

InNature achieves higher revenue and doubling of core net profit for FY2022, declares 2.0 sen final dividend

SUBANG JAYA, 23 FEBRUARY 2023 – InNature Berhad (“InNature” or “Company”, together with its subsidiaries, the “Group”) announced today a profit after tax (“PAT”) of RM6.6 million on the back of RM40.8 million revenue in the 4th Quarter ended 31 December 2022 (“4Q2022”). For the financial year ended 31 December 2022 (“FY2022”), the Group achieved 13.2% higher revenue with core PAT leaping 125.7%, buoyed by the reopening of all Markets where the Group operates.

Performance Review

Commenting on the performance, Group Managing Director Datin Mina Cheah-Foong (“Datin Mina”) said, “Our 4th quarter performance is measured against a high base, where in 4Q2021 the Group benefitted from the novelty effect of the economy reopening post-lockdown. The operating environment in our trading Markets in 4Q2022 was fluid with macro uncertainties additionally distracted by events such as the Malaysian General Election. We completed the disposal of Natura business in Malaysia, with no gain no loss accruing to the Group.”

On the Group’s full year performance, Datin Mina commented, “InNature recorded strong resurgence in FY2022. We achieved highest top line growth in 7 years and doubled our core PAT. The Body Shop stores saw a healthy return of footfall; our digital and remote channels remain robust, contributing 15.5% to the Group’s revenue in FY2022.”

Quarter-on-quarter, the Group registered highest quarterly revenue and PAT for the year due to year-end holiday season. The Group introduced a new Wellness range during 4Q2022 which is enriched with 100% natural essential oils and made with at least 90% natural-origin ingredients. The range is vegan certified and comes in recyclable packaging.

Healthy Balance Sheet and Cash Flow

As at 31 December 2022, the Group’s financial position remains in net cash, with cash and fixed income funds of RM58.7 million and higher net assets of RM148.7 million. In FY2022, the Group generated net operating cash flow of RM23.0 million after taking into account lease payment to landlords, of which RM17.6 million were distributed as dividends to shareholders.

Dividend

InNature declared a final dividend of 2.0 sen per ordinary share for FY2022. Including the interim dividend of 1.0 sen per ordinary share paid on 30 September 2022, total dividend declared for FY2022 would be 3.0 sen per ordinary share, representing 99.3% of the Group’s PAT.

Outlook

Commenting on the Group's outlook, Datin Mina said, "The next financial quarter ending 31 March 2023 is expected to be seasonally quieter quarter-on-quarter. We are cautiously optimistic on the business outlook in FY2023. Cautious for the lingering macro headwinds but optimistic because the beauty market is growing. We believe the demand for The Body Shop products is strong with the rise of the conscious consumer. The Group will continue to work on improving productivity and operational efficiency, while expanding our physical retail network strategically and gaining digital market share. Our inclusion in the FTSE4Good Bursa Malaysia ("F4BM") and FTSE4Good Bursa Malaysia Syariah ("F4BMS") indexes has been maintained with the re-affirmation of our 4-star rating in December 2022. We begin FY2023 in the best possible conditions, with an agile and committed team, a clean inventory and a brilliant product pipeline. Our Group is well placed to continue making progress in an uncertain operating environment. We remain ready to take on any opportunity that presents itself."

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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 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 subsequently made inroads into Vietnam in 2009, and Cambodia in 2019. 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 4th Quarter ended 31 December 2022, as announced to Bursa Malaysia Securities Berhad on 23 February 2023. 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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