



**Financial Results for the 1st Quarter ended
31 March 2020 (“1Q2020”)**

29 May 2020

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Still profitable despite Covid-19 + closure of all stores in Malaysia during MCO + gloomy economic outlook impacted performance.

REVENUE

RM37.4m ↓ 21.5% y-o-y

Online sales of **RM1.8m** ↑ 75.4% y-o-y

CORE PROFIT AFTER TAX

RM3.7m ↓ 63.9% y-o-y

Margin: 10.0% (1Q2019: 21.7%)

Includes new business gestational loss of **RM0.8m**

GROSS PROFIT

RM25.6m ↓ 22.0% y-o-y

Margin: 68.6% (1Q2019: 68.9%)

REPORTED PROFIT AFTER TAX

RM2.7m ↓ 72.2% y-o-y

Margin: 7.4% (1Q2019: 20.8%)

Includes new business gestational loss of **RM0.8m** + listing exp of **RM1.0m**

Note:

- (1) Gross profit is computed as revenue less changes in inventories.
- (2) Core profit after tax ("PAT") excludes listing expenses of RM1.0 million in 1Q2020 (1Q2019: RM0.4 million).

Group continues to be cash generative with healthy balance sheet and net cash position as at 31 March 2020

ADJUSTED NET CASH FROM OPERATIONS

RM3.0m

SHAREHOLDERS' EQUITY

RM129.5m

WORKING CAPITAL

RM45.3m

CASH + OTHER INVESTMENTS

RM48.3m

NET GEARING RATIO

Net Cash

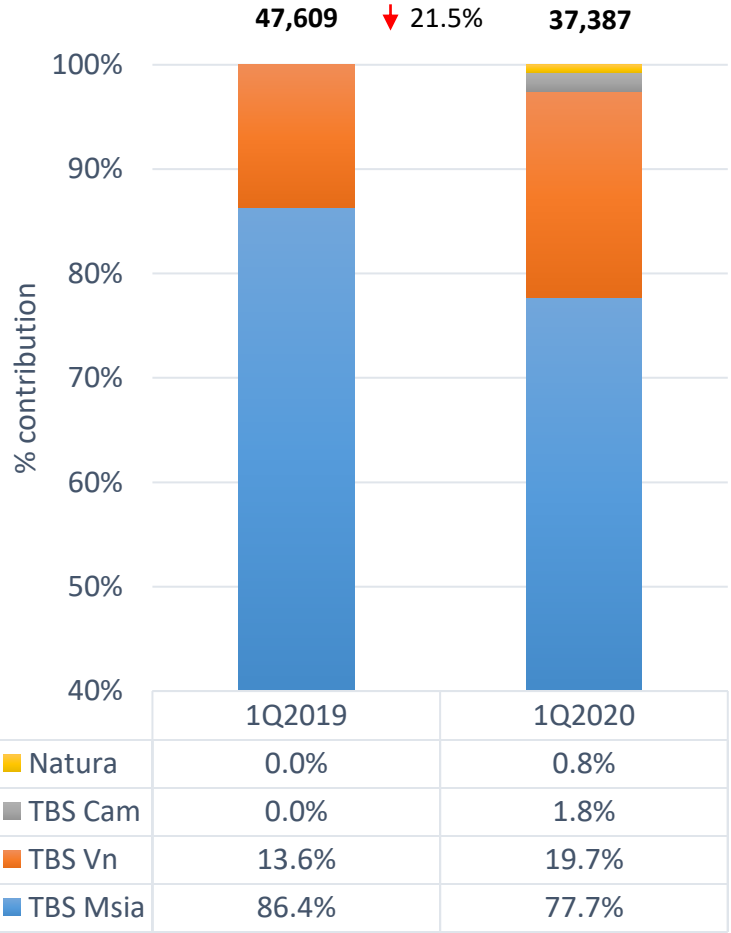
Note:

- (1) Adjusted net cash from operations is computed as net cash generated from operations less MFRS 16 adjustments (repayment of lease liabilities and interest paid on lease liabilities).
- (2) 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.

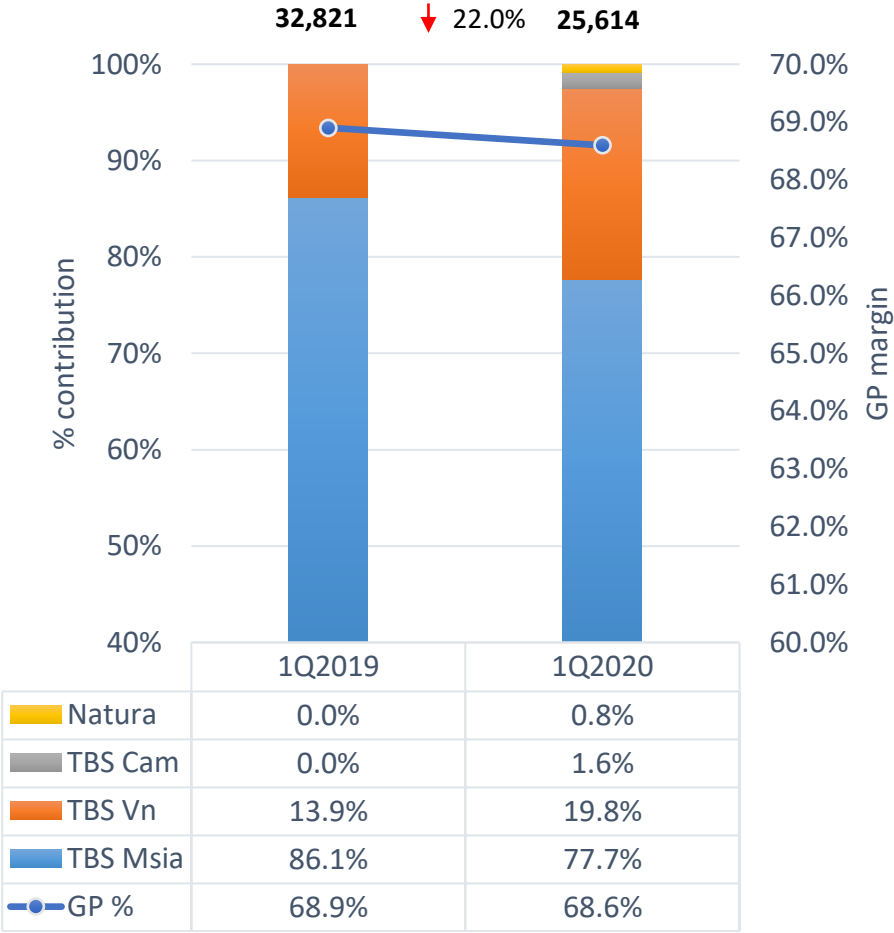
1Q2020 Overview: Revenue and Gross Profits



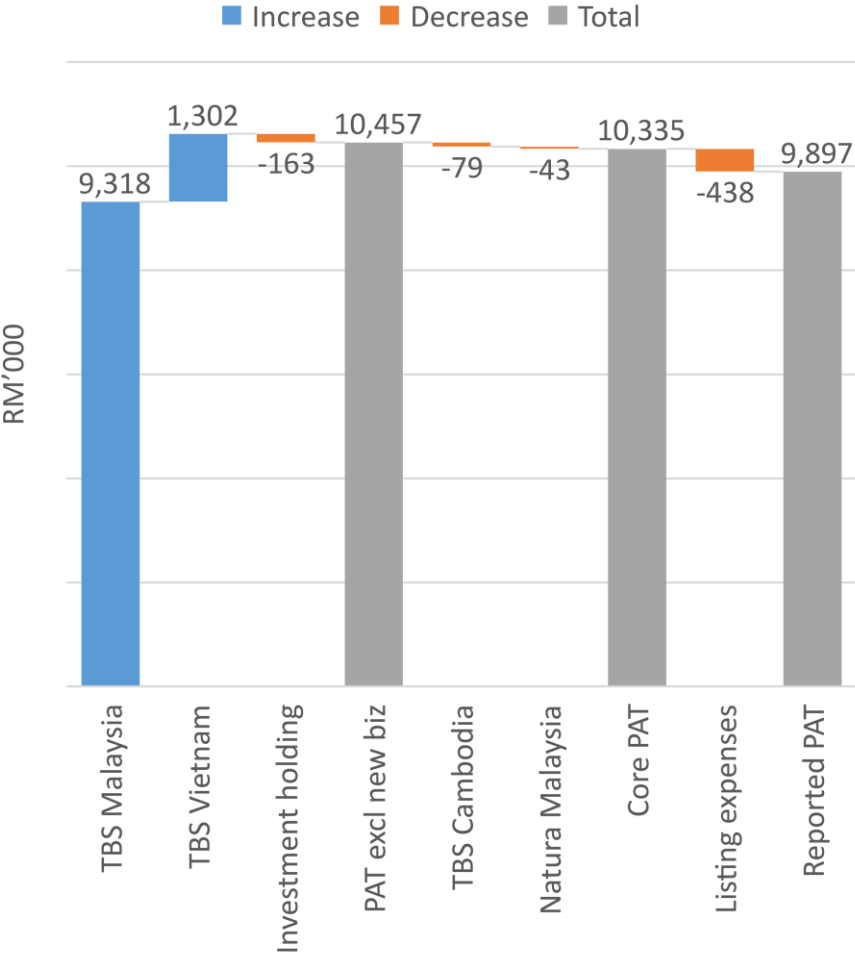
Revenue



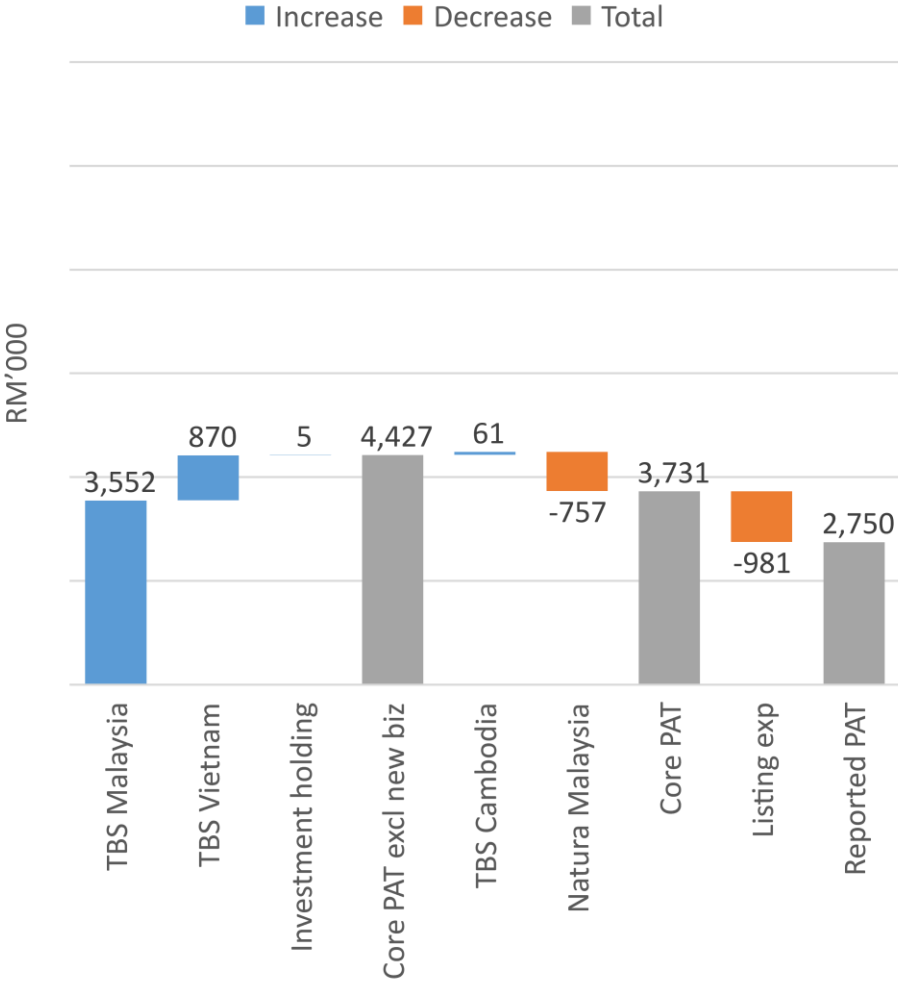
Gross Profits



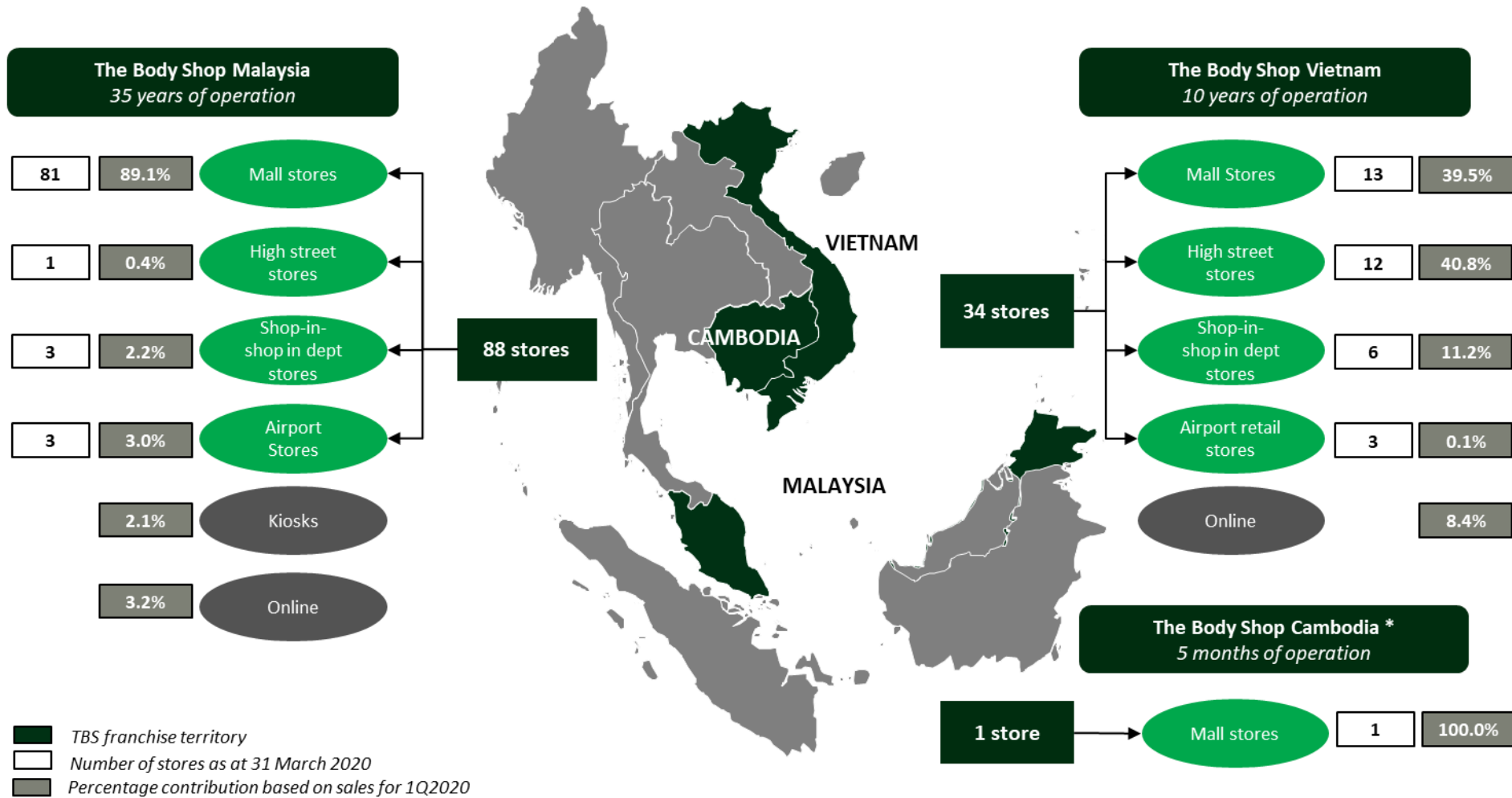
1Q2019 PAT



1Q2020 PAT



Store Network as at 31 March 2020



*The Group started its TBS operation in Cambodia via the opening of its first store in November 2019

Work-from-home (“WFH”) arrangement

- WFH arrangements for staff were made with IT equipment and access to systems
- Communication amongst team members and agencies/business partners was facilitated via various forms of technology including e-meetings
- **Online availability** was inherently established as a WFH culture
- Retail staff engaged in **daily Zoom training** conducted by Trainers
- Redeployed HQ and retail staff to **support e-commerce operations** and **customer service**

Pivot Marketing Initiatives for Ecommerce during CMCO

To capitalise on opportunity created by the restriction of travel and lack of choices for consumers:

- Stay at Home Pamper Kits to meet new needs
- Free Delivery during non-Sale periods to encourage transactions
- Multi-buy promotions to encourage volume purchase
- Mother’s Day gifts with free delivery
- Ramadhan gifts with free delivery
- E-kirim kasih (e-gift voucher)



THE BODY SHOP.

A MOMENT OF RELAXATION
IN THE COMFORT OF YOUR OWN HOME

SAVE RM66.00
RM379
SPA RELAXING RITUAL SET
WITH A FREE BODY WASH

FREE
RM159
REFRESHING SCALP CARE SET

SAVE RM19.00
RM89
HAND CARE HANDY SET

Also available in other selected Flavours

VISIT WWW.THEBODYSHOP.COM.MY TO PURCHASE AND FOR MORE INFO.
STAY HOME, STAY SAFE AND SHOP ONLINE!

Post-MCO re-opening measures

- All our stores are now open except Genting and KLIA – this has been publicised via our social media platforms
- Implement SOP for safety measures at HQ and Stores
 - Temperature screening, hand-sanitising etc
 - Provide personal protective equipment to staff
 - Social-distancing
 - Encourage contactless transaction at retail stores
 - e-wallet payment
 - e-receipts



WELCOME BACK

IT'S SO GOOD TO SEE YOU!

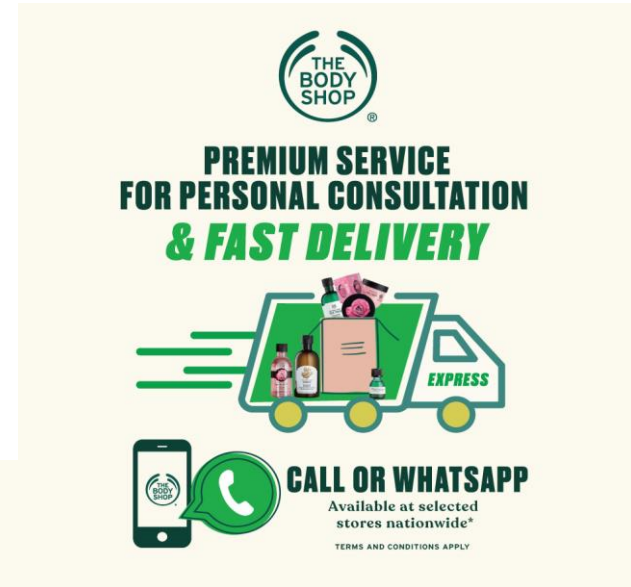
IN ORDER TO KEEP OUR CUSTOMERS AND TEAMS SAFE, WE'VE ADOPTED SOME NEW MEASURES.

- All surfaces are cleaned and disinfected regularly
- Hand sanitisers are available. Where we have sinks, feel free to use it to cleanse your hands.
- No product demos will be done to minimize any skin contact
- Removed testers. Please do ask our staff for assistance
- Disinfect and clean shopping bags after each use
- We encourage cashless payment, and when using credit card, we kindly request you to slip the credit card into the terminal yourself.
- Option to scan and pack your products to lessen surface contact
- Markers placed in front of our cashier to maintain social distancing

Safety is our utmost priority and we will continue to improve on our precautionary measures to protect our customers and colleagues. Stay safe and well.

Premium service for personal consultation & fast delivery

- To address customer’s hesitation to visit the malls
 - Teleorder
 - Drive-thru
 - Click N Collect



HOW IT WORKS?



Service is available
Mon - Sun, 11am - 7pm

Orders paid before 5pm will be delivered on the same day.

Orders paid after 5pm will be delivered the next day.

Frugal cost and careful cash flow management

- Variable expenses reduced following store closure
- Suspended hiring of new headcounts
- Engaged landlords and suppliers for rental waiver, rebates, discounts or extension of credit terms
- Pursued various applicable government assistance measures
- Closely monitoring the effects of Covid-19 on the performance of each store

Cautious store expansion plan

- The Body Shop - 5 new openings (4 in Vietnam, 1 in Cambodia)
- Natura - 1 new opening (Malaysia)

Continue to invest in

- Enhancing and accelerating our omnichannel capabilities
- Developing our Natura social selling channel
 - To capitalise on opportunities presented by the “new normal” in consumer behaviour

- 2Q2020 performance will continue to be significantly impacted by MCO
- Consumers remain cautious beyond MCO period, social-distancing become the new normal
- Our omnichannel readiness is expected to benefit e-commerce and social selling channels
- Assuming that consumer sentiment to recover gradually by the final quarter of the year, our Group is expected to remain profitable for the financial year ending 31 December 2020

Payment of 2019 special dividend of 1 sen per share
(total of RM7.0 million) on **30 April 2020**

Thank You