

## **InNature ended Financial Year 2020 on a High Note**

**SUBANG JAYA, 22 FEBRUARY 2021** – InNature Berhad (“**InNature**” or “**Company**”, together with its subsidiaries, the “**Group**”), a leading regional retailer of cosmetics and personal care products carrying The Body Shop and Natura brands, announced today a profit after tax (“**PAT**”) of RM7.7 million on the back of RM44.9 million revenue in the 4<sup>th</sup> Quarter ended 31 December 2020 (“**4Q2020**”). This represents the highest quarterly financial results achieved by the Group for the financial year ended 31 December 2020 (“**FY2020**”).

For FY2020, the Group registered revenue of RM155.4 million and PAT of RM20.2 million.

### **Performance Review**

Commenting on the performance, Group Managing Director Datin Mina Cheah-Foong (“**Datin Mina**”) said, “Our Omnichannel Strategy and our efforts to enhance our multiple sales channels yielded the uplift in our 4Q2020 results. Despite the 3<sup>rd</sup> wave of Covid19 causing significant reduction in Mall traffic, we were able to continue to attract and serve our Customer thru all our online and offline channels resulting in the highest quarterly results of FY2020.”

“Our Vietnam operation continued to record revenue growth and is now contributing 20% of the Group’s revenue, thanks to an improving retail environment post-MCO. Similarly, our Cambodia operation has been growing from strength to strength, having registered a higher quarter-on-quarter revenue of RM1.2 million in 4Q2020 from RM0.9 million in 3Q2020,” she added.

Geographically, the Group’s The Body Shop businesses in Malaysia, Vietnam and Cambodia were profitable for both 4Q2020 and FY2020. Being in its first full year of operation, the new Natura business in Malaysia incurred initial gestational losses of RM0.8 million for 4Q2020, and RM3.1 million for FY2020.

### **Healthy Balance Sheet and Cash Flow**

The Group’s financial position remains healthy with a working capital of RM56.4 million and total equity of RM138.7 million as at 31 December 2020. The Group generated net cash from operating activities of RM38.1 million in FY2020, and maintained a healthy cash balance (including fixed deposits and fixed income funds under Other Investments) of RM53.5 million as at 31 December 2020.

### **Outlook**

Commenting on the Group’s outlook, Datin Mina said, “The reintroduction of MCO in Malaysia subsequent to FY2020 shows that the waves of Covid-19 will continue to be a key limiting factor of our performance for the financial year ending 31 December 2021 (“**FY2021**”). Learning from experience, we will continue and even redouble our efforts in our digitalisation and omnichannel initiatives. We aim to provide more convenience, faster access and better customer experience for everyone who comes

into contact with us. Although our products are generally staple items of which our patrons will continue to purchase, we do not take this for granted.”

“For our overseas operations where the pandemic is less virulent, we will continue to expand our store network judiciously in locations that we are not represented,” she added.

“Overall, we believe the Group will remain resilient and profitable for FY2021 and in doing so, look forward to continue with our dividend policy and our relentless efforts towards our vision of InNature Bhd as a Force for Good,” stated Datin Mina.

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**About InNature Berhad**

InNature is a leading regional retailer of cosmetics and personal care products carrying The Body Shop and Natura brands, with an extensive network of 124 stores across West Malaysia, Sabah, Labuan, Vietnam and Cambodia as at 31 December 2020.

The Group has garnered over 36 years of experience operating The Body Shop franchise business since its founder, Datin Mina opened the first store in 1984 in Kuala Lumpur, Malaysia. The Group was subsequently awarded the franchise for Vietnam in 2009, and for Cambodia in 2019.

In collaboration with Natura Cosmetics SA, the Group introduced the Natura beauty brand to Malaysia in 2019 to expand its brand portfolio as well as to strengthen its leadership and market share in the naturals sector of the cosmetics and personal care industry.

For more information, please visit [www.innature.com.my](http://www.innature.com.my)

**Disclaimer**

This document shall be read in conjunction with the Company’s interim financial report for the 4<sup>th</sup> Quarter ended 31 December 2020, as announced to Bursa Malaysia Securities Berhad on 22 February 2021. Statements included herein may include “forward-looking statements” relating to the Group’s business and the sector in which the Group operates. These forward-looking statements include statements relating to the Group’s performance. 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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