

INNATURE REPORTS RM10.5 MILLION PROFIT AFTER TAX FOR FY2023, DECLARES 1 SEN FINAL DIVIDEND

SUBANG JAYA, 28th FEBRUARY 2024 – InNature Berhad (“**InNature**” or “**Company**”, together with its subsidiaries, the “**Group**”) announced today a profit after tax (“**PAT**”) of RM10.5 million on the back of RM135.3 million revenue for the financial year ended 31st December 2023 (“**FY2023**”).

Performance Review

Commenting on the performance, Group Managing Director, Datin Mina Cheah-Foong (“**Datin Mina**”) said, “Our performance in FY2023 was affected by the challenging retail landscape across all our markets, where consumer sentiment was hampered by cost-of-living crunch. Overall, Group revenue declined 9.4% vs FY2022.”

“Excluding one-off gains, business development expenses and MFRS16 accounting charges, core PAT of the Group was 46.7% lower at RM11.2 million for FY2023, impacted mainly by the softer topline and higher operating expenses, in particular staff costs.”

For the 4th quarter ended 31st December 2023 (“**4Q2023**”), the Group registered quarterly revenue and core PAT of RM37.1 million and RM4.8 million respectively. Performance for the 4Q2023 was better vs 3Q2023 due to year-end festivities, though still trailing behind 4Q2022 amid operational headwinds.

Healthy Balance Sheet and Cash Flow

As at 31st December 2023, the Group’s financial position remains in net cash, with cash and other investments of RM46.8 million and net assets of RM145.5 million. The Group generated net operating cash flow of RM22.4 million in FY2023.

Dividend

InNature declared a final dividend of 1.0 sen per ordinary share, amounting to approximately RM7.1 million. This represents a payout ratio of 67.2% for FY2023.

Outlook

Commenting on the Group’s outlook, Datin Mina said, “We will be celebrating our 40th anniversary since the founding of The Body Shop Malaysia in Kuala

Lumpur in 1984. In the context of continued economic and geopolitical uncertainty, we remain confident of our ability in navigating challenges, having received assurance from the brand principal to continue supporting our business growth despite their ongoing restructuring in the UK. Our priority in 2024 would be to ignite growth in all our markets, focusing on customer recruitment, productivity improvement of existing stores, and acceleration of digital channels' contribution through strategic marketing initiatives.”

“Barring unforeseen circumstances, we expect the Group to achieve better results for the full year of FY2024, though quarter-on-quarter performance will be, as always, subject to seasonal fluctuations.”

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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 40 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 31st December 2023, as announced to Bursa Malaysia Securities Berhad on 28th February 2024. 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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