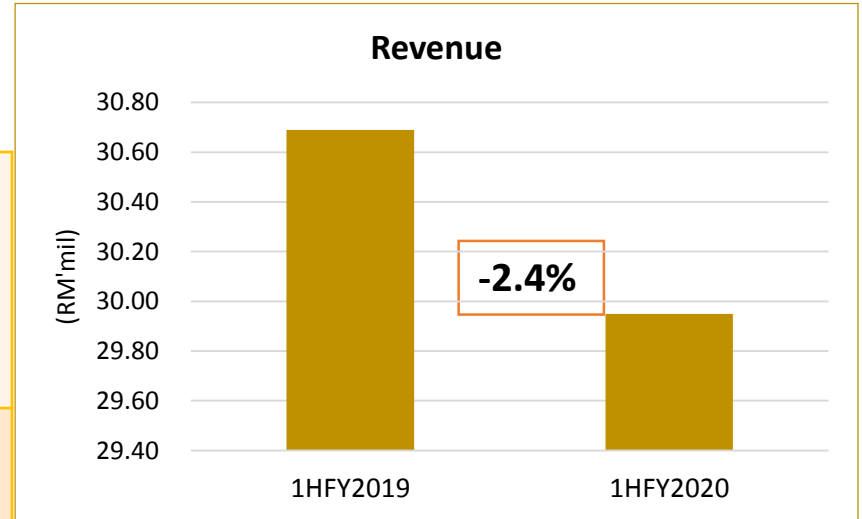
MLM

The division recorded lower revenue and pre-tax profit of RM 84.6 million and RM 14.9 million for the period under review as compared to the preceding year's corresponding period of RM 121.2 million and RM 24.9 million, decreased by 30.2% and 40.0% respectively.

The division continues to suffer from the general weakness in consumption spending. Members remained cautious in their spending in view of uncertainties on the domestic and global economy, which also affected members' recruitment and renewal.

Wholesale

Wholesale Segment	1HFY2020 31 Oct 2019 (RM'mil)	1HFY2019 31 Oct 2018 (RM'mil)	Changes (%)
External Revenue	29.95	30.69	-2.4%
Profit Before Tax	2.66	6.01	-55.7%



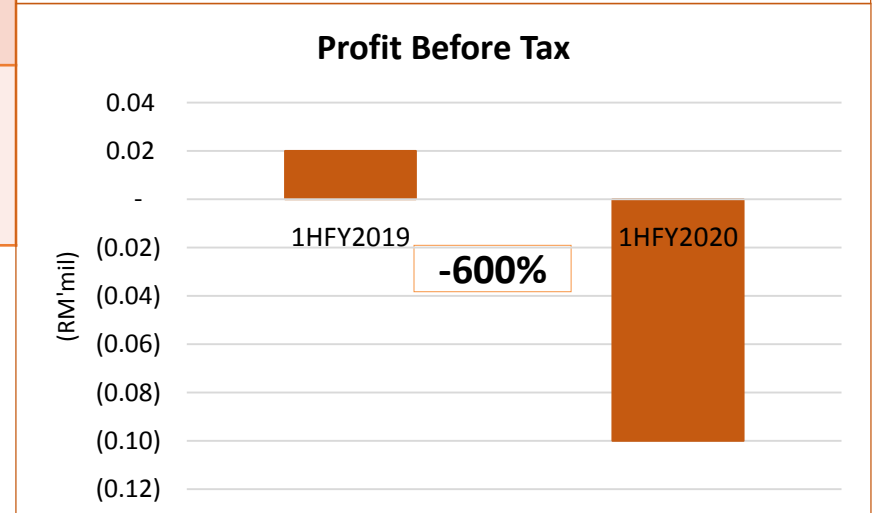
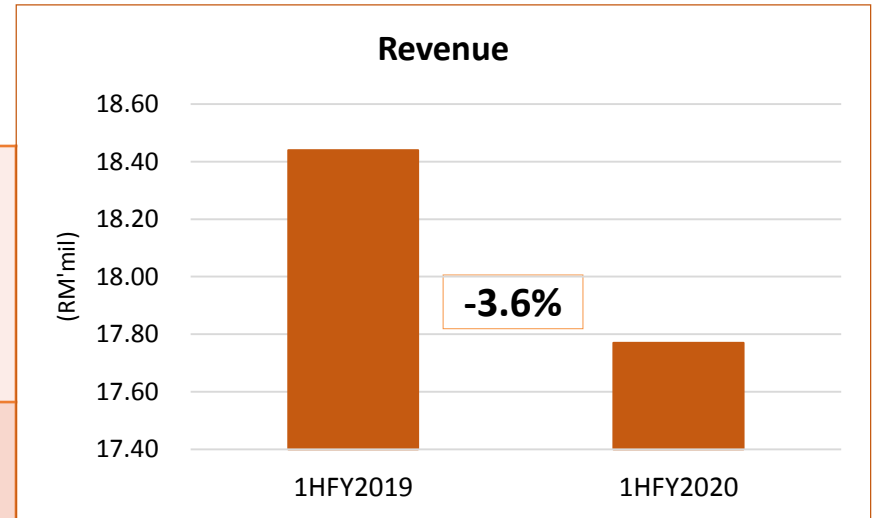
Wholesale

Wholesale revenue was maintained at about RM 30.0 million during the period under review, as higher sales generated from bird nest products export sales were offset by weakness in Chinese medicate tonic and patented medicine sales during the period.

Pre-tax profit dropped to RM 2.7 million mainly attributable to lower contribution from inter-segment sales and lower margin due to higher import cost.

Retail

Retail Segment	1HFY2020 31 Oct 2019 (RM'mil)	1HFY2019 31 Oct 2018 (RM'mil)	Changes (%)
External Revenue	17.77	18.44	-3.6%
Profit Before Tax	-0.10	0.02	-600%



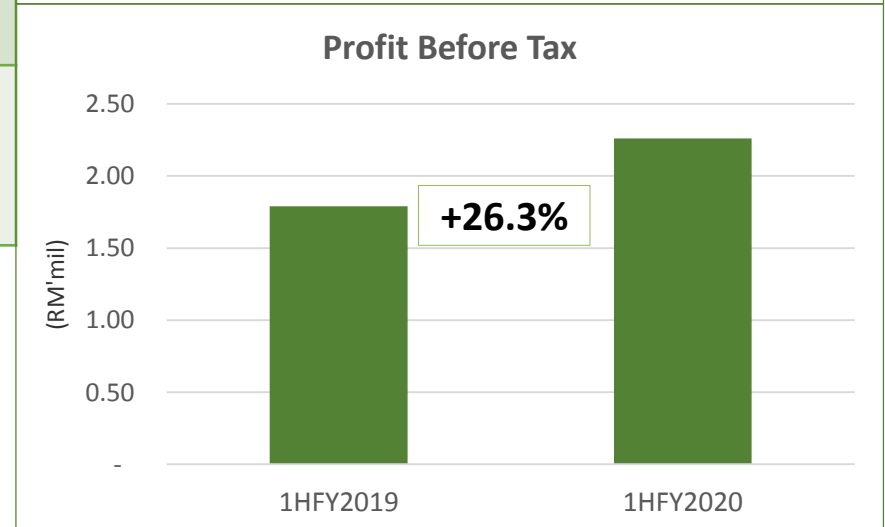
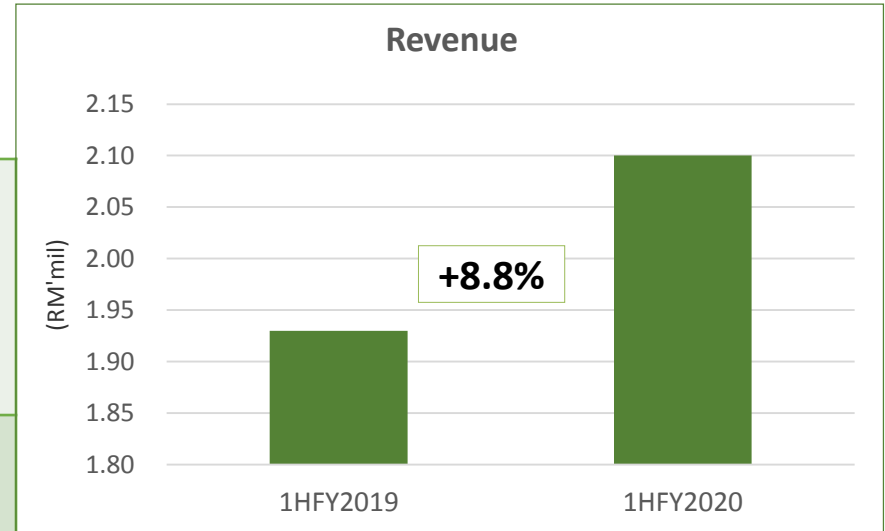
Retail

Retail revenue was maintained at about RM 18.0 million with a marginal loss of RM 0.1 million in the half year under review.

Despite an aggressive promotion campaign during the period, buying momentum remained subdued especially for premium health supplement products in the midst of high cost of living and sluggish consumer sentiment.

"Others" segment

"Others" Segment	1HFY2020 31 Oct 2019 (RM'mil)	1HFY2019 31 Oct 2018 (RM'mil)	Changes (%)
External Revenue	2.10	1.93	+8.8%
Profit Before Tax	2.26	1.79	+26.3%



“Others” segment

Revenue comprised mainly rental income from investment properties, health food supplement manufacturing activities and credit & leasing business. The main contributors are manufacturing and rental income from investment properties.

During the period under review, pre-tax profit increased by 26.3% from RM 1.8 million to RM 2.3 million mainly attributable to higher contribution from inter-segment sales of the manufacturing division coupled with higher rental income generated from investment properties.



Thank You

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