

InNature registers exponential profit growth in 3Q2022

SUBANG JAYA, 29 NOVEMBER 2022 – InNature Berhad (“InNature” or “Company”, together with its subsidiaries, the “Group”) announced today a profit after tax (“PAT”) of RM4.6 million on the back of RM35.3 million revenue in the 3rd Quarter ended 30 September 2022 (“3Q2022”). The Group’s latest quarterly PAT was 6.3 times above 3Q2021 level.

For the 9-month period ended 30 September 2022, the Group recorded higher revenue and PAT by 23.1% and 102.6% respectively. Each Market of the Group continues to be profitable albeit at varying phases of business recovery.

Performance Review

Commenting on the performance, Group Managing Director Datin Mina Cheah-Foong (“Datin Mina”) said, “The Group continues to benefit from the normalisation of operating environment post Covid-19 pandemic in 3Q2022. Overall, Group revenue increased 58.3%, with growth in all our Markets; Malaysia grew by 50.8%, Vietnam 110.0% and Cambodia 13.5%.”

“While we saw the return of footfall to physical stores, our Digital & Remote Channels continue to contribute a robust 15.1% to Group revenue in 3Q2022,” she added.

PAT of the Group grew exponentially in 3Q2022, driven mainly by (i) rebound in revenue; (ii) improvement in gross profit margin due to lesser write-down of inventories; and (iii) higher reimbursements from Natura. Geographically, all operating countries of the Group recorded better financial results during the reporting quarter.

Quarter-on-quarter, the Group recorded lower revenue and PAT by 10.9% and 18.8% respectively on the absence of major festivities during the reporting quarter.

Healthy Balance Sheet and Cash Flow

The Group’s financial position remains in net cash as at 30 September 2022 with net assets of RM143.2 million, and cash and fixed income funds of RM59.9 million. The Group generated net operating cashflow of RM34.7 million in 9M2022, and paid RM17.6 million as dividends to shareholders.

Outlook

Commenting on the Group’s outlook, Datin Mina said, “We expect an improving 4Q2022 performance quarter-on-quarter with year-end festivities around the corner. We will be setting up promotional kiosks to showcase our limited-edition products and festive gifts at various locations to fulfil year-end seasonal demand. Our plan to open 3 more stores by year-end are on track. Overall, we believe that the Group is on a strong footing, and we will remain resilient in the face of a challenging global economic outlook.”

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About InNature Berhad

InNature is a leading regional retailer of cosmetics and personal care products, serving customers across Malaysia, Vietnam and Cambodia through stores, e-commerce and other remote selling channels. The Group has garnered over 38 years of experience operating The Body Shop franchise business since the opening of its first store at Kuala Lumpur, Malaysia in 1984. The Group was subsequently awarded the franchise for Vietnam in 2009, and for Cambodia in 2018. For more information, please visit www.innature.com.my

Disclaimer

This document shall be read in conjunction with the Company's interim financial report for the 3rd Quarter ended 30 September 2022, as announced to Bursa Malaysia Securities Berhad on 29 November 2022. Statements included herein may include forward-looking statements relating to the Group's business and the sector in which the Group operates. These statements reflect the current views of the Group with respect to future events and are subject to certain risks, uncertainties and assumptions. It is important to note that actual results may differ materially from those anticipated in these forward-looking statements, and there can be no assurance on the occurrence of certain events, achievability of projections or accuracy of assumptions made by the Group.

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