



InNature

BUSINESS AS A FORCE FOR GOOD



2Q2023 RESULTS

25TH AUGUST 2023



Certified



Corporation

This company is part of the global movement for an inclusive, equitable, and regenerative economic system.

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1H2023 PERFORMANCE AT A GLANCE

RM66.2m

Revenue

↓ 9.7% reported
↓ 12.9% same store

68.5%

GP margin

1H2022: 66.6%

RM141.1m

Net assets
as at 30.6.2023

Net Cash

Net gearing ratio
as at 30.6.2023

RM4.6m

Core PAT

7.0% of revenue

0.68 sen

EPS

1H2022: 1.44 sen

RM10.5m

Net operating cashflow

RM14.1m

Dividend paid in
1H2023

Note: Net Gearing Ratio is computed as net borrowings (total bank borrowings less cash and cash equivalents and other investments) divided by total equity. Negative net gearing ratio denotes a net cash position.

ONE

**2Q2023 FINANCIAL
PERFORMANCE**

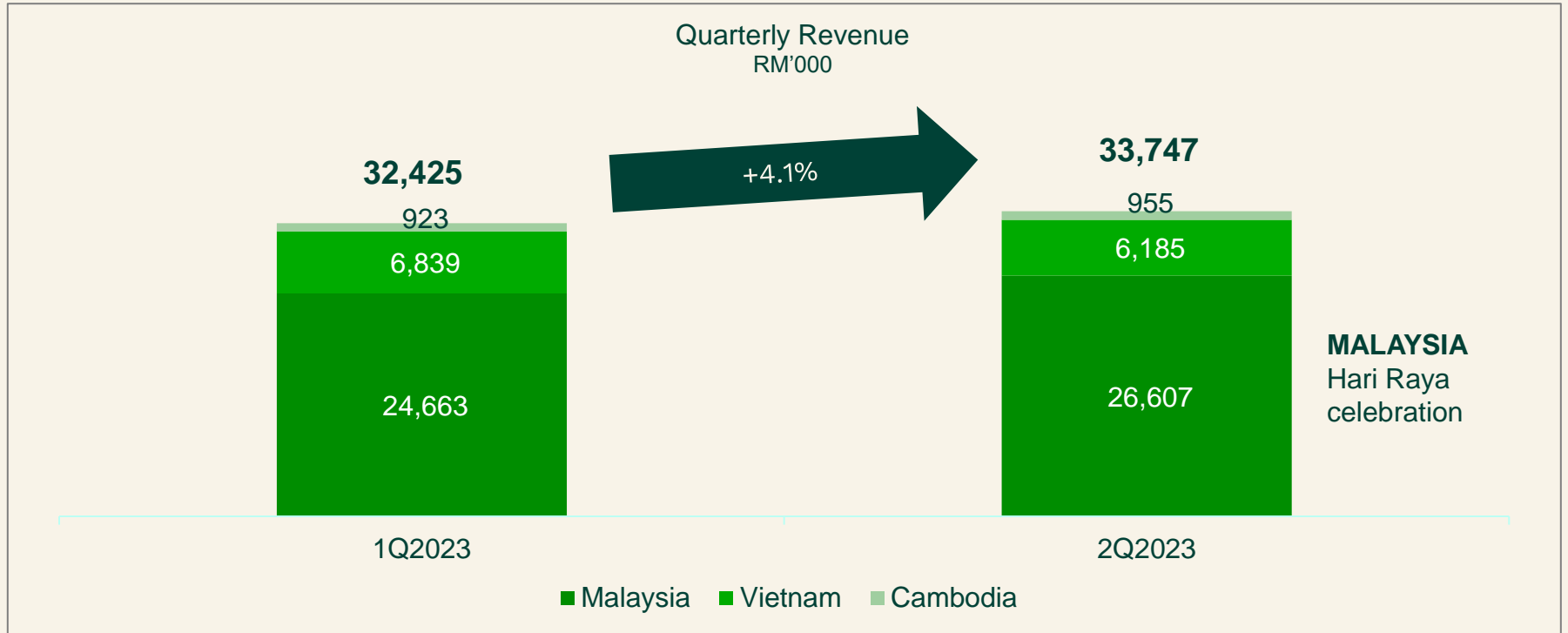
A SOFTER 2Q TOPLINE (Y-O-Y), AS EXPECTED

Revenue	2Q2023 RM'000	YoY change same store	YoY change constant forex	YoY change reported
Malaysia	26,607	-16.3%	-15.1%	-15.1%
Vietnam	6,185	-24.8%	-19.3%	-15.0%
Cambodia	955	-21.2%	-5.0%	+0.8%
Group Total	33,747	-18.0%	-15.6%	-14.7%

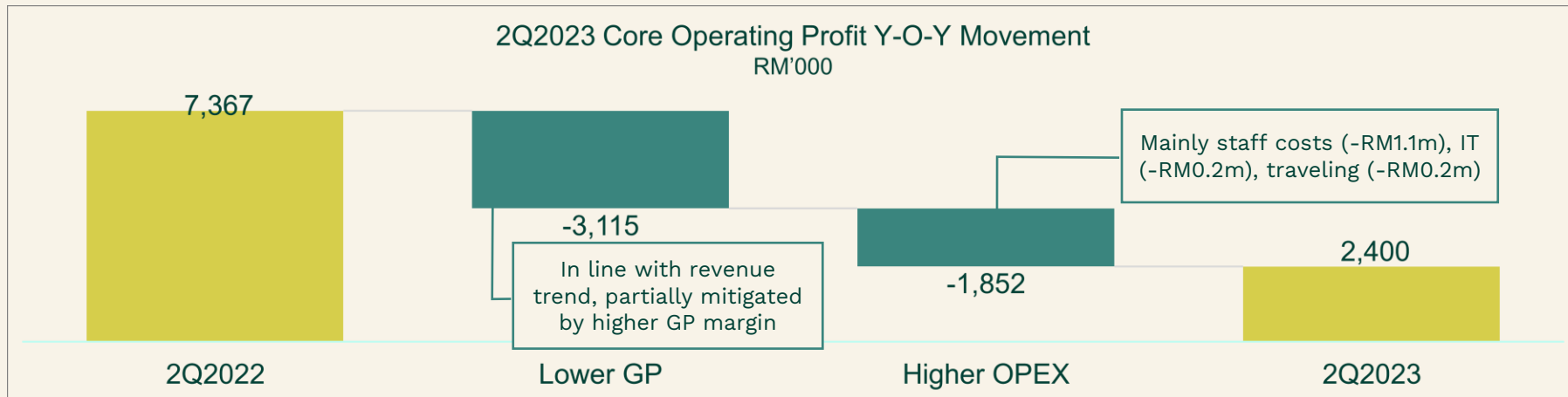
- Challenging retail environment with consumer sentiment weighed down by cost-of-living issues and higher interest rate.
- Supply chain disruption.
- High base effect from 2Q2022.

Note: Same-store sales compare revenue generated by existing points-of-sale (including online channels) over a certain period with the same period last year at constant forex.

SEASONALLY STRONGER 2Q, Q-O-Q



SOFTER CORE OPERATING PROFIT DUE TO REVENUE DOWNTREND & HIGHER OPEX



Core Operating Results	2Q2023 RM'000	% of Revenue	2Q2022 RM'000	% of Revenue
Gross profit	22,842	67.7%	25,957	66.4%
EBITDA	3,547	10.5%	8,396	21.5%
Operating profit	2,400	7.1%	7,367	18.9%

HIGHER INTEREST INCOME LIFTED CORE PBT & PAT

From Core Operating Profit to Core PAT	2Q2023 RM'000	% of Revenue	2Q2022 RM'000	% of Revenue	YoY change
Core operating profit	2,400	7.1%	7,367	18.9%	-67.4%
Interest income	570		127		
Forex (loss)/gain	(123)		106		
MFRS16 effect	(30)		17		
Others	(21)		(32)		
Core PBT	2,796	8.3%	7,584	19.4%	-63.1%
Tax	(748)		(1,917)		
Core PAT	2,048	5.4%	5,667	14.2%	-63.9%

OPERATING DELEVERAGE IMPACTED ALL MARKETS

Core PAT	2Q2023 RM'000	% of Revenue	2Q2022 RM'000	% of Revenue
Malaysia	2,916	11.0%	5,620	17.8%
Vietnam	(616)	(10.0)%	163	2.2%
Cambodia	66	6.9%	99	10.4%
Market Total	2,366	7.0%	5,882	14.7%
Corporate	(318)	(1.6)%	(215)	(0.5)%
Group Total	2,048	5.4%	5,667	14.2%

TWO

**1H2023 FINANCIAL
PERFORMANCE**

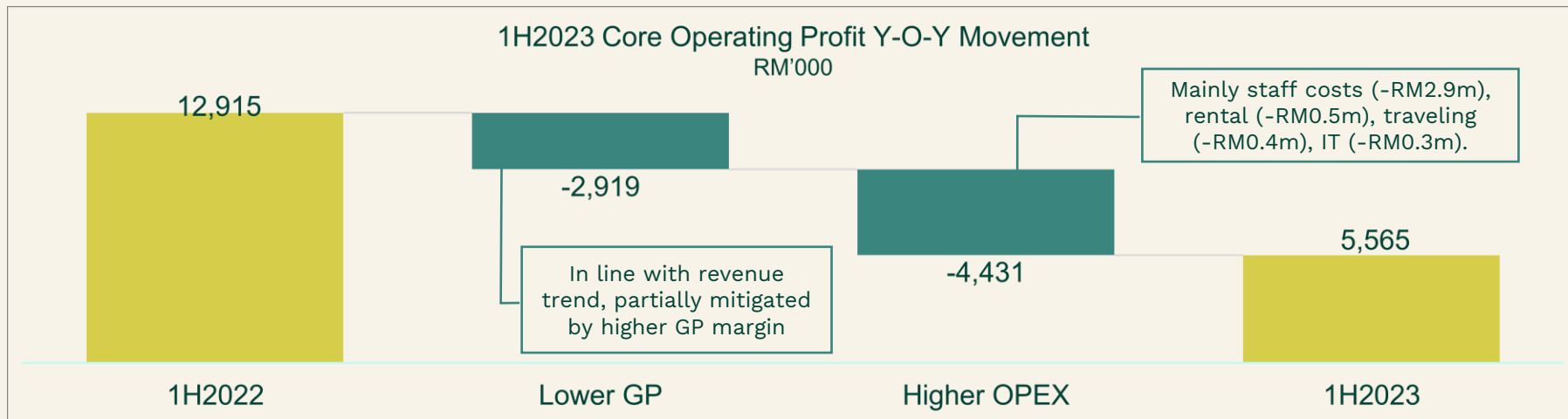
1H2023 TOPLINE

Revenue	1H2023 RM'000	YoY change same store	YoY change constant forex	YoY change reported
Malaysia	51,270	-11.6%	-10.6%	-10.6%
Vietnam	13,024	-17.7%	-11.2%	-8.0%
Cambodia	1,878	-17.1%	-0.4%	+5.2%
Group Total	66,172	-12.9%	-10.5%	-9.7%

- Subdued consumer sentiment affected by inflationary pressure amid uncertain macro environment.
- High base effect from 1H2023.

Note: Same-store sales compare revenue generated by existing points-of-sale (including online channels) over a certain period with the same period last year at constant forex.

1H2023 CORE OPERATING RESULTS



Core Operating Results	1H2023 RM'000	% of Revenue	1H2022 RM'000	% of Revenue
Gross profit	45,341	68.5%	48,260	66.6%
EBITDA	7,726	11.7%	15,136	20.9%
Operating profit	5,565	8.4%	12,915	17.8%

Note: Core Operating Results exclude Natura results (disposed in FY2022) in prior year, business development expenses (RM236k) and other one-off items in current year, and MFRS16 accounting adjustment.

1H2023 CORE PBT & PAT

From Core Operating Profit to Core PAT	1H2023 RM'000	% of Revenue	1H2022 RM'000	% of Revenue	YoY change
Core operating profit	5,565	8.4%	12,915	17.8%	-56.9%
Interest income	1,060		273		
Forex (loss)/gain	(78)		251		
MFRS16 effect	(104)		81		
Others	(19)		34		
Core PBT	6,424	9.7%	13,553	18.7%	-52.6%
Tax	(1,807)		(3,410)		
Core PAT	4,616	7.0%	10,143	14.0%	-54.5%

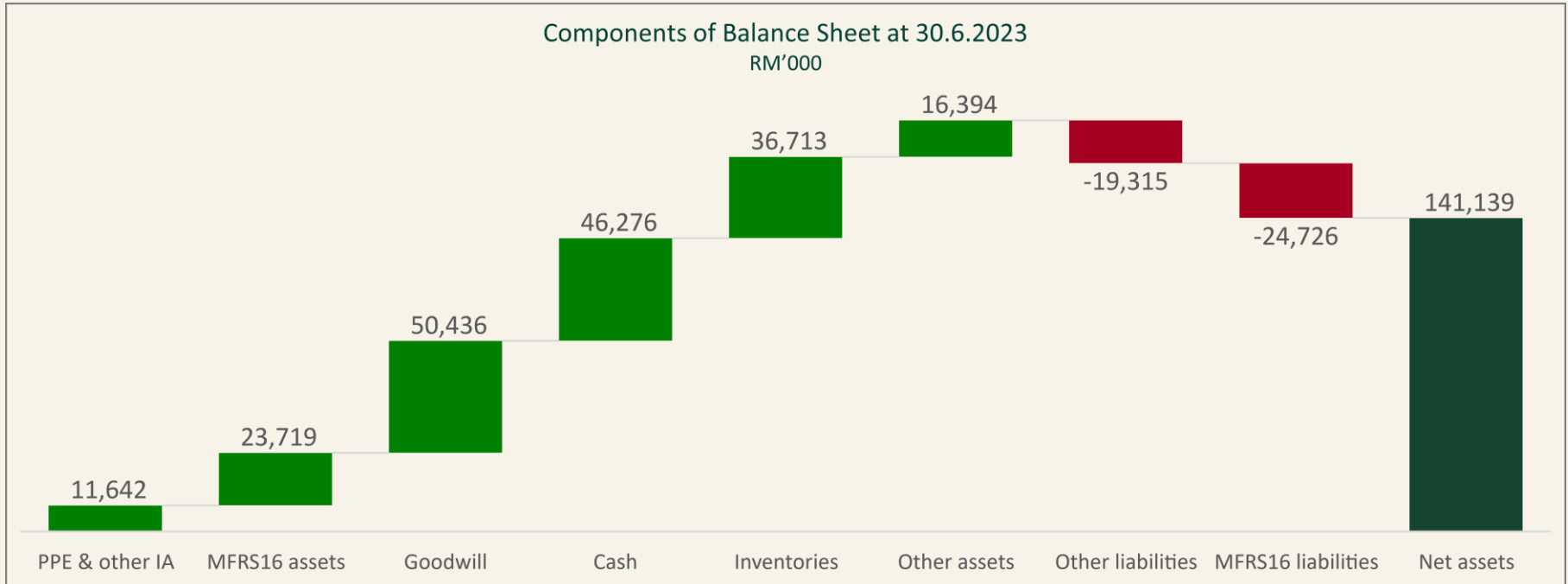
1H2023 CORE PAT BY MARKET

Core PAT	1H2023 RM'000	% of Revenue	1H2022 RM'000	% of Revenue
Malaysia	5,677	11.1%	10,007	17.7%
Vietnam	(641)	(4.9)%	297	2.1%
Cambodia	127	6.7%	179	10.1%
Market Total	5,162	7.8%	10,483	14.5%
Corporate	(546)	(0.8)%	(340)	(0.5)%
Group Total	4,616	7.0%	10,143	14.0%

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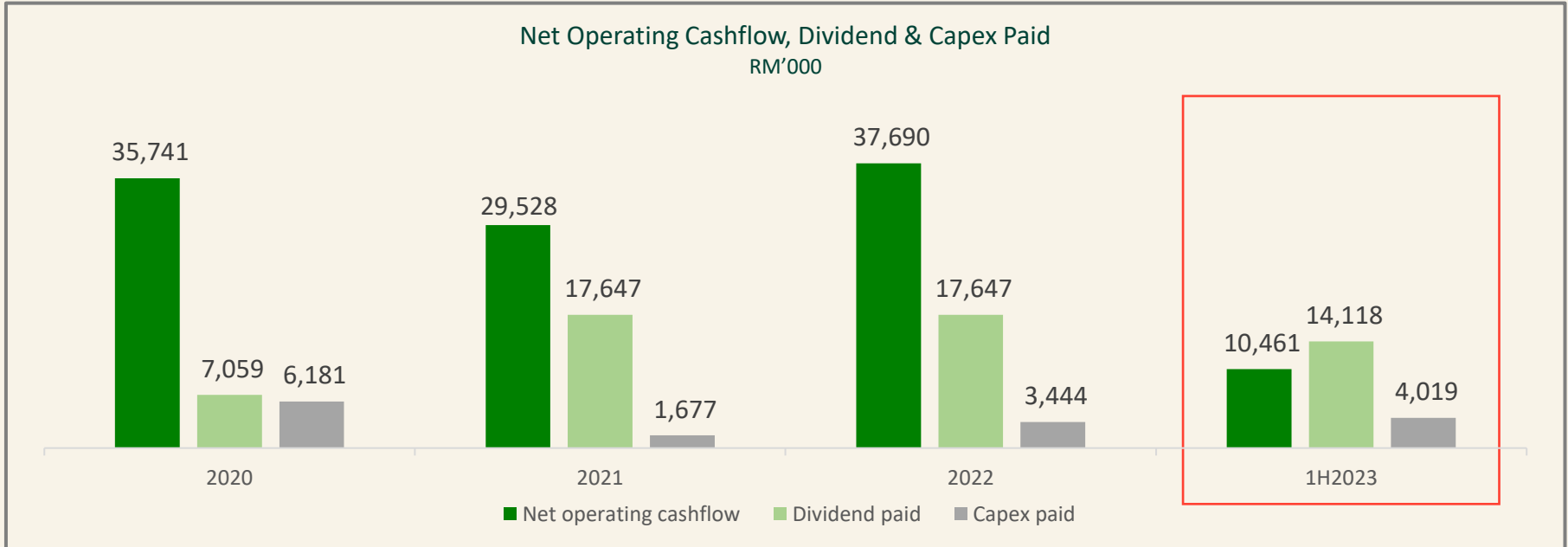
**FINANCIAL
POSITION &
CASHFLOW**

HEALTHY BALANCE SHEET



- Asset light
- Net cash financial position with RM20 million undrawn banking facility.

CASH GENERATIVE BUSINESS



- Flexibility in capital management & dividend policy
- Annual dividend payout of > 60% since IPO

FOUR

NEXT STEPS

DESPITE CHALLENGING LANDSCAPE, WE HAVE CONTINUED TO INVEST IN BUSINESS



- Improved GP margin of 68.5%, enabling flexibility to the Group in devising tactical promotions to stimulate customer spending.
- Opened /Relocated 4 stores, and completed renovation of key stores (e.g. KLCC and Indochina Plaza Hanoi) in 1H2023. These stores are to contribute in full swing in 2H2023.
- Ecomm acceleration in Vietnam showing positive results, with +46% YoY growth in 2Q2023.





2H2023 PRIORITIES

- Focus on productivity improvement and customer acquisition.
- Continue with ecomm acceleration.
- 4 confirmed store openings.
- Ongoing cost management with planned closure of 2 underperforming stores.

THANK YOU

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GLOW HARD

NEW VITAMIN C SERUM

MADE WITH
10% VITAMIN C
OUR HIGHEST
CONCENTRATION
EVER



SUPPLEMENTARY INFORMATION

RETAIL STORE COUNT

	Malaysia	Vietnam	Cambodia	Group
Retail stores at 1.1.2023	73	38	3	114
Opening	1	-	-	1
Closure	(1)	(1)	-	(2)
Retail stores at 30.6.2023	73	37	3	113
Pop-up stores at 30.6.2023	4	4	-	8
Retail + pop-up stores at 30.6.2023	77	41	3	121

RECONCILIATION FROM CORE TO REPORTED PAT

PAT reconciliation	2Q2023 RM'000	2Q2022 RM'000	1H2023 RM'000	1H2022 RM'000
Core PAT	2,048	5,667	4,616	10,143
Business development expenses	(236)	-	(236)	-
One-off gains	-	-	281	-
Service charges income from Natura	-	-	153	-
Natura results	-	(50)	-	5
Reported PAT	1,812	5,617	4,814	10,148