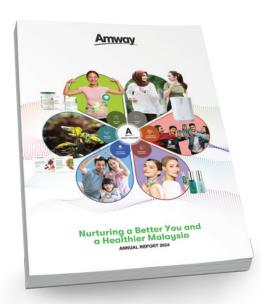
# **Amway**



# Nurturing a Better You and a Healthier Malaysia

**ANNUAL REPORT 2024** 

# Nurturing a Better You and a Healthier Malaysia



Here at Amway, we are committed to **Nurturing a Better You and a Healthier Malaysia** through a distinctive, holistic pathway to optimal wellbeing. This year's cover design reflects this mission, illustrating how Amway's integrated approach brings together science-backed innovations, community-driven support, and programmes that foster healthier lifestyle choices and deliver meaningful, results-oriented outcomes. By championing health at both individual and societal levels, we continue to create positive change that uplifts lives and strengthens the nation.

Our cover is inspired by Amway's Health and Wellbeing Flower, which represents the six dimensions of holistic wellness – healthy body, resilient mind, strong community connections, personal growth, financial wellbeing, and a healthier planet. Each petal reflects how our values and solutions empower Amway Business Owners ("ABOs") and customers to take ownership of their health journeys while positively impacting the people and environments around them. Together, we are advancing our mission of nurturing better individuals and a stronger, more resilient Malaysia.

In 2024, Amway deepened its commitment to gut health with the launch of the Nutrilite GUTPROtein Foundational Solution initiative. Building on the success of the Nutrilite Gut Reset Weight Management Programme introduced in 2023, GUTPROtein reinforces gut health as the foundation for improved overall Health and Wellbeing – a vital part of our goal to offer sustainable, science-based solutions that support long-term wellness.

As Amway Malaysia approaches its 50<sup>th</sup> anniversary in 2026 and aligns with Amway Global's A70 Vision for 2029, we remain focused on **Nurturing a Better You and a Healthier Malaysia**. By equipping our ABOs with innovative solutions and empowering them to lead the gut health movement, we are building healthier lifestyles, stronger communities, and a more sustainable future. Guided by our legacy and driven by purpose, we continue our journey with one clear goal: to uplift every individual and contribute meaningfully to the nation's wellbeing.

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# **30**<sup>th</sup>

## Annual General Meeting



Wednesday, 21 May 2025



9.30 a.m.



Van Andel & DeVos Training Centre (1st Floor), Amway (Malaysia) Sdn. Bhd., 28, Jalan 223, 46100 Petaling Jaya, Selangor Darul Ehsan.



Scan here and get access to the soft copy of our reports and contact information:

www.amway.my

## **Our Vision, Mission, Culture and Values**



Amway's vision is clear: Together with our ABOs, we strive to help people live better, healthier lives. We are dedicated to empowering millions of ABOs to reach their full potential and achieve their dreams by providing high-quality products and opportunities that positively impact a billion people, ensuring they enjoy healthier, happier, and more rewarding lives.



We partner with our ABOs, Employees, and the Founding Families to drive success, strengthen retention, and foster growth within Amway by evolving from a traditional business model to a dynamic Health and Wellbeing opportunity.



## **Refreshed Culture And Values**

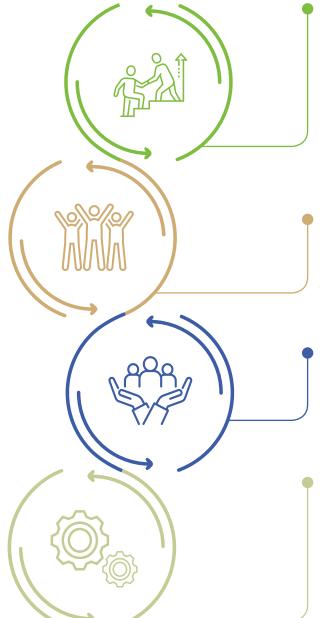
Amway's culture is built on respect, empowerment, and a shared commitment to growth. Guided by the **Founders' Growth Mindset**, we embrace continuous learning, partnership, and integrity to create a thriving global community.

At the heart of our business are the Amway **Founders' Fundamentals** – "**Freedom"**, "**Family"**, "**Hope"**, and "**Reward"** – and our **Values** – "**Personal Worth"**, "**Partnership"**, "**Integrity"**, and "**Responsibility"**.

These principles have long shaped Amway's success and continue to guide us moving forward.

In 2024, Founding Family members Doug DeVos and Barb Van Andel-Gaby reaffirmed these guiding beliefs with a refreshed perspective. "Achievement" and "Free Enterprise" were integrated into the Founders' Fundamentals, with "Reward" now reflecting "Achievement", and "Freedom" encompassing "Free Enterprise". Meanwhile, the Values of "Partnership", "Personal Worth", "Integrity", and "Responsibility" were reinforced, ensuring they remain central to Amway's strategy and daily actions. This evolution keeps Amway's guiding principles relevant and impactful, providing a strong foundation for continuous innovation, sustainable growth, and long-term value creation.

Our Amway Values bring the Founders' Fundamentals, Vision, and Mission to life every day, guiding how we work and grow together.



#### **PARTNERSHIP**

Amway was founded on a lifelong friendship – a bond that continues to define our relationships today. Trust, respect, and collaboration are the foundation of shared success, fostering an enduring legacy. The entrepreneurial spirit of our ABOs, combined with the dedication of Amway's Management and Employees, has positioned Amway Malaysia among the top 10 markets in Amway's global network across more than 100 countries and territories.

#### PERSONAL WORTH

Every individual has intrinsic value that cannot be given or taken away. At Amway, we treat everyone with dignity and respect, and believe in creating pathways that empower people to reach their full potential.

#### **RESPONSIBILITY**

Here at Amway, we are accountable for the actions we take and the impact we create – for ourselves, each other, and the communities we serve. It is up to us to unlock new possibilities, lead with purpose, and make a meaningful difference.

#### **INTEGRITY**

Integrity is at the core of who we are as a Company. We stand by our values, even in challenging situations, demonstrating honesty, courage, and consistency in everything we do. Trust is our foundation, and together, we are building a future that the generations to come will be proud of.

By upholding these Values, Amway remains committed to empowering individuals, strengthening communities, and shaping a healthier, more sustainable future for all.

## Full Year and Quarterly Performance



RM **1,217.2** million

FY2023: RM1,408.3 million



Profit Before Tax

RM **134.4** 

FY2023: RM152.6 million



**RM 100.3** 

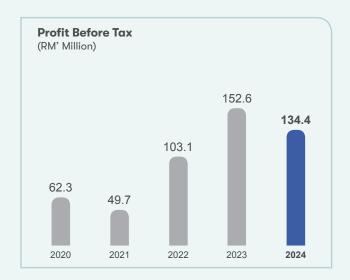
FY2023: RM115.9 million

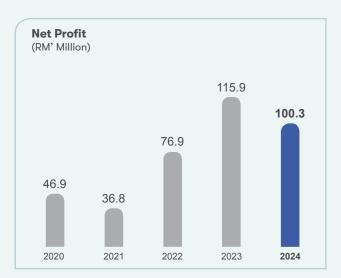
2024	1 <sup>st</sup> Quarter	2 <sup>nd</sup> Quarter	3 <sup>rd</sup> Quarter	4 <sup>th</sup> Quarter	Full Year
Sales Revenue (RM' Million)	322.1	296.4	299.8	298.9	1,217.2
Profit Before Tax (RM' Million)	43.2	32.8	43.7	14.7	134.4
Net Profit (RM' Million)	32.7	24.4	32.9	10.3	100.3
Net Earnings Per Share (Sen)	19.9	15.0	20.0	6.1	61.0
Net Dividend Per Share (Sen)	5.0	5.0	5.0	45.0	60.0

2023	1 <sup>st</sup> Quarter	2 <sup>nd</sup> Quarter	3 <sup>rd</sup> Quarter	4 <sup>th</sup> Quarter	Full Year
Sales Revenue (RM' Million)	372.8	343.7	333.5	358.3	1,408.3
Profit Before Tax (RM' Million)	25.8	23.7	60.3	42.8	152.6
Net Profit (RM' Million)	19.6	17.7	46.2	32.4	115.9
Net Earnings Per Share (Sen)	11.9	10.8	28.1	19.7	70.5
Net Dividend Per Share (Sen)	5.0	5.0	5.0	45.0	60.0

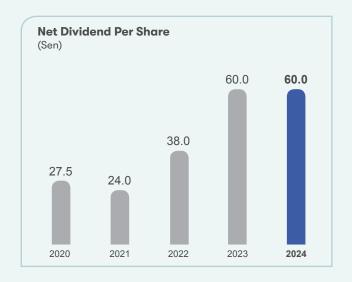
## **5-Year Financial Highlights**

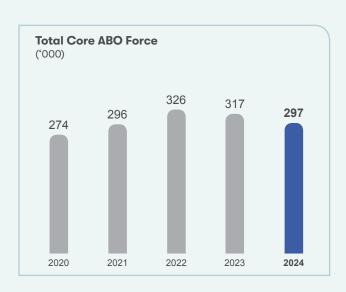
















#### STRATEGICALLY PIVOTING TO ADDRESS MARKET CHALLENGES

I am pleased to report that Amway and its subsidiaries (collectively referred to as "the Group") showcased steadfast resilience in FY2024 while navigating a mixed operating environment. By strategically pivoting to address evolving market conditions, the Group successfully maintained its relevance and strengthened its connection with its target audiences.

The year began with significant challenges, including a sluggish global economy influenced by ongoing inflation management, weak consumer sentiment coupled with cautious spending, and a depreciating Malaysian Ringgit. Despite these headwinds, the Group remained unwavering, laying the groundwork for recovery and long-term value creation. As the year progressed, Malaysia's domestic operating environment improved. The Malaysian Ringgit emerged as Asia's bestperforming currency by year-end, with the nation's gross domestic product ("GDP") growth exceeding expectations at 5.1% (2023: 3.6%).1

Adapting to evolving consumer preferences and the Malaysian Government's initiatives to address critical health issues, the Group strategically broadened its focus from a "Health and Wellness" positioning to a more holistic "Health and Wellbeing" paradigm. This pivot expanded

Amway's focus to a broader range of holistic physical and mental Health and Wellbeing solutions aligned with societal needs while navigating the challenges of the operating environment.

Amidst subdued consumer spending patterns, Amway's management seized the opportunity to bolster confidence among Amway Business Owners ("ABOs"), ensuring a stronger foundation for future growth. Key initiatives included investments in training and community-building programmes, digital platforms, marketing campaigns, discretionary incentives, home delivery enhancements, and back-end infrastructure improvements - all designed to empower ABOs and strengthen their businesses.

Central to the year's strategy was the integration of events and brands under the "gut wellness" banner, inspired by the success of the Nutrilite Gut Reset Weight Management Programme and the Nutrilite GUTPROtein Foundational Solution initiative introduced in FY2023 and FY2024 respectively. Building on these transformative initiatives, we combined diverse product offerings and wellness activities into cohesive gut health bundles, catering to varied price points and consumer needs. This bundled approach empowered individuals and communities to make healthier lifestyle choices, while reaffirming Amway's commitment to providing accessible and impactful Health and Wellbeing solutions.

- Training and community-building
- Digital platforms
- Marketing campaigns
- Discretionary incentives
- Home delivery enhancements
- Back-end infrastructure improvements

FY2024's approach also resonated strongly with ABOs, resulting in favourable sales from these bundled offerings. Today, the holistic narrative is reshaping how ABOs present the Amway story and is set to transform the way they conduct their business. For more details of these initiatives, refer to the Management Discussion and Analysis.

We also mirrored this holistic health narrative internally by promoting healthier practices among our employees to reflect the Company's external messaging. This alignment is doing much to reinforce Amway's genuine commitment to fostering a culture of holistic healthy living among its external and internal stakeholders.

Extracted from an article on the Bernama website titled "Ringgit Closes Out 2024 As Top Performer Among Major Asian Currencies" dated 31 December 2024 – refer to https://www.bernama.com/en/news.php?id=2378299 and Bank Negara Malaysia's "Economic and Monetary Review 2024" published on 24 March 2025 – refer to https://www.bnm.gov.my/documents/20124/17523401/emr2024\_en\_book.pdf

## Chairman's Statement (cont'd)





# We established a new centralised warehouse in Shah Alam.

The year saw Amway maintaining an entrepreneurial-focused growth mindset and leveraging ongoing initiatives on the entrepreneurial business ownership, employee engagement and product offering fronts. We also enhanced our eCommerce and customer delivery infrastructure. A major milestone was the establishment of a new centralised warehouse. This consolidated the operations at Amway Headquarters in Petaling Jaya ("HQ PJ") and two other locations into a single integrated facility in Shah Alam, improving delivery efficiency and the customer experience. Moreover, our dedication to championing good governance,

sustainability, and social responsibility was underscored by our enhanced governance framework, strengthened sustainability measures, and ongoing community outreach efforts.

Through these strategic actions,
Amway remained steadfast in
navigating a challenging year,
maintaining its position as a leading
Health and Wellbeing company in
Malaysia. While FY2024 presented
its share of complexities, Amway
continues to focus on creating
long-term value and contributing
meaningfully to the lives and wellbeing
of its diverse stakeholders.

## FY2024 PERFORMANCE OVERVIEW

Following two years of hyper sales growth in 2021 and 2022, the Group's sales growth rate normalised in 2023, a trend that continued into 2024. This rebalancing, combined with weakened consumer demand and inflationary pressures, led to softer demand for Amway's health and wellness products and home appliances. Consequently,

the Group's sales revenue declined by 14% to RM1,217.2 million in FY2024 from RM1,408.3 million in the previous year. Profit before tax ("PBT") also declined in line with reduced sales revenue. PBT for FY2024 fell by 12% to RM134.4 million from RM152.6 million previously, impacted by rising product costs due to inflation and lower sales.

Despite the softer performance, FY2024's financial performance underscores the resilience of Amway's business model and our ability to remain nimble and adaptable amidst changing market conditions. Looking ahead to FY2025, we anticipate that we will continue to face headwinds in the direct selling industry and softer consumer sentiment. As such, we will elevate efforts to empower our entrepreneurial business leaders to make the most of opportunities in the Health and Wellbeing space.

Amway's Board of Directors ("Board") remains committed to preserving shareholder interests and enhancing shareholder value. Consistently distributing at least 80% of annual net



earnings as dividends, the Group paid out a total dividend of 60 sen net per share amounting to RM98.6 million in FY2024. This included four interim dividends of 5 sen net per share each and a special dividend of 40 sen net per share.

This total dividend payout, representing a payout ratio of 98% of FY2024's net profits (FY2023: payout ratio of 85%), underscores Amway's commitment to delivering sustained value and rewarding shareholders, even amidst market challenges.

#### THE YEAR IN REVIEW: REMAINING RELEVANT TO OUR MARKETS

FY2024 saw Amway successfully adapting its strategies and leveraging innovation to meet evolving consumer and marketplace needs. In keeping true to our mantra of "Helping People Live Better, Healthier Lives", we focused our efforts on bolstering our competitive edge while remaining relevant to our markets.

#### **Ongoing Alignment with Malaysia's National Health Agenda**

For the year under review, Amway focused on its mission of enhancing Health and Wellbeing, reflecting its resolve to deliver immediate health solutions as well as cater to long-term Health and Wellbeing needs. Responding to the Government's call for increased private sector involvement in reducing the prevalence of non-communicable diseases ("NCDs") among the populace, we rolled out several initiatives, reinforcing our position as a key player in addressing the national health crisis.

On 20 July 2024, we proudly introduced the Nutrilite GUTPROtein Foundational Solution initiative to over 3,000 Leaders at our National Leadership Conference and Dinner 2024, tying it to Malaysia's National Strategic Plan for NCDs. Moreover, we embraced the "Bulan Malaysia Sihat Sejahtera" initiative, recognising and complementing the Government's efforts to tackle prevalent health issues.

The following day, during GUTPROtein Day 2024, we officially made GUTPROtein available for purchase amidst much fanfare and subsequently launched our new eSpring Water Purifier and ARTISTRY Super Peptide Serums. These launches reinforced Amway's strategy of delivering impactful, sustainable health solutions to empower Malaysians to live better lives. Throughout FY2024, we organised product launches, events and campaigns revolving around GUTPROtein for our Leaders and ABOs. The series of brand convergence events that followed sought to guide ABOs and consumers on how best to optimise their health along the gut health pathway, leading to positive increases in gut health sales.

By aligning our objectives with national and long-term health goals, Amway is leading the charge in promoting longevity and quality of life through its Health and Wellbeing products. We not only aim to extend lifespans but also to enhance the quality of life with an emphasis on "adding more life to one's years". This shift marks a significant evolution in Amway's approach to a more integrated model of Health and Wellbeing, positioning the Group as a pivotal player in combating the health challenges faced by Malaysia's increasingly ageing and chronically ill population.

#### **Ensuring the Sustainable, Long-Term Growth of Our ABO Family**

We remain deeply committed to ensuring the long-term sustainability and growth of our entrepreneurial ABOs by ensuring their businesses are securely built on solid, healthy frameworks capable of delivering sustainable returns. To this end, we continue to nurture their entrepreneurial-focused growth mindset as well as upskill and incentivise them, particularly as they transition towards the Health and Wellbeing space.

In FY2024, we relocated three Amway Shops in Ipoh, Kuala Terengganu, and Batu Pahat to more strategic locations to better convey our strategic focus on Health and Wellbeing. The Amway Shops in Ipoh and Kuala Terengganu incorporate comprehensive Brand Experience Centres that offer full-fledged services and facilities, with the design of each shop adopting localised elements that are tailored to the local community. This new concept is part of our ongoing effort to improve the retail experience for ABOs, Amway Privileged Customers ("APCs") and customers alike.

Throughout the year, we prioritised training and development for our ABOs to inculcate a deeper understanding of gut health, reflecting the Group's shift towards this new area of opportunity. Aside from the 133 training workshops conducted throughout the year, we embarked on a broader engagement strategy that saw the Management team visit six major cities across Peninsular and East Malaysia. We also enhanced our training to better equip ABOs to advocate and drive the Health and Wellbeing agenda.

## Chairman's Statement (cont'd)



## **Supporting Employee Wellbeing and Work-Life Balance**

Amway prioritises employee welfare through the implementation of initiatives designed to enhance physical, mental, and professional wellbeing. In FY2024, building on the success of the Nutrilite Gut Reset Weight Management Programme, we launched the Healthier ME Programme, a comprehensive four-month initiative aimed at helping employees develop sustainable, healthy habits for long-term wellbeing.

Moreover, we reinforced our dedication to fostering a supportive and informed work environment through the launch of the MSB Knowledge Hub, a 24/7 resource featuring over 280 articles on key topics like promotions, technology, and operations. This portal ensures staff are well-equipped to engage with ABOs and APCs effectively. Complementing this is the MY HR Hub, a centralised platform which enables employees to access HR policies, procedures, and updates, simplifying the workplace experience and fostering a supportive and informed work environment.

#### Elevating the Customer Experience, Enhancing Our eCommerce Infrastructure

In FY2024, Amway introduced several initiatives to help ABOs and Leaders grow their Health and Wellbeing Communities. The key ones included

the launch of the KITA digital hub and the Community Engagement Training. On top of the Nutrilite GUTPROtein Foundational Solution, Amway also introduced several bundled solutions.

To elevate the customer experience and strengthen our eCommerce infrastructure, we rolled out several enhancements. These included streamlined content management systems, self-service portals and advanced chatbot functionality to enhance accessibility and efficiency for ABOs and customers. Meanwhile, improved after-sales service and dedicated support channels helped optimise service delivery efforts. Together, these efforts underscore Amway's philosophy of "People Helping People".

## UPHOLDING RESPONSIBLE CORPORATE PRACTICES

## Fortifying Our Governance Framework

In an era where ethical business practices are a key expectation, Amway remains steadfast in strengthening its governance framework. Recognising the importance of good governance and sustainability for long-term business viability, the Board is deeply dedicated to maintaining robust internal controls, corporate governance, and risk management practices. This commitment is not only helping build trust and credibility

among stakeholders, but is preserving Amway's reputation, supporting sustainable business practices, and ensuring continued shareholder value creation.

Amway's governance policies are guided by the Malaysian Code on Corporate Governance 2021 ("MCCG"). The Board regularly reviews and refines our governance framework to align with evolving regulatory requirements and organisational needs. Oversight of MCCG best practices is a priority for the Board, which ensures these principles are clearly communicated and implemented across the Group.

As of 31 December 2024, the Group had complied with 40 out of the 42 recommended practices for Non-Large Companies under the MCCG. Departures from Practice 4.4 (i.e. performance evaluation of the Board and Key Senior Management or KSM in addressing the Company's material sustainability risks and opportunities), and Practice 8.2 (i.e. disclosure of senior management remuneration on a named basis) are provided in the Corporate Governance Overview Statement in this Annual Report, with more details in the standalone 2024 Corporate Governance Report on our website.

Regarding Practice 4.4, the Board conducts an annual evaluation to assess Directors' performance in managing Environmental, Social, and Governance matters. The Board will continue monitoring the progress of the Group's sustainability strategic plan before identifying suitable Key Performance Indicators ("KPIs") to evaluate how well the Board and KSM address material sustainability risks and opportunities.

As for Practice 8.2, while the Board upholds transparency, it believes that disclosing individual KSM remuneration details on a named basis is not in our best interests due to competitive market conditions and data privacy concerns. Instead, the Board will maintain its alternative practice of disclosing total remuneration on an aggregate basis.

To enhance transparency, Amway continues to align with Bursa Malaysia Securities Berhad's ("Bursa Securities") requirements for Conflicts of Interest ("COI") disclosures. Today, all new employees and Directors are required to sign a declaration highlighting any COI situations before onboarding. All employees and Board members must declare annually any COIs, including interests in competing businesses. The Audit Committee ("AC") continues to monitor any actual or potential COI situations and measures taken to resolve, eliminate, or mitigate the COI or potential COI and report these to the Board.

We also remain committed to fostering gender diversity at the highest levels of decision-making. As of the end of FY2024, women comprised 38% of the Board (three out of eight members), exceeding the MCCG Practice 5.9 recommendation of 30%. In line with the Board's target for at least 20% participation by women in KSM roles, women today hold four out of seven KSM roles constituting 57% of this leadership tier. This highlights the significant contributions women are making to Amway's governance and strategic direction as well as underpins our focus on ensuring a balanced leadership.

On 1 March 2024, the KSM team was strengthened with the addition of Mr. Jason Leng Kek Mun as the General Manager ("GM") of Amway Malaysia & Brunei. He brings over two decades of expertise in direct selling, strategic leadership, and business development to the KSM team.

## **Strengthening Our Risk Management System**

As we stride forward on our valuecreation journey and focus on new opportunities, we are mindful of the need to protect our existing resources and operations as well as stakeholders' interests. Central to this is a robust risk management system designed to identify and mitigate both current and potential risks, ensuring the Group remains resilient against diverse threats while upholding strong ethical standards.

A key pillar of this approach is the Group's zero-tolerance policy towards bribery and corruption. In FY2024, Amway refined its Anti-Bribery and Corruption ("ABAC") measures by making key enhancements such as refining the Whistleblower Policy to ensure prompt acknowledgement of all whistleblowing reports. To enhance oversight of whistleblowing reporting, the Board has tasked the AC with conducting quarterly reviews of such reports and the corresponding actions taken. In addition, the AC Chairperson receives timely notifications of specific reports concerning bribery, corruption, material financial impact, or shareholder-raised issues which may require prompt action.

We continue to raise awareness of the Group's ABAC Policy and related practices among Directors, employees, and key support service providers. Today, annual mandatory ABAC e-Learning modules, covering the Group's ABAC Policy, Code of Conduct and Ethics, and Whistleblower Policy, ensure a comprehensive groupwide understanding. Additionally, training is provided to all employees to raise awareness of the importance of ABAC risk assessments prior to onboarding new vendors.

## Advancing Long-Term Value Creation through Sustainability

Understanding the critical role sustainability plays in Amway's long-term value-creation efforts, we are embedding a strong sustainability culture within our operations. By integrating effective Economic, Environmental, Social, and Governance ("EESG") principles into our decisionmaking and business processes, we aim to achieve responsible and sustainable outcomes while addressing key risks and opportunities. Guided by the Board and Senior Management, and supported by the Sustainability Steering Committee and Sustainability Working Committee, we are continually aligning our practices with MCCG and Bursa Securities' sustainability requirements.

In FY2024, we continued to make good strides forward on the sustainability front. Following a review of the Group's Sustainability Strategic Framework to ensure alignment with Bursa Securities' enhanced sustainability reporting framework, the Board approved and adopted our updated framework. For FY2025's Statement, we will ensure alignment with the International Financial Reporting Standards ("IFRS") S1 and S2 Sustainability Disclosure Standards as per the requirements of the new National Sustainability Reporting Framework.



We complied with 40 out of the 42 recommended practices for Non-Large Companies under the MCCG.



## Chairman's Statement (cont'd)



Amway employees, alongside JKM, and leading digital recycling platform Karun Hijau, operated booths and successfully collected 540.50 kg of recyclables in just four hours. The event raised RM43,000, reinforcing Amway's commitment to community wellbeing and environmental responsibility.



October 2024 saw Amway organising the WOW Community Bazaar, an initiative that combined social impact with sustainability, The event aimed to raise funds for Jabatan Kebajikan Masyarakat Malaysia ("JKM") beneficiaries while promoting eco-friendly practices. Amway employees, alongside JKM, and leading digital recycling platform Karun Hijau, operated booths and successfully collected 540.50 kg of recyclables in just four hours. The event raised RM43,000, reinforcing Amway's commitment to community wellbeing and

On the environmental front, we are progressing toward zero-landfill status by partnering with Cypark Resources Berhad to convert general waste into energy in support of the Government's waste-to-energy agenda. In November 2024, we relocated our warehouse to a solar-powered third-party facility, complementing ongoing renewable energy initiatives at HQ PJ.

Moving forward, we remain committed to monitoring our impact across EESG dimensions, ensuring alignment with evolving sustainability standards. For the finer details of our sustainability efforts, please turn to the Sustainability Statement within this Annual Report.

#### **OUTLOOK AND PROSPECTS**

As we move into FY2025, we are gearing up to embrace the challenges of a mixed economic forecast with a spirit of determination and optimism. Guided by our unwavering commitment to sustainability and our reputation as a trusted provider of Health and Wellbeing products, we will continue to align with the Government's mission to promote healthier living among the *rakyat*.

Our growth strategy will see us continuing to focus on the Health and Wellbeing space. We will set our sights on delivering holistic gut health solutions that meet consumers' specific price points and needs. We also intend to keep making prudent investments

in ABO-centric incentive programmes, innovative product launches, health-centric communities, and essential infrastructure and technology upgrades.

While our ongoing investments, coupled with rising costs due to inflationary pressures, will bring some continued pressure to bear on our sales and profitability, we remain confident in our ability to continue delivering shareholder value. As we embrace FY2025, we will remain agile and adaptable to market conditions while ensuring we deliver results that reflect our enduring strength. As part of our Health and Wellbeing approach, we will continue to deliver bundled Health and Wellbeing solutions while cultivating ABO-led healthy living communities. By supporting the Government's efforts to combat NCDs through our holistic portfolio of offerings, we aim to make a meaningful contribution to the nation's health agenda.

Amway remains attuned to the evolving landscape of social commerce and is actively adapting its business model to meet market demands. We are dedicated to making the entrepreneurial journey seamless and rewarding for ABOs as we support them in navigating opportunities and challenges in the changing market environment.

Looking ahead, we are excited by the opportunities that lie in the Health and Wellbeing space. With a clear focus,



strategic intent, and an adaptable framework, Amway is well-positioned to meet market needs, drive value, and thrive. While we remain cautious moving forward, our resolve to innovate and succeed ensures that Amway is ready to embrace the future with confidence and purpose.

#### **IN APPRECIATION**

On behalf of Amway's Board, I extend my heartfelt gratitude to all who have contributed to our resilient performance during another challenging year.

To our valued shareholders, thank you for your continued trust and confidence in Amway. Your unwavering support inspires us to keep moving forward, focused on delivering resilient results and creating sustainable value. As we build upon the momentum gained, we are determined to achieve even greater success together.

To our dedicated ABO family, your passion, determination, and steadfast performances in the face of tough market conditions are truly inspiring. Your entrepreneurial spirit and trust in Amway motivate us to provide unwavering support as we journey together towards achieving the extraordinary. Let us continue to aim high and turn those seemingly impossible dreams into reality.

To our suppliers and service partners, we deeply appreciate your steadfast support and commitment. Your contributions have been instrumental in helping us navigate a challenging environment, and we eagerly anticipate continuing our fruitful collaboration for mutual success.

To Amway's loyal employees, whether on the frontlines or behind the scenes, your relentless dedication and pursuit of excellence have enabled us to deliver on our promises. Your efforts are the backbone of our success and we are profoundly grateful. To our Senior Management team, your prudent insights, astute leadership, and responsible stewardship have guided us through turbulent times to calmer waters. Your unwavering





With a clear focus, strategic intent, and an adaptable framework, Amway is well-positioned to meet market needs, drive value, and thrive.



dedication to Amway's vision has been pivotal in our progress. For this, we are truly thankful.

To my esteemed colleagues on the Board, thank you for your diverse perspectives, sharp business acumen, and exceptional leadership. Your counsel and dedication have been invaluable in helping the Group navigate the challenges of the year.

We warmly welcome Dato' Sri Harjeet Singh A/L Hardev Singh, who joined the Board as an Independent Non-Executive Director ("INED") after the conclusion of the Twenty-Ninth Annual General Meeting ("29<sup>th</sup> AGM") on 23 May 2024. His extensive healthcare and public service experience, particularly at the Ministry of Health, coupled with his invaluable insights, has already enriched the Board's discussions.

and we look forward to his continued contributions. Similarly, we welcome Mr. Jason Leng Kek Mun, the GM of Amway Malaysia & Brunei, who has proven to be an invaluable addition to the KSM team.

At our 29th AGM, Dato' Abdullah Thalith Bin Md Thani, an INED, stepped down from the Board and AC, and as Chairman of the Nominating Committee ("NC") after nine years of dedicated service. We thank him for his significant contributions and wish him success in his future endeavours. Datin Seri Azreen Binti Abu Noh, an INED and member of the NC, was re-designated as Chairperson of the NC, and her leadership remains instrumental in advancing Amway's objectives.

As we gear up towards Amway Malaysia's 50th Anniversary in 2026 and Amway Global's A70 Vision in 2029, we approach the future with cautious optimism. Together, with the continued support of all our stakeholders, we are poised to further solidify our position as a premier Health and Wellbeing company. Let us move forward with confidence, striving for another year of resilience and sustainable results. Thank you all for your staunch support.

#### **ABD MALIK BIN A RAHMAN**

Chairman and Senior Independent Non-Executive Director



For the financial year ended 31 December 2024 ("FY2024"), Amway and its subsidiaries ("the Group") demonstrated resilience and purpose, navigating a challenging operating landscape with steady resolve. Following two years of exceptional growth in FY2021 and FY2022, the Group's sales growth normalised in FY2023 and continued to recalibrate in FY2024, impacted by softer consumer demand and inflationary pressures.

Consequently, profit before tax declined on the back of rising product costs due to inflation and lower sales. While these results reflect the reality of evolving market conditions, they also highlight the Group's commitment to laying the groundwork for sustainable, long-term value creation.

Throughout FY2024, Amway continued to reshape its future by transitioning from a "Health and Wellness" focus to a more holistic "Health and Wellbeing" paradigm. This strategic evolution aligns with emerging consumer aspirations and national health priorities, reinforcing Amway's mission to deliver meaningful solutions that encompass a broader range of comprehensive physical and mental Health and Wellbeing solutions.

By doubling down on innovation and sustainability, as well as empowering entrepreneurial business leaders, Amway is setting the stage for a brighter future. Venturing into FY2025, the Group remains committed to capitalising on opportunities within the Health and Wellbeing space centred on demand for gut health solutions while continuing to focus on creating value for stakeholders.



#### REMAINING RESILIENT IN THE FACE OF ECONOMIC CHALLENGES

In 2024, the global economy moderated slightly to 3.2% from 3.3% in 2023 as it balanced resilience with persistent headwinds. Growth was supported by easing inflation, stable private consumption, and early signs of monetary policy loosening, although performance remained mixed across key economies. Southeast Asia remained a key contributor to global growth in 2024, driven by resilient domestic demand, strong consumption, and a rebound in tourism – highlighting its adaptability in a changing global landscape.

On the domestic front, the onset of the year saw Malaysia having to contend with weak consumer sentiment coupled with cautious spending, and a depreciating Malaysian Ringgit. By the year's end, Malaysia's operating environment had improved, with the Malaysian Ringgit emerging as Asia's best-performing currency and Malaysia's gross domestic product ("GDP") growth touching 5.1%.3

## RESPONDING TO EVOLVING CONSUMER DEMAND

In response to evolving consumer and market demand, Amway focused on pursuing long-term Health and Wellbeing opportunities that addressed the national health crisis brought on by obesity, high cholesterol, high blood pressure, and high blood sugar, among other non-communicable diseases ("NCDs"). Building upon the resounding success of the Nutrilite Gut Reset Weight Management

Programme introduced in FY2023 – a transformative initiative that championed long-term health by promoting physical fitness, mental wellbeing, and social connections – Amway's FY2024 strategy focused on further integrating solutions and activities under the "gut health" banner.

Leveraging on the momentum of FY2023, Amway seamlessly integrated diverse product offerings and wellbeing events into cohesive gut health bundles. Today, these tailored solutions, designed for various price points and consumer needs, continue to empower individuals and communities to embrace healthier lifestyles while underscoring Amway's commitment to accessible and impactful Health and Wellbeing.

To encourage its entrepreneurial Amway Business Owners ("ABOs") to embrace Health and Wellbeing opportunities, the Group introduced various initiatives under the gut health umbrella. These included launching the Nutrilite **GUTPROtein Foundational Solution at** the National Leadership Conference and Dinner 2024, subsequently making it available on GUTPROtein Day 2024, and thereafter rolling out a series of brand convergence events highlighting the benefits of the gut health pathway. Additionally, Amway introduced its new eSpring Water Purifier, featuring advanced UV-C LED and e3 Carbon Filter technologies, capable of reducing over 170 potential contaminants including microplastics that are harmful to health. Together, these efforts have driven positive growth in Health and Wellbeing product solutions sales and are laying a strong foundation for future arowth.

The Group continued to empower entrepreneurial ABOs through investments in training and community-building initiatives, eCommerce, digital and omnichannel capabilities, marketing campaigns, discretionary incentives, home delivery enhancements, and back-end infrastructure, including a new state-of-the-art integrated warehouse. These efforts were carefully designed to strengthen ABO businesses and support long-term success.

Recognising the importance of its workforce, Amway prioritised initiatives to enhance management and employee resilience, productivity, and overall wellbeing. Employee support programmes revolving around learning capabilities, physical and mental health, as well as work-life balance were introduced. Concurrently, the Group enhanced operational efficiencies while reinforcing governance, risk management, and sustainability frameworks.

Amway also effectively leveraged critical megatrends to remain relevant in a dynamic marketplace. These fundamentals have solidified its position as a leading Health and Wellbeing company, creating and delivering value to entrepreneurial business owners, consumers, and the broader Malaysian community. In summary, while FY2024 saw lower sales revenue and profitability, Amway demonstrated resilience. With a strategic focus on Health and Wellbeing, operational excellence, and sustainability, the Group remains well-positioned for long-term value creation.

- Extracted from the International Monetary Fund's "World Economic Outlook Update, January 2025" publication refer to https://www.imf.org/en/Publications/WEO/Issues/2025/01/17/world-economic-outlook-update-january-2025
- <sup>2</sup> Adapted from an article on the Bernama website titled "ASEAN Economy on Steady Growth in 2024 Amid Challenges" dated 15 December 2024 refer to https://asean.bernama.com/news.php?id=2373789
- Extracted from Bank Negara Malaysia's "Economic and Monetary Review 2024" published on 24 March 2025 refer to https://www.bnm.gov.my/documents/20124/17523401/emr2024\_en\_book.pdf



## GROUP FINANCIAL PERFORMANCE

#### Sales Revenue

In FY2024, Amway faced an economic climate marked by inflationary pressures, rising living costs, and weaker consumer sentiment. These factors led to subdued spending patterns as consumers prioritised essential purchases.

Following two years of extraordinary sales growth in FY2021 and FY2022, the Group's sales growth rate normalised in FY2023, and this trend continued into FY2024. Amway's sales revenue declined by 14% to RM1,217.2 million in FY2024 from RM1,408.3 million in FY2023. During this phase of rebalancing, the Group focused on long-term value creation, bolstering its infrastructure, supporting entrepreneurial ABOs, and gearing up for significant upcoming milestones such as Amway Malaysia's 50th Anniversary and Amway Global's A70 Vision.4

#### **Earnings**

In tandem with the lower sales revenue, the Group's profit before tax ("PBT") declined by 12% to RM134.4 million in FY2024 from RM152.6 million in FY2023, reflecting higher product

costs due to inflationary pressures and lower sales. However, this decline was partially offset by lower ABO incentives compared to the pandemic years when these investments were significantly higher to support extraordinary sales growth.

Although Amway posted softer financial results in FY2024, the Group's performance underscores the resilience of Amway's business model and our ability to adapt amidst challenging market conditions. As Amway moves into FY2025, the Group anticipates ongoing challenges in the direct selling industry and subdued consumer sentiment. In response, it will intensify efforts to empower its entrepreneurial business leaders, leveraging opportunities in the Health and Wellbeing space to create long-term value.

#### **Dividends**

Amway remains committed to safeguarding shareholders' interests and delivering sustainable long-term value. Guided by our dividend policy, we aim to distribute a dividend of no less than 80% of the annual net earnings to equity holders, subject to the Company's cash position, retained earnings, operational performance, financial outlook, capital expenditure requirements, and obligations.



<sup>&</sup>lt;sup>4</sup> The A70 Vision is a strategic blueprint aimed at driving sustainable growth, fostering entrepreneurship, and enhancing Health and Wellbeing globally by Amway Global's 70th anniversary in 2029.

For FY2024, Amway paid three singletier interim dividends of 5 sen net per share each, amounting to RM24.7 million. Additionally, on 26 February 2025, the Board of Directors declared a fourth single-tier interim dividend of 5 sen net per share alongside a special single-tier interim dividend of 40 sen net per share, amounting to RM73.9 million. These payouts represented an overall dividend payout ratio of 98%, reflecting the Group's commitment to rewarding shareholders while balancing investments for future growth. Shareholder entitlement was based on the Record of Depositors as of 14 March 2025, with payment made on 28 March 2025.

This consistent dividend strategy underscores Amway's focus on creating sustainable shareholder value while maintaining the financial resilience needed to drive continued growth and innovation.

#### **Financial Position and Liquidity**

The Group continues to preserve a healthy balance sheet while its financial liquidity remains solid. This ensures that the Group has the essential resources to sustain business operations over both the short- and long-term, as well as the capacity to fund future capital expenditure and growth initiatives when such opportunities arise.

As of 31 December 2024, the Group's net assets per share stood at RM1.88 in comparison to net assets per share of RM1.87 at the end of FY2023. This was due to the profit achieved during the year partially offset by dividend payments.

At the end of FY2024, the Group's liquidity remained strong, with current assets exceeding current liabilities by RM217.0 million (end of FY2023: RM212.0 million). At the year's end, Amway had healthy cash and bank balances of RM222.9 million (end of FY2023: RM338.6 million) as well as zero bank borrowings, matching its previous position in borrowings.



Barring unforeseen circumstances, Amway does not anticipate any trends or events likely to materially impact the Group's operations, performance, financial condition, or liquidity. The Group remains in a stable position, supported by a robust balance sheet and a zero-debt standing. This financial resilience ensures that Amway is well-equipped to navigate potential challenges and continue delivering value to its stakeholders.

## Capital Expenditure Investments

In FY2024, Amway significantly increased its capital expenditure ("CAPEX") investments, touching RM16.5 million (FY2023: CAPEX of RM8.2 million). These investments primarily focused on enhancing operational efficiency, reducing costs, and improving service delivery.

A major highlight was the consolidation of three separate warehouse facilities into a single, state-of-the-art integrated operation at Shah Alam. This new warehouse, five times larger than the previous Amway Headquarters, Petaling Jaya ("HQ PJ") facility, also features a significantly larger cold room storage capacity to accommodate future growth and bolster logistical capabilities.

This investment has done much to enhance operational efficiency, reduce costs, and improve service delivery while accommodating future growth. It also ensures the Group remains well-positioned to adapt to market demands while maintaining efficient and sustainable operations.

Amway also prioritised delivering exceptional experiences for its customers and ABOs. Notable initiatives included the strategic relocation and renovation of the Ipoh, Kuala Terengganu, and Batu Pahat Amway Shops. FY2024's investments included upgrading the Brand Experience Centre at the HQ PJ. These investments reflect Amway's commitment to creating welcoming and functional spaces that inspire and empower entrepreneurial success while enhancing customer engagement.

For FY2025, the Group remains committed to enhancing its infrastructure and supporting growth. Key plans include renovating and relocating selected shops, converting the vacated warehouse at HQ PJ into a car park for ABO convenience, and investing in IT and digital upgrades to strengthen operational efficiency and future readiness.

## GEARING UP FOR OUR 50<sup>TH</sup> ANNIVERSARY

Founded in 1976 and listed on Bursa Malaysia Securities Berhad in 1996, Amway (Malaysia) Holdings Berhad is an entrepreneur-led Health and Wellbeing company with a focus on holistic wellbeing. As one of Amway Global's top-10 performing affiliates, Amway Malaysia is proud to contribute to the global vision of helping one billion people live better, healthier lives.

From a single storefront with just five employees, Amway has grown into an industry leader in Malaysia, supported by a workforce of 376 employees and a nationwide presence of 23 stores. Over the years, we have refined our product portfolio and now offer over 450 high-quality items in the Health and Wellbeing category, including health supplements, energy products, skincare, home appliances and personal care, tailored to meet diverse consumer needs at various price points. This focused approach enables us to build strong connections with consumers and deliver solutions that contribute to consumers' holistic Health and Wellbeing.

At its core, Amway is a people business. Guided by our Founders' Fundamentals of "Freedom", "Family", "Hope", and "Reward", we empower individuals to build their own businesses and achieve financial independence. By fostering an entrepreneurial-focused growth mindset, we support ABOs in developing their potential while encouraging community engagement. Amway remains committed to staying ahead of the curve by investing in infrastructure, systems, talent, and partnerships while adapting to evolving consumer needs.

Through the "AMWAY**PROMISE**", we provide one of the industry's most comprehensive customer service and consumer protection offerings.

Our Nutrilite brand, supported by over 90 years of trusted science, ensures stringent quality and sustainability standards through its 9-step traceability process and plant-based formulations that promote Health and Wellbeing from the inside-out.

As we approach Amway Malaysia's golden jubilee celebrations next year, the Group is poised to continue creating value and making a meaningful impact on the lives and wellbeing of our stakeholders. With a strong legacy and a future-focused strategy, we are well-positioned to thrive in the competitive Health and Wellbeing landscape.

#### **AMWAY'S HEALTH AND WELLBEING VALUE PROPOSITION**

Recognising evolving consumer preferences, Amway pivoted in FY2023 from pandemic-related solutions to a comprehensive approach addressing the root causes of long-term health issues. This shift centres on delivering holistic Health and Wellbeing solutions, encompassing not only high-quality supplements but also promoting positive lifestyle changes, regular exercise, balanced nutrition, effective stress management, and mental wellbeing. This strategic evolution aligns with Amway's legacy of promoting healthier lives while addressing the growing health challenges faced by Malaysians.

Today, Malaysia's healthcare system is under strain due to demographic shifts and lifestyle-driven diseases. NCDs such as cardiovascular diseases, diabetes, and cancer incur direct costs exceeding RM9.65 billion annually. At the Malaysian Health and Wellness Summit 2024, several key concerns about Malaysia's healthcare system were brought up:

#### **Ageing Population**



By 2040, **14.5%** of Malaysians will be aged 65 or older, driving a rise in chronic diseases like diabetes and hypertension, along with increased demand for long-term care.

#### **Lifestyle Diseases**



Poor diet, inactivity, and smoking aggravate health issues, with **4.8 million** smokers contributing to cardiovascular risks.

#### **NCDs**



High rates of obesity (**50.1%**), high cholesterol (**38%**), diabetes (**18.3%**), and hypertension (**15.9%**) further strain the system.

#### **Mental Health**



Mental health disorders, which rose by **25%** during the pandemic, remain a leading cause of disability, impacting productivity and quality of life.<sup>5</sup>

With this as a backdrop, Amway reiterates its long-term commitment to tackling Malaysia's health challenges through our portfolio of holistic Health and Wellbeing solutions. Leveraging global and local research, we are focusing on gut health and phytonutrients to enhance immunity, digestion, mental wellness, and weight management – key ingredients to help Malaysians build healthier lives.

Extracted from the opening keynote address titled "The Future of Healthcare in Malaysia: Embracing Challenges and Opportunities" by YB Datuk Seri Dr. Dzulkefly Ahmad, Minister of Health, Malaysia, at the Malaysian Health and Wellness Summit 2024 in Kuala Lumpur, 27 August 2024 – refer to https://kasi.asia/wp-content/uploads/2024/08/YBMK-Draft-Speech-Health-27-August-1-Amended-27-ogos.pdf

In FY2023, we responded to the Malaysian Government's clarion call for private sector organisations to help address the *rakyat's* pressing health challenges by introducing the Nutrilite Gut Reset Weight Management Programme. By integrating fibre and probiotics with nutritional meals, exercise, and stress management, the Nutrilite programme promotes a balanced gut microbiome, vital for mitigating the long-term risks of NCDs, which account for 73% of deaths among Malaysian adults. As we inspire our ABOs, Amway Privileged Customers ("APCs"), and employees to be living examples of our products, we are fostering a broader vision of wellbeing that encompasses social connection and purpose.

In FY2024, we adopted a more focused approach by bringing all our brands, programmes, and solutions under the "gut health" banner, aligning with initiatives to promote healthier living. The results speak for themselves, with favourable growth in sales from these bundled offerings in FY2024. The holistic narrative is not only redefining how ABOs are sharing the Amway story but is also transforming their approach to business, strengthening both the Amway and Nutrilite legacies.

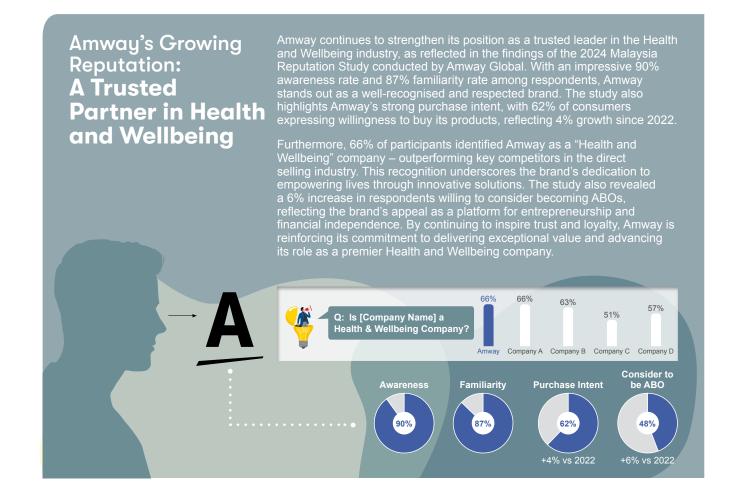
As Amway approaches its 50th Anniversary in 2026 and aligns with Amway Global's A70 Vision in 2029, we continue to prioritise the Health and Wellbeing paradigm

as a cornerstone of our strategy. By empowering ABOs to champion the gut health movement, we are building communities that inspire and support individuals on their wellbeing journeys. Dedicated to enhancing both lifespans and healthspans, our mission is not merely to extend the years people live but to enrich those years with vitality and wellbeing. Through innovative solutions and holistic strategies, Amway continues to solidify its position as a leading Health and Wellbeing company, creating meaningful long-term value.

## CAPITALISING ON MEGATRENDS, UNLOCKING POTENTIAL

Amway continues to stay ahead of evolving market conditions through continuous analysis of past, present, and emerging global trends. This vigilant approach allows us to identify disruptive megatrends driven by technological innovation, demographic shifts, globalisation, the COVID-19 pandemic, and climate change.

Recognising the significant impact of these transformative forces on future markets and consumer behaviour, we strategically align our business strategies to remain relevant to our audiences. By doing so, we are equipping our workforce and empowering our ABOs to build sustainable businesses and communities that harness the potential of these megatrends.



Among the growing number of global megatrends, Amway has prioritised four that are most relevant to its business, namely "Healthy Living," "The Rise of Gig Economy Workers," "Connected Middle-Class Consumers," and the "Bricks and Clicks" megatrends. We continuously align with these trends to strengthen our business and drive growth.

In FY2024, we advanced the strategic alignment established in FY2023 through the Nutrilite Gut Reset Weight Management Programme, leveraging key megatrends to connect with consumers and address their evolving Health and Wellbeing needs. The "Healthy Living" trend continued

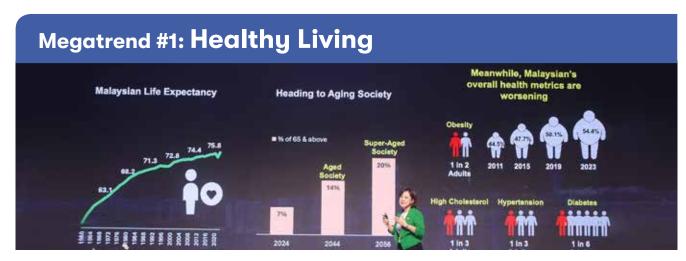
to resonate with the increasing consumer focus on holistic Health and Wellbeing. The "Rise of Gig Economy Workers" aligned seamlessly with Amway's direct selling model, empowering entrepreneurial ABOs with flexible, health-oriented business opportunities.

By tapping into the "Connected Middle-Class Consumers" trend, we reached a broader, tech-savvy audience seeking health solutions. Additionally, we capitalised on the "Bricks and Clicks" megatrend to enhance the omnichannel customer experience, improving access and engagement with our Health and Wellbeing product offerings.

Megatrends We Are Harnessing						
Programmes and Campaigns We Are Leveraging	Megatrend #1: Healthy Living	Megatrend #2: The Rise of Gig Economy Workers	Megatrend #3: Connected Middle-Class Consumers	Megatrend #4: Bricks and Clicks		
Nutrilite GUTPROtein Foundational Solution	V	V	V	V		
Better Me Storytelling Training	V	V	V	V		
Community Engagement Training	V	V	V	<b>✓</b>		
APC Conversion Programme	V	V	V	V		
Amway Loyalty Programme (Enhanced Version)	V	V	V	V		
Brand Experience Centre @ HQ PJ (Enhancement)	<b>V</b>		V	<b>~</b>		
GUTPROtein Day 2024	V	V	V	<b>V</b>		
National Leadership Conference and Dinner 2024	V	V	V			
Nutrilite Foundational Solution Rally	V	V	V			
New eSpring Water Purifier Launch and Rally	V	V	V	V		
Nutrilite X ARTISTRY: Inside-Out Wellbeing Transformation Bootcamp	V	V	V	V		
ARTISTRY SKIN NUTRITION: Super Peptide Serums, Super Youthful You!	V	~	V	V		
BodyKey Fat To Gold Challenge 2024	V	V	V	V		
Health Warrior Bootcamp 2024	V	V	V	V		
ARTISTRY SKIN NUTRITION Sleeping Mask Rally	V	V	V	V		
Outstation Engagement Session with The Management Team	V	V	<b>v</b>			
KITA Digital Hub	V	V	V	V		
Amway Botanical Research Centre Discovery Journey Programme	<b>V</b>	<b>V</b>	<b>V</b>	V		

Today, Amway continues to align its programmes and campaigns with key megatrends, delivering holistic initiatives that address diverse consumer needs while staying attuned to the evolving business landscape. This strategic focus reinforces our commitment to providing future-ready solutions and creating meaningful value.

The following sections explore in detail how the four aforementioned megatrends continue to shape our operations and how we are leveraging focused gut health strategies to make the most of the opportunities on hand.



#### **The Everlasting Appeal of Healthy Living**

The Healthy Living megatrend, with wellness at its core, continues to resonate strongly with consumers worldwide. McKinsey & Company's latest "Future of Wellness" study highlights the dynamic US\$1.8 trillion global wellness market, driven by a growing demand for science-backed, personalised solutions. The study, which surveyed over 5,000 consumers across the United States, United Kingdom, and China, identified key trends shaping the industry, including the rise of at-home health diagnostics, advanced wearables, artificial intelligence ("AI") driven personalisation, a shift toward clinically proven products, and an increasing reliance on doctor recommendations.<sup>6</sup>

This megatrend reflects a notable shift from treatment to prevention as consumers become more proactive about their health. Factors such as technological empowerment and rising healthcare costs are propelling this evolution, with individuals seeking cost-effective self-care options and pre-emptive measures to mitigate health risks. The McKinsey report also cites areas of growth in the Health and Wellness space – women's health, gut health, healthy ageing, weight management, sleep, and in-person fitness, among other significant opportunities for innovation and investment – some of which align with Amway's own agenda and investment focus.<sup>7</sup>

#### **Amway's Alignment with Evolving Market Needs**

Back in FY2023, we introduced the Nutrilite Gut Reset Weight Management Programme to strategically align with the global shift toward prevention and holistic health. Centred on gut health as a cornerstone of overall wellbeing, it sought to address growing consumer demand for solutions that tackle the "3 Highs", namely high cholesterol, high blood pressure, and high blood sugar. By integrating digital health tools and leveraging eCommerce platforms, this initiative helped us to capitalise on the expanding wellness market and empowered consumers to adopt proactive, sustainable health practices.

In FY2024, we intensified our gut health efforts by launching the Nutrilite GUTPROtein Foundational Solution initiative, the new eSpring Water Purifier and the ARTISTRY Super Peptide Serums. Aligned with Malaysia's health agenda, the initiative seeks to address pressing health concerns in Malaysia, particularly the rising health challenges associated with an ageing population. Among the year's key highlights was the introduction of the GUTPROtein shake, a unique blend of our three most powerful products working synergistically to lay the foundation for optimal gut health and overall wellbeing.



The finer details of these and other related gut-health initiatives can be found in the narrative titled "The Nutrilite GUTPROtein Foundational Solution Initiative: Intensifying Our Holistic Health and Wellbeing Offering" within this section.

Today, the global healthcare landscape is transforming rapidly, driven by an ageing population reshaping healthcare priorities. By 2050, the population aged 60 and over is expected to double to 2.1 billion, or 26% of the global population, intensifying the need for solutions targeting chronic conditions and elderly care. Given that those in this age group onwards are particularly susceptible to the "3 Highs", the demand for health-related products and services is expected to increase. This presents both challenges and opportunities for the healthcare sector.8

In Asia, the digital health market is forecast to grow from US\$77.84 billion in 2025 to US\$99.57 billion by 2029 at a compound annual growth rate ("CAGR") of 6.35%. This growth is being fuelled by advancements in telehealth and AI, enhancing healthcare access and efficiency to meet the needs of an ageing population. With its focus on innovation and interconnectivity, Asia is emerging as a leader in elderly care solutions.<sup>9</sup>

Amway's commitment to delivering credible, science-based solutions ensures we remain well-positioned to capture the evolving demands of this rapidly expanding market and other segments of the Health and Wellbeing sector while advancing our mission to inspire healthier, more fulfilling lives.

- <sup>6</sup> Extracted from an article on the McKinsey website titled "The trends defining the \$1.8 trillion global wellness market in 2024" dated 16 January 2024 refer to https://www.mckinsey.com/industries/consumer-packaged-goods/our-insights/the-trends-defining-the-1-point-8-trillion-dollar-global-wellness-market-in-2024
- 7 As above
- 8 Adapted from an article on the UK's Office for National Statistics website titled "Improving the visibility of older people in global statistics" dated 1 October 2024 refer to https://blog.ons.gov.uk/2024/10/01/improving-the-visibility-of-older-people-in-global-statistics/.
- 9 Adapted from the market insights on the Statista website titled "Digital Health Asia" refer to https://www.statista.com/outlook/hmo/digital-health/asia

### The Nutrilite GUTPROtein Foundational Solution Initiative:

Intensifying Our Holistic Health and Wellbeing Offering



#### **Understanding the Importance of Gut Health**

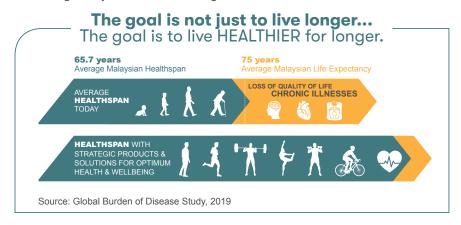
Gut health, often regarded as the "master key" to overall wellbeing, plays a critical role in our health and vitality. Central to this is the gut microbiome, an intricate ecosystem of over 100 trillion bacteria also referred to as the "second genome" (the first genome being our DNA). Unlike our DNA, which cannot be altered, the gut microbiome can be "re-engineered" to optimise health. This remarkable system not only aids in digestion but also produces essential compounds such as vitamins, hormones, and neurotransmitters, significantly influencing immunity, mental wellbeing, metabolism and overall bodily functions.

Emerging research highlights how imbalances in this ecosystem have been linked to health issues including inflammation, weight gain, high blood sugar, and high cholesterol, all of which contribute to the rising prevalence of non-communicable diseases or NCDs. With a global shift towards preventive care and holistic health management, gut health has become a priority for individuals seeking a better quality of life. This rising awareness has driven consumer demand for personalised, science-backed solutions that address the foundation for better health. In response, innovation in gut health products is empowering individuals to take proactive steps towards achieving long-term wellbeing.

## **Enhancing Healthspan for a Better Quality of Life**

The average life expectancy of Malaysians is 75 years, yet their healthspan stands at only 65.7 years. This ten-year gap is often marked by chronic illnesses, declining health, and reduced quality of life. As people live longer, the focus must shift towards healthspan – ensuring those extra years are lived in good health, free from debilitating conditions.

Recognising this need, Amway is committed to bridging the healthspan gap through strategic Health and Wellbeing solutions. By integrating science-backed nutrition, active lifestyles, and preventive health measures, we empower individuals to take control of their long-term wellbeing. Our holistic approach ensures that Malaysians do not just live longer but live healthier for longer, embracing vitality and wellness throughout their lives.



## Responding to Consumer Demand for Enhanced Quality of Life

Recognising its role in helping society address critical health challenges, Amway rolled out the Nutrilite Gut Reset Weight Management Programme in FY2023. The programme's success laid the foundation for Amway's next phase of innovation – the Nutrilite GUTPROtein Foundational Solution initiative. Where the Gut Reset programme focuses on rebalancing the gut microbiome to promote sustainable weight management and address specific health challenges, including NCDs, the GUTPROtein initiative serves to build and sustain a strong foundation for overall gut health. Together, these solutions underscore Amway's broader strategy to foster healthier lifestyles.

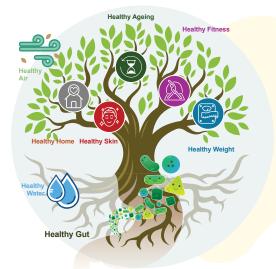






- of courties of manufact filter provider of manufact filter filter
- Kickstarts the journey to reset your gut
- Holistic weight management programme to help you achieve optimum weight and wellbeing
- ✓ Helps address NCD-related issues
- A continuous and sustainable journey to further enhance your gut microbiota
- For overall health maintenance

Aligned with Amway's mission of providing science-backed health solutions, GUTPROtein empowers individuals to achieve better health and sustainable lifestyles.



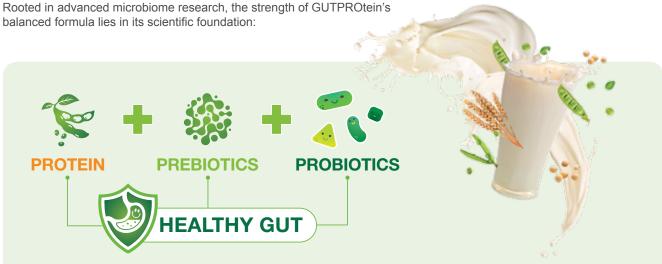
## The Tree of Holistic Health: Rooted in Gut Wellness

The Tree of Holistic Health symbolises Amway's vision for Health and Wellbeing, with the gut represented by the roots, serving as the foundation of overall health. GUTPROtein fortifies these roots, empowering the branches – tailored health solutions such as Healthy Weight, Healthy Home, Health Skin, Healthy Fitness and Healthy Ageing – to flourish, fostering a balanced and sustainable path to optimal wellness



#### **The Science Behind Nutrilite GUTPROtein**

Nutrilite GUTPROtein Foundational Solution is a twice-daily solution that combines probiotics, prebiotics, and protein to synergistically nurture the gut microbiome and build a strong foundation for overall wellbeing. While each of these components has been available individually for some time now, research reveals that their combination delivers enhanced results compared to using them separately.



When you nurture your gut, you create a strong foundation for better health. Let's take a closer look at the science.

- The **protein** component repairs the gut lining, reinforcing its role as a protective barrier against harmful substances.
- The prebiotics component serves as nourishment for these probiotics, encouraging their growth and activity.
- The integration of **probiotics** with advanced delivery technologies ensures their survival through the digestive tract, allowing them to reach the gut alive and adhere to its walls for maximum effectiveness.

By synergistically combining these components, GUTPROtein delivers a holistic approach to gut health that surpasses what the individual ingredients achieve alone.



#### **The Nutrilite GUTPROtein Foundational Solution**

July 2024 saw the launch of the Nutrilite GUTPROtein Foundational Solution at Amway's National Leadership Conference and Dinner 2024. This initiative aligns with Malaysia's National Strategic Plan for Non-Communicable Diseases and supports the "Bulan Malaysia Sihat Sejahtera" initiative, reflecting Amway's deep commitment to national health priorities.



#### A Record-Breaking Toast

At the National Leadership Conference and Dinner 2024, over 3,000 Leaders came together to set a Malaysia Book of Records title for the "Largest Participation in a Protein Shake Making Event". The celebration culminated with a toast of GUTPROtein shakes and an official certificate presented to Mike Duong and Jason Leng, marking a proud milestone for Amway.

Central to this initiative was the launch of the GUTPROtein shake on GUTPROtein Day 2024. It features a blend of the Nutrilite Botanical Beverage Mix Chicory Root Extract with Probiotics, Nutrilite Mixed Fiber Powder, and Nutrilite Soy Protein Drink. The simplicity of GUTPROtein's twice-daily intake fits seamlessly into modern lifestyles, providing a convenient solution for maintaining gut health.

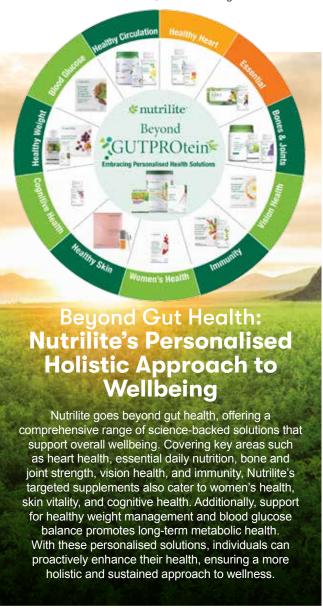
Building on the strong foundation established by the Nutrilite GUTPROtein Foundational Solution initiative, consumers can take their Health and Wellbeing journeys to the next level with personalised solutions tailored to their specific needs and goals. Whether aiming to achieve targeted health milestones or addressing particular concerns, Nutrilite offers a range of recommended supplements that empower individuals to sustain and enhance their wellbeing.

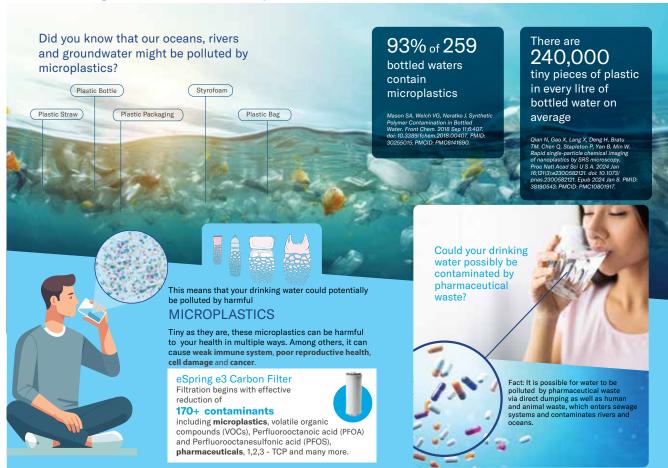
Complementing GUTPROtein, Amway's new eSpring Water Purifier addresses critical risks posed by harmful contaminants in drinking water, including microplastics and pharmaceutical residue. Microplastics, prevalent in 93% of bottled water, can harm our digestive system, immunity, and overall health, while pharmaceutical contaminants may disrupt hormonal balance and accumulate over time. Using advanced e3 Carbon Filter and UV-C LED technologies,

eSpring eliminates over 170 contaminants, including these harmful pollutants, while retaining essential minerals.

Science has also revealed the impact of the gut microbiome on skin vitality. Nurturing the gut with GUTPROtein helps lay the foundation to experience healthier, more radiant skin from the inside, while the ARTISTRY Super Peptide Serums nourishes the skin from the outside.

Together, GUTPROtein, eSpring and ARTISTRY exemplify Amway's holistic approach to Health and Wellbeing – repairing and maintaining gut health internally, while preventing health issues externally. This focus reflects Amway's commitment to delivering innovative, science-backed solutions for healthier, more fulfilling lives.





#### Is Your Drinking Water Safe For Consumption?



#### **Effective Transformations, Tangible Outcomes**

In line with Amway's commitment to redefining Health and Wellbeing through offering long-term, science-backed transformations, the Group continues to expand its gut health solutions portfolio. Where the Nutrilite Gut Reset Weight Management Programme empowered individuals to manage metabolic health concerns, with the introduction of the Nutrilite GUTPROtein Foundational Solution, Amway is taking the next step in helping people maintain their overall gut health.

Together, these initiatives reinforce the Group's belief that optimal wellness stems from a holistic and balanced approach – that by combining targeted high-quality supplementation with healthier lifestyle choices, including proper nutrition, exercise, and sustainable lifestyle choices, consumers can make the most of meaningful, lasting change.

Since its launch in July 2024, GUTPROtein has gained strong traction, achieving nearly 10% penetration among Amway's Core ABO Force, and driving a remarkable 208%

increase in new nutrition buyers in the second half of 2024 compared to the first. These figures highlight the growing awareness and adoption of gut health as a fundamental pillar of overall wellbeing.

Beyond product innovation, Amway continues to actively empower individuals through transformative health initiatives. This was evident throughout FY2024, as several other Health and Wellbeing activities were introduced to drive effective transformations and deliver tangible outcomes.

The BodyKey Fat to Gold Challenge, which sought to improve body composition and inculcate healthier lifestyles among ABOs and APCs was held between October and November 2024. It saw over 700 teams of four come together to transform their health through the Nutrilite Gut Reset Weight Management Programme and the BodyKey Jump Start Kit. This initiative showcases Amway's commitment to empowering healthier communities through science-backed solutions and collaborative engagement.

# Amway Healthier ME 2024 Statistics

200

Employees participated in the programme

Amway also launched the Healthier ME Programme, a comprehensive four-month initiative designed to help Amway's employees cultivate sustainable, healthy habits for long-term wellbeing. The programme delivered impressive results among 200 employee participants, achieving a total weight loss of 252.2 kg. Additionally, 71% of the participants improved their blood pressure, while 65% recorded better cholesterol levels.



Total weight loss of 252,2 KG

**3.75** out of 5 participants lost weight

Employees lost an average of 2.31 KG

#### **BLOOD PRESSURE**

35% had high blood pressure

**71%** saw improvements

39% achieved healthy blood pressure levels

#### CHOLESTEROL

58% had high cholesterol

65% saw improvements

20% achieved healthy cholesterol level



## **Bolstering Business Growth, Cultivating Community**

A key driver of our gut product success is the community aspect. In FY2024, we launched KITA, a dynamic digital platform that builds vibrant Health and Wellbeing communities. KITA offers seamless access to health programmes, interactive learning, and progress tracking, fostering connection,



motivation, and shared achievements. The platform thrives on group interaction, where participants support and hold each other accountable as they embrace new dietary and physical routines.

Amway remains committed to addressing the needs of both healthy individuals and those managing specific health concerns through tailored solutions. By expanding our gut health offerings and leveraging new discoveries in gut health science, Amway continues to drive transformational change, inspiring communities to embrace a healthier and more sustainable lifestyle.



## Advancing Microbiome Expertise for Holistic Wellbeing

Today, we are advancing our leadership in gut health by leveraging our extensive microbiome database, a cornerstone of our ability to deliver innovative, tailored solutions. By integrating insights from global initiatives with both global and localised studies, Amway is building unparalleled expertise in this vital health domain. This focus on gut microbiome research keeps us ahead of the curve, enabling transformative Health and Wellbeing solutions that resonate with consumers. With a profound understanding of gut microbiome science, Amway continues to differentiate itself as a pioneer in the field, dedicated to transforming lives and empowering individuals to achieve optimal health.



#### ADDRESSING THE DEMAND FOR HOLISTIC HEALTH AND WELLBEING PRODUCTS

In FY2024, Amway expanded its Healthy Living portfolio with a range of innovative products designed to elevate the Health and Wellbeing of Malaysians. These launches underscore Amway's unwavering commitment to delivering solutions that empower individuals to lead healthier, more fulfilling lives.

Key product launches during the year included the following:



## **Healthy Water for Healthy Living**

## The New eSpring<sup>™</sup> Water Purifier

## **Clearly Better**

Amway's new eSpring Water Purifier features advanced e3 Carbon Filter and UV-C LED technologies. The e3 Carbon Filter eliminates over 170 contaminants including microplastics and pharmaceuticals, while retaining essential minerals. Meanwhile, the UV-C LED technology eliminates 99.9% of microorganisms such as bacteria, viruses and waterborne cysts, ensuring our drinking water is safe from pathogens. Designed with sustainability in mind, the system's UV-C LED lasts up to 10 years while the new eSpring model itself uses 25% less energy than previous models, thereby reducing its environmental impact. It also integrates with the Healthy Home App for a connected experience, underscoring Amway's commitment to healthfocused innovation.



#### e3 Carbon Filter

reduces over 170 potential contaminants such as microplastics and pharmaceutical waste



#### **UV-C LED technology**

effectively kills 99.9% of microorganisms









Amway also expanded its beauty and personal care range with the following launches:



#### **EXPANDING OUR HEALTH AND WELLBEING OFFERING VIA STRATEGIC PARTNERSHIPS**

Amway is committed to providing a comprehensive range of Health and Wellbeing solutions by collaborating with affiliate brands to introduce carefully selected non-Amway products. These partnerships bring Malaysians diverse options to enhance their daily Health and Wellbeing routines. Each product reflects Amway's unwavering dedication to supporting the health and wellness journey of its customers. By offering these thoughtfully curated solutions, Amway reinforces its mission to promote a balanced, healthy lifestyle and enrich everyday living.



Dreamland Chiromax Luxe Serenity Mattress & Headboard Divan

Tefal & Jamie Oliver Cook's Classic Collection & Philips Air Cooker 3000 Series

Philips All-In-One 8500 Series

## Megatrend #2: The Rise of Gig Economy Workers



#### **Malaysia's Gig Economy Gains Traction**

Malaysia's gig economy grew significantly in 2024, with over three million own-account workers recorded by September 2024. According to the Labour Force Survey Report for the third quarter of 2024 (3Q2024), the number of own-account workers increased to 3.09 million from 2.93 million in 1Q2023. The growth reflects the increasing acceptance and reliance of gig work as a viable source of income, the flexibility it offers and the expanding digital economy. Driven by digital platforms and Fourth Industrial Revolution technologies, the gig economy is set to become a key contributor to the GDP and is recognised in the 12th Malaysia Plan (2021–2025).

To address challenges such as inadequate labour protections, the Government has proposed the Gig Workers' Economy Bill and plans to establish the Malaysian Gig Economy Commission or SEGiM. Malaysia's diverse stakeholders support this phased approach for effective implementation. Experts also recommend expanding social security, enhancing digital skills, and introducing clear regulations to safeguard gig workers. With the right policies, the gig economy is poised to drive Malaysia's economic growth while fostering inclusivity.<sup>11</sup>

#### **Strengthening the Amway-ABO Partnership**

Amway's relationship with its entrepreneurial ABOs remains at the core of its success, reflecting a shared commitment to mutual growth and empowerment. In FY2024, we deepened this partnership by equipping our ABOs with the tools, flexibility, and support needed to thrive in today's dynamic gig economy. Through this collaborative approach, we enabled our ABOs to operate with independence and agility, capitalising on the growing preference for flexible work arrangements.

Insights from the 2023 Amway Global Entrepreneurship Report ("AGER") revealed that 70% of Malaysians view business ownership as an attractive prospect, a significant rise from 55% in 2018. This evolution in entrepreneurial mindset underscores the strong foundation of trust and opportunity that Amway has fostered with its ABOs. Together, we are leveraging this momentum to create long-term value while addressing the growing demand for Health and Wellbeing solutions. 12

Throughout FY2024, Amway implemented a range of gut-health centric strategic programmes, campaigns, and activities designed to enhance the skills, knowledge, and confidence of our ABOs. The introduction of the GUTPROtein

solution during the celebratory GUTPROtein Day 2024 was complemented by a series of events aimed at empowering ABOs to lead the charge in optimising gut health solutions.

#### **Bootcamps and Rallies**

Amway hosted a series of bootcamps and rallies to support gut health and Health and Wellbeing community building. These initiatives strengthened ABO engagement, promoted wellbeing, and equipped ABOs with the tools and inspiration to grow their businesses, underscoring Amway's commitment to health transformation and community-driven success.

#### **ABO Training Programmes**

A total of 133 workshops were conducted across key product categories, providing ABOs with in-depth product knowledge, strategic business insights, and essential skills to drive success. These initiatives empowered ABOs to deliver exceptional customer support, effectively promote Health and Wellbeing solutions, and achieve sustainable business growth.

<sup>&</sup>lt;sup>10</sup> Adapted from a Bernama article in the Business Times titled "Gig economy expands in 2024 amid push for increased worker protection" dated 29 December 2024 - refer to https://www.nst.com.my/business/economy/2024/12/1154045/gig-economy-expands-2024-amid-push-increased-worker-protection

<sup>11</sup> Extracted from the 2023 Amway Global Entrepreneurship Report ("AGER") - refer to https://www.amwayglobal.com/amway-global-entrepreneurship-report/

<sup>12</sup> Adapted from an article on the Bernama website titled "Gig economy expands in 2024 amid push for increased worker protection" dated 29 December 2024 – refer to https://www.bernama.com/en/news.php?id=2377645#:~:text=Gig%20Economy%20Expands%20In%202024%20Amid%20Push%20For%20Worker%20 Protections,-29%2F12%2F2024&text=KUALA%20LUMPUR%2C%20Dec%2029%20(Bernama,three%20million%20as%20of%20September.

#### **ABO Community-Centric Engagement**

Amway's community engagement activities encompassing combined educational programmes, interactive events, and comprehensive training, helped empower entrepreneurial business owners to build vibrant communities aligned with Amway's Health and Wellbeing mission. These initiatives included:

#### Hari Hari Nutrition Initiative

Launched in September 2024, Hari Hari Nutrition promoted "Optimal Health with 7 Key Nutrients" to enhance Health and Wellbeing knowledge for all ABOs, APCs, and their prospects. Delivered through the "AmwayNow" platform and the KITA digital hub, this initiative offered trilingual, interactive content. Season 1 focused on essential nutrients and gut health, while Season 2 explored inside-out beauty. The upcoming Season 3 will address managing chronic conditions like diabetes and hypertension.

## Health and Wellbeing Community Model Training Activities

Amway went on to strengthen its ABO training initiatives through its comprehensive Health and Wellbeing Community Model. This programme sought to pivot ABOs from traditional sales strategies to a value-driven, community-focused approach, fostering long-term value creation, and Health and Wellbeing.

Key training components under the Health and Wellbeing Community Model included:

- KITA: A dynamic community platform fostering vibrant Health and Wellbeing communities.
- Better Me Storytelling: Equipping ABOs to craft impactful narratives that resonate with their communities.
- Community Engagement Training: Imparting practical skills for managing operations and building trust within communities.



Nutrilite X eSpring: The Connection for Healthier Lives

## National Leadership Conference and Dinner 2024

Organised exclusively for Leaders, the "BLOOM"-themed event held at the Malaysia International Trade and Exhibition Centre featured the launch of the Nutrilite GUTPROtein Foundational Solution initiative and marked a Malaysia Book of Records achievement.

#### Leadership Engagement Activities

In FY2024, Amway conducted 11
Leader engagement sessions, including
Diamond and Platinum meetings,
as well as six regional Engagement
Sessions with the Management Team
in Penang, Johor Bahru, Melaka,
Kota Kinabalu, Kuching, and Kuala
Terengganu. These sessions provided
ABO Leaders with direct access to
Amway's leadership, offering valuable
updates on business strategies and
insights into Health and Wellbeing
Community initiatives.

Altogether, the year's ABO-centric efforts did much to inspire and empower our ABOs, strengthen community ties, and reinforce Amway's leadership in the Health and Wellbeing space. As we approach our 50<sup>th</sup> anniversary, Amway remains dedicated to fostering strong bonds with our ABOs, who serve as catalysts for health-focused communities and embody the values of empowerment and innovation. Together, we remain committed to honouring our legacy while forging a future of shared success and purpose.



**Graduates of the Community Engagement Training** 

#### **Our Sales Programmes**

In FY2024, Amway reinforced its commitment to driving sustainable business growth through a series of strategic sales programmes, each designed to boost recruitment and sales while empowering ABOs with the necessary tools and skills for success. To better reward our ABOs and align with Amway Global's strategies, we further strengthened our Core+ Plus incentive programme. The latter serves to increase ABO rewards and provide earlier incentives for sustainable income and sales growth.

Other key initiatives included the APC Conversion Programme, ABO Renewal Programme, ABO Sign Up Programme, and APC Sign Up Programme. These targeted efforts reflect Amway's dedication to fostering entrepreneurial success and equipping ABOs to thrive, aligning seamlessly with its vision of building a dynamic and prosperous community of business leaders.

Amidst challenging conditions, our ABO and APC programmes in FY2024 yielded the following results, providing valuable insights to shape future improvements and growth.











The year in review saw Amway's total force size adjusting to 625,800, reflecting a recalibration in line with post-pandemic normalisation and evolving market conditions. While new ABO and APC signups moderated compared to the exceptional levels of FY2023, this adjustment occurred amidst inflationary pressures, rising living costs, and shifting consumer priorities. The reductions in the core ABO and APC force sizes reflect broader workforce trends, with some individuals returning to traditional employment as economic stability improved.

Despite these challenges, Amway remains optimistic and focused on empowering its ABOs and APCs through robust support programmes and innovative initiatives, positioning the business for sustained and long-term growth.

#### Ongoing Support for Our Employees

Amway remains committed to enhancing employee wellbeing and work-life balance through initiatives focused on physical, mental, and professional development. In FY2024, we introduced the Healthier ME Programme, to help employees cultivate sustainable, healthy habits for long-term wellbeing.



In support of continuous learning and efficient information access, we launched the MSB Knowledge Hub, a 24/7 portal featuring over 280 articles on promotions, technology, and operations. This platform equips employees to effectively engage with ABOs and APCs, catering to both new and experienced staff. Additionally, the introduction of the MY HR Hub centralised human resource policies and updates, simplifying workplace experiences for all employees.

These initiatives underscore Amway's dedication to fostering a supportive, informed, and health-focused work environment, aligned with our vision of promoting holistic wellbeing.



For more details on our employee-based initiatives, please refer to "Pillar 2: Nurturing People and Community" in our Sustainability Statement within this Annual Report.

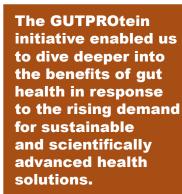
## Megatrend #3: Connected Middle-Class



In FY2024, the convergence of the "Connected Consumer" and "Middle-Class Retreat" megatrends continued to reshape consumer behaviour. With advancements in Internet of Things ("IoT"), machine learning ("ML") and 5G adoption, consumers have become increasingly informed and value-driven, seeking quality solutions that resonate with their health and lifestyle priorities. Amway continues to strategically align its efforts to cater to this demographic, focusing on initiatives that combine accessibility, value, and innovation.<sup>13</sup>

Building on the success of the Gut Reset programme launched in FY2023, the new GUTPROtein initiative in FY2024 marked an evolution in Amway's commitment to gut health. While the Gut Reset programme provided a foundation for healthier lifestyles by targeting weight management and NCD risks, the GUTPROtein initiative enabled us to dive deeper into the benefits of gut health in response to the rising demand for sustainable and scientifically advanced health solutions.

Amway also harnessed the power of social media and a mobile-first strategy to effectively engage connected middle-class consumers. By delivering tailored content and launching dynamic campaigns, such as the GUTPROtein Day 2024 celebrations, Amway ensured its offerings met the expectations of health-conscious, discerning audiences while empowering entrepreneurial ABOs to deliver value-driven wellness solutions. These efforts underscore Amway's leadership in fostering a communityoriented, health-focused culture in an increasingly connected world.





Malaysia International Trade and Exhibition Centre ("MITEC"), which drew an impressive 8,000 participants. Continuing the momentum into FY2024, we introduced limited edition Nutrilite 90<sup>th</sup> anniversary merchandise, including tote bags, dining sets, and foldable umbrellas, with Nutrilite product purchases.

We also released a limited edition of "The Nutrilite Story: Past, Present, Future (3rd Edition)", a comprehensive publication celebrating Nutrilite's legacy of innovation, scientific advancements, and dedication to plant-based nutrition, inspiring trust across generations.



## Amway's Transition to the Social Trends Megatrend: Adapting to the Evolving Consumer Wellness Landscape

As the global consumer profile evolves, Amway will be making the transition from the Connected Middle-Class Consumer megatrend to embrace the Social Trends megatrend. This will ensure the Group's strategies remain impactful and aligned with emerging global priorities. This forward-thinking approach underpins Amway's commitment to staying relevant, empowering its ABOs, and delivering meaningful value to its customers.



With nearly two-thirds of global consumers now prioritising purchases based on social value and nationalism, Amway is focusing on products that reflect these principles. By investing in its eCommerce platforms and leveraging the power of social media, Amway is meeting the rising demand for convenience, reliability, and integrity in today's urbanised, digitally connected world. This approach positions Amway as a trusted partner in fostering healthier, values-driven communities.





#### **Engaging the tech-savvy Gen Z**

As Gen Z (the demographic cohort born roughly between 1997 and 2012) accounts for more than one-third of global consumers, Amway is tapping into their digital-first mindset by empowering its young ABOs to harness the potential of social media. These platforms enable ABOs to build meaningful connections, share knowledge, and showcase Amway's trusted products to an informed audience seeking high-quality, health-focused solutions.

#### Supporting an ageing population

With one in 10 people worldwide expected to be over 65 by 2025, Amway is expanding its Health and Wellbeing portfolio to meet the unique needs of older consumers. By introducing tailored products that promote longevity and vitality, Amway continues to address critical health concerns while empowering communities to live healthier, more fulfilling lives.

This strategic pivot exemplifies Amway's unwavering commitment to innovation and adaptability. By aligning with the Social Trends megatrend, Amway is not only embracing the aspirations of its evolving customer base but also inspiring its ABOs to lead the charge in promoting healthier lifestyles and meaningful connections. Together, Amway and its ABOs are committed to shaping a brighter, more sustainable future.<sup>14</sup>



## **Bricks and Clicks Remain the Dual Engines of Retail Growth**

Retail continues to undergo a profound transformation, driven by the "Bricks and Clicks" megatrend - a seamless integration of online and offline experiences. By 2050, this approach will dominate the sector, blending the efficiency of digital platforms with the tangible benefits of physical stores to create a unified, customercentric experience. Advances in AI, quantum computing, and connected technologies are set to revolutionise operations, enabling personalised shopping and more efficient eCommerce platforms. Simultaneously, eco-designed systems, carbonneutral operations, and localised supply chains will enhance resilience, addressing sustainability demands, and mitigating the impact of climate change.15

The distinction between online and offline retail continues to fade as innovations reshape traditional shopping environments. Augmented Reality fitting rooms, interactive displays, and in-store robots are becoming common, enhancing engagement and personalisation. Meanwhile, eCommerce platforms are adopting physical experiences through

pop-up shops, experiential events, and collaborations with brick-andmortar stores. This hybrid approach aligns with modern consumers' preferences for both convenience and meaningful interactions. <sup>16</sup>

Physical stores, while evolving, remain integral to the retail ecosystem. They are being reimagined as immersive hubs with educational displays and community-centric designs that resonate with brand identities and target audiences. This omnichannel strategy enhances customer engagement, offering seamless and holistic shopping experiences.<sup>17</sup>

Here at Amway, we continue to intensify our penchant for the "Bricks and Clicks" model by seamlessly combining our physical presence with enhanced digital platforms. This integration allows the Group to deliver comprehensive experiences, including virtual and physical consultations and online purchases. By focusing on creating connected and accessible interactions, Amway continues to meet the needs of modern consumers while staying aligned with the evolving retail landscape.



We continue to intensify our penchant for the "Bricks and Clicks" model by seamlessly combining our physical presence with enhanced digital platforms.



Beyond digitalisation, Amway's focus on sustainability underscores our commitment to a responsible and resilient future. By integrating eco-friendly practices into our operations, supply chains, and product offerings, we are aligning with the global shift towards carbon neutrality and resource optimisation. As the retail sector embraces these transformative changes, Amway's blend of physical locations, technological innovation and sustainability-focused strategies, coupled with our offer of holistic Health and Wellbeing solutions, ensure we remain a leader, delivering enduring value to our stakeholders while staying ahead in a fast-evolving marketplace.

<sup>&</sup>lt;sup>15</sup> Adapted from an article on the Altavia Watch website titled "A forward look at retail in 2050" dated 18 April 2024 – refer to https://altaviawatch.com/en/retail-forward/the-future-of-retail/a-forward-look-at-retail-in-2050/

Adapted from an article dated 18 October 2023 titled "Retail Trends for 2024" on the American Management Services, Inc. LinkedIn page – refer to https://www.linkedin.com/pulse/retail-trends-2024-american-management-services-inc/?trk=organization\_guest\_main-feed-card\_feed-article-content

<sup>17</sup> As above

# Strengthening Amway's eCommerce Platform and Digital Capabilities

Malaysia's eCommerce market is poised for rapid growth, projected to double from US\$10.72 billion in 2024 to US\$20.93 billion by 2029, driven by rising Internet access, smartphone adoption, and technological advancements. Key industries like consumer electronics, fashion, and personal care are leading this expansion. Government initiatives, including the Digital Free Trade Zone and Digital Economy Blueprint, are streamlining regulations, supporting SMEs, and fostering digital transformation, with 5G rollout further enhancing mobile commerce. These efforts are positioning Malaysia as a regional leader in eCommerce and digital innovation, with over 500,000 new jobs expected by 2025.18

In FY2024, Amway capitalised on Malaysia's growing eCommerce market by enhancing its platform to deliver better, personalised experiences for ABOs, APCs and customers. These updates underscore Amway's commitment to leveraging technology for superior interactions and support. These were among the year's key initiatives:

### **Expanded chatbot and self-help tools**

The chatbot was updated to highlight key company initiatives and complemented with self-help guides in multiple languages. These resources were designed to assist with transitions, such as converting from an APC to ABO membership, and to make information more accessible.

### Streamlined technical operations

Efforts to resolve registration issues, payment processing errors, and delivery inefficiencies ensured smoother and more reliable shopping experiences across the platform.

### Tools to empower business growth

The Mobile Business Dashboard was enhanced with walkthrough videos and expanded reporting tools, providing Leaders with valuable insights to manage and grow their businesses more effectively.

### Improved support services

The launch of the Amway Help Centre accords users a comprehensive resource hub for addressing enquiries and offering support, simplifying the process of finding solutions.

### **Customised product offerings**

The introduction of Build-Your-Own ("BYO") Solution Plans within the Amway Loyalty Programme facilitate tailored Health and Wellbeing product options, aligning with the diverse needs and preferences of customers.

These updates reinforce Amway's dedication to creating an efficient, accessible, and future-ready eCommerce platform, enabling stronger engagement and support for ABOs, APCs and customers alike.

Online sales accounted for 45% of Amway's total sales in FY2024, compared to 51% in FY2023. This decline reflects shifting consumer preferences post-pandemic, with more people returning to physical stores and a reduction in the overall ABO force size. Despite these changes, Amway's continuous improvements to its eCommerce platform ensured it remained a key channel for engagement and sales.

The website enhancements resonated strongly with users, as evidenced by a robust Website Satisfaction Score of 87% in FY2024, slightly lower than 89% in FY2023. The updates played a pivotal role in maintaining user satisfaction and ensuring the platform's appeal. The continuous improvements underscore Amway's commitment to adapting its digital infrastructure and eCommerce initiatives to meet evolving consumer expectations amidst Malaysia's dynamic digital landscape.



Extracted from a summary of a report on the Research and Markets website titled "Malaysia ECommerce - Market Share Analysis, Industry Trends & Statistics, Growth Forecasts (2024-2029)" dated September 2024 - refer to https://www.researchandmarkets.com/reports/5601176/malaysia-eCommerce-market-share-analysis?

### Management Discussion & Analysis (cont'd)



### **Improving the Customer Experience with Digital Enhancements**

In FY2024, Amway continued to enhance the customer experience through targeted digital improvements, driving significant progress across key service metrics:

### **Higher Customer Satisfaction Rate ("CSAT")**



Amway achieved a CSAT score above 93%. This accomplishment reflects continuous efforts by team leaders and the Quality Assurance team to coach staff, improve customer service skills, and address performance gaps, resulting in superior service delivery.

### Improved First Call Resolution ("FCR")



Amway empowered its teams to handle key FCR processes, such as FAQ management, without escalation, ensuring faster resolution and enhanced customer satisfaction, resulting in ~93% of enquiries resolved on the first contact.

### Streamlined chatbot support



Amway expanded its chatbot's capabilities with 560 updated knowledge articles, providing 24/7 support to ABOs and APCs. Handling 62% of enquiry volumes, the chatbot significantly reduced human intervention, enabling efficient resolution of simple enquiries and improving user convenience.

These digital advancements reflect Amway's ongoing commitment to elevating the customer experience, fostering stronger relationships, and delivering seamless, efficient support.

# Enriching the Customer Experience at Our Physical Stores

FY2024 saw Amway expanding and enhancing its retail footprint to better serve customers and distributors. In January 2024, the Amway Shop in Ipoh was relocated to a more strategic location, featuring an enlarged 3,300 sq. ft. Brand Experience Centre. This facility includes modular meeting rooms, a demonstration kitchen, a Phyto Café, and an Instagram-worthy area with Ipoh-inspired graffiti, all tailored to reflect the local community. Similarly, in October 2024, the Kuala Terengganu Amway Shop was relocated to a more advantageous location, introducing the only Brand Experience Centre on Malaysia's East Coast. This shop also incorporates localised design elements to resonate with the local community.

In November 2024, Amway relocated its Batu Pahat shop, focusing on creating a streamlined and health-oriented retail centre for ABOs and APCs to enjoy an efficient shopping experience. Additionally, Amway piloted its first fully cashless project at the Wangsa Maju Amway Shop. The outlet, which began accepting e-wallet payments in July 2024, transitioned to fully cashless operations by September 2024.

These strategic initiatives in FY2024 reflect Amway's commitment to revitalising the retail experience, addressing market demands, and building brand affinity with local communities. By integrating localised elements, enhancing customer engagement, and staying responsive to market trends, Amway has strengthened its market position, maintained its relevance, and reinforced its leadership in the highly competitive omnichannel commerce landscape.







### Management Discussion & Analysis (cont'd)



# **Bolstering Our Last-Mile Delivery Capabilities**

In FY2024, Amway significantly improved its last-mile delivery capabilities by consolidating three separate warehouses (i.e. the HQ PJ and two overflows) into a sole state-of-the-art facility in Shah Alam. Operational since November 2024, the 85,000-square-foot facility is five times larger than the previous HQ PJ warehouse and features a cold room four times its size. Equipped with automated sorting systems, energy-efficient cooling, and advanced security, it also incorporates sustainable features like solar energy, rainwater harvesting, and LED lighting, strengthening operational efficiency and environmental responsibility.

Additional initiatives over FY2024 included the introduction of a Pick-to-Cart system to expedite order fulfilment during peak periods, transitioning the Delivery Response team members to Customer Service for quicker query resolutions, and

adopting sustainable packaging with recycled mailers. Today, optimised carton designs are helping to further reduce packaging waste and improve space utilisation.

These strategic measures are not only going a long way in enhancing service delivery and customer satisfaction, but they are also laying a strong foundation for long-term operational sustainability and growth.





#### FOCUSED ON SUSTAINABLE, LONG-TERM BUSINESS GROWTH

We remain steadfast in our commitment to manage the Amway business with a comprehensive focus on Economic, Environmental, Social, and Governance ("EESG") principles. By aligning these EESG considerations with our financial responsibilities, we aim to secure business continuity and create sustainable, long-term value for Amway. This integrated approach ensures that every facet of our operations contributes to resilient growth and success.



For deeper insights into our EESG efforts, please refer to the "Sustainability Statement" within this Annual Report.

### Safeguarding Growth via a Robust Risk Management Framework

Complementing our EESG efforts is a robust risk management framework that is pivotal to safeguarding and promoting our agenda of sustainable business growth. By actively identifying and mitigating potential risks to our operations, performance, financial health, and liquidity, we are ensuring our value creation efforts continue undeterred. Our processes are

underpinned by clear authority limits, stringent internal controls and standard operating procedures. The current key risks to Amway's business include (i) the unauthorised sale of Amway products on third-party online platforms and (ii) potential cybersecurity threats to the Group's information security.

## Addressing Unauthorised Online Sales

Amway remains committed to tackling unauthorised sales on thirdparty eCommerce platforms which undermine entrepreneurial business owners, product authenticity, and customer satisfaction. In FY2024, we intensified collaboration with eCommerce platforms, legal entities, and regulatory bodies to combat this issue, employing advanced tracking technologies to identify offenders. Sanctions ranged from warnings to business terminations, complemented by awareness campaigns educating customers and business owners about the risks of unauthorised purchases. These efforts safeguard Amway's direct selling model and long-term revenue potential.

### **Mitigating Cybersecurity Threats**

Amway continues to proactively address the growing risks posed by information security breaches and

cyberattacks. Under the oversight of the Information Security Risk ("ISR") Team, we implement comprehensive policies and real-time threat monitoring to protect our operations. Key initiatives include vulnerability assessments, vendor risk evaluations, and mandatory employee training on cybersecurity best practices.

Amway also maintains cyber liability insurance and ensures compliance with the Personal Data Protection Act 2010. These measures fortify our defences against potential disruptions, safeguarding the Group's reputation and resilience.



For further details on our risk mitigation efforts, refer to the "Statement on Risk Management and Internal Control" within this Annual Report.

### **LOOKING AHEAD**

Global growth for 2025 was initially projected to ease slightly to between 2.8% and 3.3%, down from 3.2% in 2024. However, these forecasts may be revised following the United States' early April 2025 announcement of a new reciprocal tariff policy. Aimed at matching tariffs on US exports, the move has sparked concerns over potential disruptions to global trade and supply chains. While the full impact remains to be seen, the policy introduces fresh uncertainty into the global economic outlook. 19

Bank Negara Malaysia ("BNM") forecasts that the domestic economy will grow between 4.0% and 5.0% in 2025, supported by resilient domestic demand, a firm labour market, and targeted Government assistance. BNM also anticipates a gradual recovery in external trade. While recent global trade developments may introduce new uncertainties, Malaysia remains well-positioned to sustain its growth momentum through proactive policy support and a strong domestic foundation.<sup>20</sup>

- Extracted from (i) Bank Negara Malaysia's "Economic and Monetary Review 2024" published on 24 March 2025 refer to https://www.bnm.gov.my/documents/20124/17523401/emr2024\_en\_book.pdf and (ii) an article on the Channel News Asia website titled "CNA Explains: Trump's tariffs and what they mean for Asia" dated 3 April 2025 - refer to https://www.channelnewsasia.com/world/tariffs-reciprocal-trump-us-cna-explains-5041551
- Extracted from Bank Negara Malaysia's "Economic and Monetary Review 2024" published on 24 March 2025 refer to https://www.bnm.gov.my/documents/20124/17523401/emr2024\_en\_book.pdf

### Management Discussion & Analysis (cont'd)

Consumer sentiment in Malaysia is expected to remain cautious in 2025 amid rising living costs, driven by fuel subsidy rationalisation and higher excise duties. While inflation and unemployment remain manageable, these pressures may curb discretionary spending. Consumption is set to grow modestly, supported by stable employment and seasonal demand. The retail sector may benefit, albeit unevenly, as consumers prioritise essentials and value-driven purchases. Overall, consumer activity is projected to reflect continued resilience in the face of evolving economic conditions.21

# **Reinforcing Our Holistic Health and Wellbeing Focus**

As we embrace FY2025, Amway remains committed to tackling Malaysia's pressing health challenges by aligning with the Government's *Agenda Nasional Malaysia Sihat* ("ANMS"). The ANMS promotes a culture of healthy living, enhances

access to Health and Wellbeing services, empowers self-health control, and fosters environmental hygiene. In the face of rising NCD rates and growing demand for accessible wellbeing solutions, we recognise the pivotal role we can play in actively empowering individuals and health-focused communities to embrace holistic Health and Wellbeing through our bundled Health and Wellbeing offerings.

At the core of our efforts is Amway's Health and Wellbeing value proposition, which champions long-term solutions such as gut microbiome solutions and phytonutrients. These innovations are already making a meaningful impact by enhancing immunity, digestion, mental wellness, and weight management, enabling individuals to lead healthier, more fulfilling lives.

Venturing into FY2025, Amway remains cautiously optimistic about maintaining a resilient financial performance even as we leverage the passion and dedication of our entrepreneurial business leaders to drive growth and innovation. We see our ABOs as the catalysts for the gut health movement, building vibrant communities that inspire and support others on their wellbeing journeys. Through our collective dedication and passion, we are well positioned to advance both lifespans and healthspans while shaping a brighter, more sustainable future.

As we empower our ABOs to thrive and champion health transformation and financial independence, we are cultivating a vibrant community of entrepreneurs dedicated to making a tangible difference. Guided by the Amway global vision of helping a billion people live healthier, more fulfilling lives, we remain confident that, together with our ABOs, we can create lasting impact and drive meaningful change for generations to come.



<sup>&</sup>lt;sup>21</sup> Adapted from an article in the Edge Malaysia titled "Malaysia's retail sales will pick up after weaker-than-expected 4Q -- Retail Group Malaysia" dated 20 March 2025 - refer to https://theedgemalaysia.com/node/748552

# **Sustainability Statement**



### **COMMITMENT TO SUSTAINABILITY**

The agenda of sustainability lies at the heart of Amway's long-term value creation strategy, driving our commitment to building a positive and lasting impact. Embracing a sustainability-first culture, we proactively address the Economic, Environmental, Social, and Governance ("EESG") aspects of our operations to ensure responsible and forward-thinking practices. Guided by the leadership of our Board and Senior Management, and supported by dedicated sustainability committees and our passionate employees, the Group continues to embed sustainability principles into every facet of our decision-making and business processes, paving the way for a brighter, more sustainable future.

In the year under review, we strengthened our sustainability agenda by building on our existing initiatives. Acknowledging our environmental footprint, we have taken proactive steps to reduce it - particularly by

through waste-to-energy conversion as well as by advancing solar power and electric vehicle ("EV") initiatives, among other things. These efforts mitigate the impact and support the global shift to net-zero emissions, reinforcing our commitment to responsible growth.

Today, with resilient business fundamentals, a broader portfolio of holistic Health and Wellbeing offerings, and a stronger sustainability-centric work culture, Amway is well-positioned to continue delivering sustainable value. These strengths solidify our position as a premier Health and Wellbeing company that is steadfastly building a thriving community of entrepreneurial business owners while contributing meaningfully to Malaysia's national health agenda.

### **SCOPE AND BOUNDARIES**

This Sustainability Statement ("Statement") for the financial year ended 31 December 2024 ("FY2024") provides a comprehensive account of Amway's sustainability endeavours,

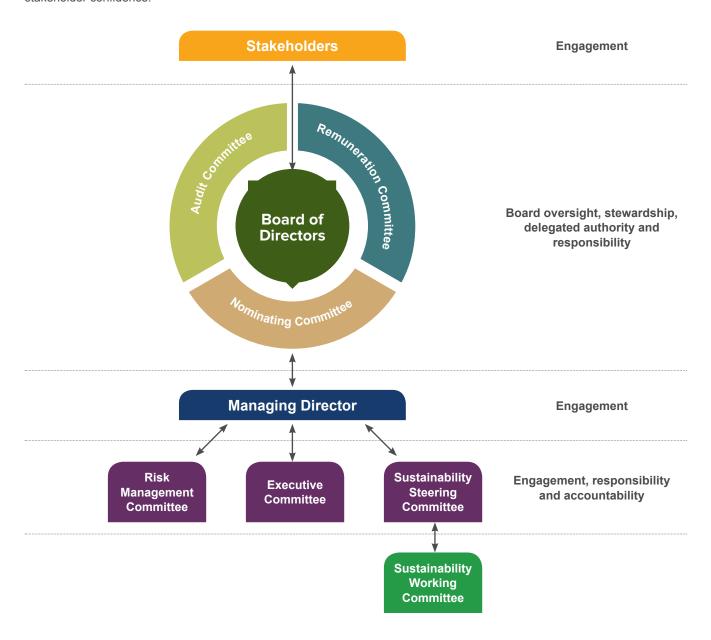
holistic Health and Wellbeing offerings, and a stronger sustainability-centric work culture, Amway is well-positioned to continue delivering sustainable value.

detailing our strategies, activities, and their influence on our business operations, the environment, and the communities where we operate.

The scope and boundaries of this Statement are aligned with the content of Amway's 2024 Annual Report and are primarily focused on our operations within Malaysia. Covering the period from 1 January to 31 December 2024, this annual statement draws its data from diverse sources, including internal surveys and workshops, ongoing sustainability performance tracking, and stakeholder engagement activities.

#### SUSTAINABILITY LEADERSHIP AND GOVERNANCE

The Board of Directors and Senior Management at Amway actively oversee the Group's sustainability agenda, demonstrating strong leadership and governance. Recognising that a robust sustainability strategy is integral to Amway's success, the Group's leadership, under the guidance of the Chairman, remains committed to embedding sustainable practices across the business framework. This dedication is key to driving Amway's long-term value creation and fostering stakeholder confidence.



Aligned with the Malaysian Code on Corporate Governance 2021 ("MCCG") recommendations, Amway's leadership is tasked with oversight of the Group's sustainability governance. As such, they take charge of defining sustainability strategies, setting priorities, and establishing clear targets to ensure alignment across the organisation. They also ensure transparent and timely communication of these efforts to stakeholders, both internal and external. Staying informed on material sustainability issues, including climate-related risks and opportunities, remains a priority for the leadership as they guide Amway towards a sustainable future.

### In Support of the Board's Sustainability Mandate

To reinforce the Board's commitment to sustainability, Amway has established dedicated committees with a specific focus on implementing the Board's sustainability directives effectively.



# The Group's Sustainability Steering Committee ("SSC")

The SSC plays a central role in guiding the Group's sustainability initiatives. Its key responsibilities include:

- Reviewing and proposing material sustainability matters and strategies for Board approval;
- Allocating necessary resources for the execution of these strategies;
- Overseeing the implementation and progress of sustainability strategies across the Group;
- Reporting to the Board on the management of material matters; and
- Selecting members for the Sustainability Working Committee.



# The Group's Sustainability Working Committee ("SWC")

The SWC focuses on operationalising sustainability throughout the Group. Its responsibilities include:

- Facilitating effective stakeholder engagement and identifying key material matters;
- Conducting assessments to determine materiality;
- · Formulating and executing sustainability strategies;
- Establishing targets and performance indicators for SSC and Board consideration;
- · Monitoring the rollout of sustainability strategies; and
- Reporting to the SSC on the advancements and performance of sustainability initiatives.

Our committee members' expertise and experience ensure a well-rounded approach to managing the Group's sustainability priorities. This strong oversight highlights Amway's dedication to advancing impactful sustainability efforts throughout the organisation. To keep abreast of governance advancements and steer the Group effectively, the Board, SSC, and SWC undergo continuous sustainability training.



### STAKEHOLDER ENGAGEMENT

Amway actively engages with a diverse group of stakeholders who both influence and are impacted by our operations. These include our entrepreneurial Amway Business Owners ("ABOs"), Amway Privileged Customers ("APCs"), employees, the investment community, regulatory bodies, and the communities we serve. We view these stakeholders as essential partners in identifying key priorities across the Economic, Environmental, and Social ("EES") dimensions.

As an inclusive organisation, Amway prioritises understanding and addressing stakeholder needs through consistent and meaningful engagement. Leveraging various online communication platforms, we maintain open channels to foster dialogue and build trust. The overview below outlines Amway's stakeholder groups, their specific needs and expectations, and our strategies to engage effectively.

Stakeholder Categories	Relevant Needs and Expectations	Engagement Approach
Amway Business Owners (ABOs)/Amway Privileged Customers (APCs)	<ul> <li>Timely and responsive communication and actions, support, and grievance mechanisms</li> <li>Timely product delivery</li> <li>Clear and fair procedures/rules</li> <li>Product training</li> <li>Marketing and promotion of products</li> <li>Honouring contractual agreements</li> <li>Fair pricing</li> <li>Products and services that meet expectations</li> <li>Product safety and quality</li> <li>Product innovation - sustainable products, packaging, ingredients</li> </ul>	<ul> <li>Marketing and promotions</li> <li>Leader Growth Solutions team</li> <li>Customer Careline</li> <li>Social media</li> <li>Events, forums/seminars, roadshows and rallies, Amway Diamond Advisory Council (ADAC)</li> </ul>
Employees	<ul> <li>Safe and healthy workplace</li> <li>Fair treatment according to legal requirements and labour standards (mandatory and voluntary)</li> <li>Competitive remuneration and other benefits</li> <li>Training, guidance and support</li> <li>Equal opportunity and career development</li> <li>Diversity, equity and inclusiveness at the workplace</li> <li>Secure employment</li> <li>Work-life balance</li> <li>Consistent and transparent communication</li> </ul>	<ul> <li>Townhalls</li> <li>Intranet/newsletters</li> <li>Employee engagement surveys</li> <li>Engagement events (in-house talks, training sessions, development programmes, and social events)</li> </ul>

Stakeholder Categories	Relevant Needs and Expectations	Engagement Approach
Government/Regulatory Authorities e.g.  Bursa Malaysia Securities Berhad (Bursa Securities)  Securities Commission Malaysia  Companies Commission of Malaysia  Department of Occupational Safety and Health (DOSH)  National Pharmaceutical Regulatory Agency, Ministry of Health Malaysia (NPRA-MOH)  Food Safety and Quality Division, MOH (FSQD-MOH)  Ministry of Domestic Trade and Cost of Living (KPDN)  Ministry of Communications (MOC)  Ministry of Women, Family	<ul> <li>Pemonstration of compliance with respective authorities' requirements</li> <li>Timely and responsive communication and actions</li> <li>Support for Government policies and objectives</li> </ul>	<ul> <li>Participation in Government and regulatory events</li> <li>Regulatory and technical associations</li> </ul>
and Community Development (MWFCD)  Amway Global Head Office	<ul> <li>Amway's good image and reputation</li> <li>Continued profitability and growth</li> <li>Timely and responsive communication and actions</li> <li>Compliance with local regulations</li> <li>Adherence to Amway Global's strategic direction</li> </ul>	<ul> <li>Townhalls</li> <li>Intranet/newsletters</li> <li>Engagement events (in-house talks, training, development programmes and social events)</li> <li>Employee engagement surveys</li> </ul>
External Goods and Service Providers (Suppliers)	<ul> <li>Clear contract specifications</li> <li>Honouring contractual agreements, e.g., prompt payments</li> <li>Fair treatment of workers according to legal requirements and labour standards (mandatory and voluntary)</li> <li>Fair pricing - remuneration</li> <li>Responsive and timely communication</li> <li>Continued business support for enhancing resource capacity</li> </ul>	<ul> <li>Supplier surveys on corporate responsibility</li> <li>Supplier audits</li> <li>Industry conferences and road shows</li> <li>Partnering programmes, site visits and seminars</li> </ul>

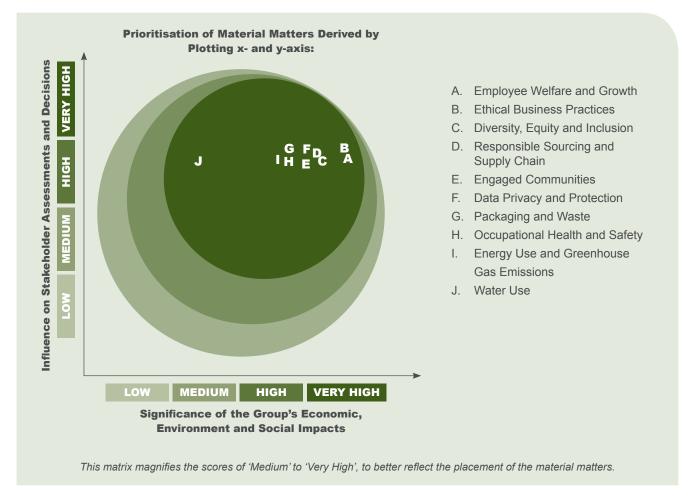
Stakeholder Categories	Relevant Needs and Expectations	Engagement Approach
<ul> <li>Industrial Affiliates (Industry and Trade Associations) e.g.,</li> <li>Direct Selling Association of Malaysia (DSAM)</li> <li>Malaysian Dietary Supplement Association (MADSA)</li> <li>ASEAN Alliance of Health Supplement Associations (AAHSA)</li> <li>Cosmetic, Toiletry and Fragrance Association of Malaysia (CTFAM)</li> <li>American Malaysian Chamber of Commerce (AMCHAM)</li> </ul>	<ul> <li>Demonstration of compliance obligations</li> <li>Knowledge sharing</li> <li>Adherence to affiliates' charter/code</li> <li>Timely and responsive communication and actions</li> <li>Participation in affiliate activities</li> </ul>	<ul> <li>Key conferences and industry events</li> <li>Board meetings</li> </ul>
Investors/Shareholders	<ul> <li>Focused on profitability and growth</li> <li>Ongoing product innovation to meet changing market demand</li> <li>Safeguarding Amway's good image and reputation</li> <li>Demonstration of sound EES performance</li> </ul>	<ul> <li>Electronic Annual Report</li> <li>Annual General Meeting (AGM)</li> <li>Quarterly financial reports</li> <li>Analyst briefings</li> <li>Media releases</li> <li>Investor relations page on Amway's website</li> </ul>
Consumers	<ul> <li>Compliance with product, specifications and other deliverables, e.g., quality, safety, Halal certification</li> <li>Fair product pricing</li> <li>Product innovation</li> <li>Products that meet consumer's needs, e.g., innovative, sustainable</li> <li>Timely and responsive communication and actions – good customer service</li> </ul>	<ul> <li>Sales, marketing and promotions</li> <li>Corporate Social Responsibility activities</li> <li>Social media</li> <li>Direct selling industry engagement</li> </ul>
Community and General Public	<ul> <li>Avoid negative impacts from the Group's operations on the environment, public safety and security, livelihood, etc.</li> <li>Participation in community programmes</li> <li>Timely and responsive communication and actions</li> <li>Potential job opportunities</li> </ul>	<ul> <li>Sales, marketing and promotions</li> <li>Corporate Social Responsibility activities</li> <li>Social media</li> <li>Direct selling industry engagement</li> </ul>
Media	<ul><li>Timely and accurate communication</li><li>Responsive to queries</li></ul>	<ul><li>Social media engagement</li><li>Media monitoring</li></ul>
Non-Governmental Organisations (NGOs)/Civil Society Organisations (CSOs)	<ul> <li>Support of NGOs' objectives, e.g., upholding human rights, consumer protection, environmental protection, etc.</li> <li>Participation in NGO programmes</li> </ul>	Corporate Social Responsibility activities

### **DETERMINING OUR MATERIALITY MATTERS**

Amway's materiality matters guide our efforts in balancing short- and long-term objectives while addressing stakeholder interests. These significant topics and disclosures shape our value creation strategy, focusing on EES dimensions, market dynamics, and stakeholder insights.

Overseen by the Board, the SSC and SWC, Amway's materiality assessment process follows these steps:

- · Evaluating the significance of EES impacts.
- Grouping impacts into "topics" based on the Global Reporting Initiative ("GRI") Standards, Bursa Securities or Bursa Securities' Sustainability Reporting Guide, and peer benchmarks.
- · Prioritising stakeholders and their needs.
- · Surveying stakeholders to gauge the importance of identified topics.
- · Creating a materiality matrix aligning stakeholder views with internal evaluations.



Back in FY2023, we refined 14 material matters from FY2021's materiality assessment into 10 to align with Bursa Securities' Common Materiality Matters. This streamlining focused on high-impact areas for sustainability and value creation. Deferred matters, including "ABO Relationship and Empowerment" and "Consumer Health, Safety and Satisfaction", remain under monitoring for future reporting. Additionally, "Employee Welfare and Growth" was formed by merging related categories, and "Water Use" was added to reflect its growing relevance.

For our FY2024 Statement, we have maintained our focus on the 10 refined material matters as shown in the table below. Moving forward, we will look into aligning with the International Financial Reporting Standards ("IFRS") S1 and S2 Sustainability Disclosure Standards in preparation for compliance with the new National Sustainability Reporting Framework.

Ma	terial Matters	Corresponding Bursa Securities' Common Sustainability Matters
1.	Ethical Business Practices	1. Anti-corruption
2.	Engaged Communities	2. Community/Society
3.	Diversity, Equity and Inclusion	3. Diversity
	Energy Use and Greenhouse Gas Emissions	4. Energy management
4.		5. Emissions management
5.	Occupational Health and Safety	6. Health and safety
6.	Employee Welfare and Growth	7. Labour practices and standards
7.	Responsible Sourcing and Supply Chain	8. Supply chain management
8.	Data Privacy and Protection	9. Data privacy and security
9.	Packaging and Waste	10. Waste management
10. \	Water Use	11. Water

Through this approach, we align our operations and sustainability agenda with industry best practices while establishing a streamlined focus to sustain long-term value creation. The Board-endorsed material matters, along with their objectives and relevance, are outlined in the following table:

### **Amway's 10 Material Matters and Their Relevance**



#### **Ethical Business Practices**

We are to conduct business in an ethical manner across all our operations and supply chains. This includes addressing ethical concerns like corruption (including accounting and tax fraud, bribery, etc.), ensuring fair competition among ABOs, and implementing robust procurement practices within the Group. It also entails demonstrating how we keep to our integrity, governance, and compliance commitments.



### **Engaged Communities**

We are to ensure that our operations do not adversely impact the surrounding communities and the general public. Potential negative effects include harming the livelihoods of individuals or local businesses and causing public disturbances, e.g., via traffic congestion or local pollution. We aim to positively contribute to society by amplifying the beneficial impact of our community engagement initiatives and collaborative efforts.



### Diversity, Equality and Inclusion

We seek to promote diversity, equity, and inclusion ("DE&I") across all aspects of our operations including product selection, ABO management, employee recruitment, welfare, and procurement practices. This includes tackling DE&I challenges like gender inequality, age, racial, and religious discrimination, and actively supporting and providing opportunities for differently-abled individuals and marginalised communities.



### **Energy Use and Greenhouse Gas Emissions**

Being a responsible corporate citizen, we are to reduce the impact of our energy consumption (including fuel and electricity) and Greenhouse Gas ("GHG") emissions across our operations, thereby contributing to climate change mitigation. This involves enhancing our processes and practices, such as incorporating renewable energy for electricity and optimising transportation activities, to not only lessen our contribution to climate change but also to effectively manage its impact on our business.

### **Amway's 10 Material Matters and Their Relevance**



#### **Occupational Health and Safety**

We are to ensure a healthy and safe workplace for our employees and all individuals working on our behalf. This commitment extends to preventing both physical and mental harm. It encompasses actively consulting with employees and involving them in Occupational Health and Safety ("OHS") management processes. Additionally, we will offer health-oriented programmes, including regular medical check-ups and campaigns promoting healthier lifestyles, to further safeguard the wellbeing of our workforce.



### **Employee Welfare and Growth**

We are to cultivate a sense of belonging among our employees by promoting personal growth and enhancing job satisfaction. This includes ensuring fair remuneration and benefits, job security, fulfilment, and respecting employee rights. We are to create a work environment that encourages employee involvement in decision-making processes. Additionally, we will offer opportunities for career and skill development through ongoing training and education, aiming to enhance long-term career prospects and job stability.



### **Responsible Sourcing and Supply Chain**

We aim to prevent or reduce the environmental and social impacts associated with the lifecycle and supply chain of our products. We implement criteria and processes for selecting products and suppliers/service providers, considering the Group's sphere of influence over these activities. Effective supply chain management for us involves maintaining ethical business practices, respecting human rights, adhering to environmental standards, and consistently enhancing the skills and capabilities of our suppliers to boost their performance.



#### **Data Privacy and Protection**

We are to responsibly handle the personal data of our stakeholders in our possession. This entails adhering to best practices in the collection, utilisation, and security of personal data to prevent data loss and privacy breaches that could negatively impact those involved.



### **Packaging and Waste**

We are to mitigate pollution stemming from our operations. This effort involves managing the environmental impact caused by the usage and disposal of packaging materials and waste, both solid and liquid, produced in daily activities. This also encompasses the handling of returned and expired products that require disposal.



### Water Use

We commit to responsible water stewardship, emphasising efficient use, waste reduction, and sustainable practices in our operations and supply chain. We will invest in water-efficient technologies and promote conservation efforts, aiming to minimise our water footprint and lead by example in sustainable water management.

As the Group ventures forth into a dynamic operating environment, we remain committed to regularly reviewing our 10 material matters and conducting assessments in response to organisational changes or evolving stakeholder needs. These ongoing evaluations are essential for ensuring transparency and fostering continuous improvement in our sustainability initiatives.



#### STRENGTHENING OUR SUSTAINABILITY STRATEGIC FRAMEWORK

In FY2024, the Group's Sustainability Strategic Framework continued to guide our sustainability initiatives, assess our progress, and align our actions with our long-term goals. Building on the realignment of materiality matters and the comprehensive assessment conducted in FY2023, we further reviewed the framework to align with Bursa Securities' updated enhanced sustainability reporting requirements. This exercise considered factors such as our business context, direction, activities, and EES impacts, ensuring the Framework remained relevant and impactful. In February 2024, the Board approved and adopted the updated Sustainability Strategic Framework, reinforcing our commitment to driving sustainability across the organisation.

### Amway's Enhanced Sustainability Strategic Framework

# The 4 Amway Values









Personal Worth Responsibility Integrity

Amway's culture is built on respect, empowerment, and a shared commitment to growth. Guided by the **Founders' Growth Mindset**, we embrace continuous learning, partnership, and integrity to create a thriving global community. At the heart of our business are the Amway **Founders' Fundamentals** – "**Freedom**", "**Family**", "**Hope**", and "**Reward**" – and **our Values** – "**Personal Worth**", "**Partnership**", "**Integrity**", and "**Responsibility**". These principles have long shaped Amway's success and continue to guide us moving forward.

In 2024, Founding Family members Doug DeVos and Barb Van Andel-Gaby reaffirmed these guiding beliefs with a refreshed perspective. "Achievement" and "Free Enterprise" were integrated into the Founders' Fundamentals, with "Reward" now reflecting "Achievement", and "Freedom" encompassing "Free Enterprise". Meanwhile, the Values of "Partnership", "Personal Worth", "Integrity", and "Responsibility" were reinforced, ensuring they remain central to Amway's strategy and daily actions. This evolution keeps Amway's guiding principles relevant and impactful, providing a strong foundation for continuous innovation, sustainable growth, and long-term value creation.

# The United Nations' Sustainable Development Goals ("SDGs")





























Our enhanced framework aligns with 14 of the 17 United Nations Sustainable Development Goals ("SDGs") most relevant to our Group. This alignment strengthens our ability to contribute meaningfully to the global sustainability agenda. By focusing on these key SDGs, Amway ensures that our collaborations with stakeholders are purpose-driven, delivering targeted and sustainable outcomes.

# 3 Sustainability Pillars and Strategic Approaches

### Pillar 1: Building Entrepreneurs



- Provide Income Generating Opportunities
- Develop Business Acumen to Cultivate Growth

Amway plays a crucial role in fostering entrepreneurship which is essential for the Group's growth as well as aiding in income generating activities that are aligned with national economic objectives.

### Pillar 2: Nurturing People and Community



- Focus on Ethically Gained Growth Benefiting All Stakeholders
- · Pay It Forward
- · Promote Workplace Wellbeing

Our people-centric approach emphasises the importance of our employees and the community even as we forge ahead in our mission to improve society through health and nutrition.

# Pillar 3: Wellbeing-Focused Responsible Products

- · Provide Trusted Products
- · Environmental Stewardship
- · Source Responsibly

The Group is at the forefront of offering wellbeing products that are beneficial to society and which minimise social and environmental impacts across their lifecycle.

Each Pillar outlines strategic approaches for managing the Group's material matters, including clear goals, actionable plans, initiatives, targets, and performance indicators.

# 10 Material Matters



Ethical Business Practices



**Engaged Communities** 



Diversity, Equality and Inclusion



Energy Use and Greenhouse Gas Emissions



Occupational Health and Safety



Employee Welfare and Growth



Responsible Sourcing and Supply Chain



Data Privacy and Protection



Packaging and Waste



Water Use

For every identified material matter, we have developed comprehensive objectives supported by tailored actions. These efforts are essential for addressing our EES impacts and advancing the Group's commitment to sustainability across all aspects of our operations.

# Elements to Guide and Support the Framework



Policies



Commitments and Initiatives





The framework's foundation comprises key policies, commitments, initiatives, and governance measures that guide its effective implementation. Among these is Amway's Sustainability Policy, which integrates EES considerations into all aspects of our operations, culture, and ecosystem, driving sustainable growth and fostering long-term value creation.

In the following sections, specifically under Our Sustainability Commitments, we delve into the Group's sustainability commitments, strategies, and achievements for FY2024.

#### **AMWAY'S SUSTAINABILITY COMMITMENTS**

### **Pillar 1: Building Entrepreneurs**



Diversity, Equity and Inclusion







A key strength of Amway's business model is its emphasis on empowering ABOs to become successful entrepreneurs. By nurturing this spirit of enterprise, we fuel both the Group's growth and sustainable income streams, while supporting national economic objectives. Our ABO initiatives centre on two priorities:

- Providing Income Generating Opportunities
   We design opportunities that help ABOs establish and expand
   profitable ventures. By fostering financial independence, we advance
   both individual empowerment and broader economic progress.
- Developing Business Acumen to Cultivate Growth
   Through targeted mentorship and training, ABOs acquire vital skills for operating and scaling their enterprises, reinforcing our commitment to holistic growth.

Focusing on these themes not only strengthens Amway's entrepreneurial network but also supports sustainable development, ensuring our ABOs thrive in tandem with the wider community. These themes also incorporate key material matters and are in harmony with the SDGs:

### **Providing Income Generating Opportunities**

For nearly half a century, Amway has championed entrepreneurship and wellbeing, guided by its Founders' Fundamentals of "Freedom", "Family", "Hope", and "Reward". By providing ABOs with practical pathways to earn income and grow their enterprises, the Group is fostering both individual advancement and collaborative success. Through continual innovation, ABOs gain access to fresh business opportunities and supportive networks, enabling them to strive toward their goals.

Beyond this financial focus, Amway aims to level the playing field for entrepreneurs of all backgrounds, ensuring equal access to resources regardless of age or ethnicity. Further enhancing this inclusive model, an expanded emphasis on holistic health – particularly gut health – has attracted an increasingly diverse community of ABOs and APCs, underscoring the synergy between shared innovation, personal wellbeing, and collective prosperity.

Number of Core ABOs and APCs			
	FY2022	FY2023	FY2024
Total Core ABO Force Size	326,000	317,000	297,000
Total Core APC Force Size	128,000	87,000	62,000

In FY2024, Amway's total force size adjusted as part of a post-pandemic recalibration influenced by evolving market conditions. Inflationary pressures, higher living costs, and shifting consumer priorities contributed to a moderation in new ABO and APC signups. Additionally, a stronger employment landscape and greater access to full-time jobs led some individuals to opt for traditional employment, impacting the overall size of the ABO and APC forces. Changing consumer behaviours, including a preference for flexible income opportunities and digital-first purchasing habits, also played a role in shaping these trends.

Amway remains committed to supporting its ABO and APC community through tailored programmes and innovative initiatives, ensuring they are well-equipped to drive long-term growth and success. As broader economic trends continue to evolve, Amway will monitor these developments closely and refine its strategies to align with emerging opportunities in the entrepreneurial and Health and Wellbeing space.

We take immense pride in our diverse and inclusive force, reflecting Amway's unwavering commitment to creating equal opportunities for all. Here at Amway, women thrive in a supportive environment that fosters their talents and leadership potential, empowering them to take on key roles within the organisation. At the same time, Amway offers young entrepreneurs a unique platform enriched with guidance, resources, and mentorship, equipping them to excel in the business world.

Force Statistics					
	Fen	nale	Male		
	FY2023	FY2024	FY2023	FY2024	
Total Core ABO Force by Gender (%)	70%	68%	30%	32%	
Total Core APC Force by Gender (%)	74%	74% 77%		23%	
	Unde	er-35	Above-35		
	FY2023	FY2024	FY2023	FY2024	
Total Core ABO Force by Age (%)	37%	34%	63%	66%	
Total Core APC Force by Age (%)	46%	47%	54%	53%	

#### **Developing Business Acumen To Cultivate Growth**

Amway recognises the pivotal role of an informed and skilled ABO community in driving sustainable growth. To sustain momentum in FY2024, we provided structured training and professional development opportunities to help ABOs remain relevant in a dynamic marketplace.

Gut health-centric programmes, including the launch of the Nutrilite GUTPROtein Foundational Solution during GUTPROtein Day 2024, empowered ABOs to champion gut health solutions and foster vibrant Health and Wellbeing communities. Through 133 workshops spanning key product categories, ABOs were equipped to better support customers and promote health solutions, with many reporting notable growth in their customer base and leadership skills.

Initiatives like Hari-Hari Nutrition and the KITA digital hub enhanced health knowledge, while the Health and Wellbeing Community Model expanded its training into a more value-driven, community-focused approach to foster sustainable growth.

The National Leadership Conference and Dinner 2024 celebrated the Nutrilite GUTPROtein Foundational Solution initiative and achieved a Malaysia Book of Records accolade. Leadership engagement included 11 sessions, offering ABO Leaders direct access to Amway management for strategic updates.

All in all, these efforts reflect Amway's commitment to empowering ABOs, strengthening community ties, and leading in the Health and Wellbeing space. As Amway approaches its 50<sup>th</sup> anniversary, we remain dedicated to fostering strong ABO relationships and advancing a legacy of shared success, ensuring a progressive, future-ready organisation for all stakeholders.

For a detailed overview of our ABO-focused training initiatives in FY2024, please refer to the Management Discussion and Analysis section of this Report.

## **Enhancing Digital Engagement Through eCommerce**

Amway's eCommerce platform remains integral to empowering ABOs and APCs, offering a streamlined and efficient way to manage their businesses, place orders, and engage with customers online. In FY2024, online sales contributed 45% of total sales, down from 51% in FY2023, reflecting shifting consumer behaviours as more individuals gravitated towards physical stores post-pandemic.

Despite this shift, Amway continued to prioritise the enhancement of its eCommerce platform, ensuring it delivered a seamless and engaging user experience. This commitment was reflected in a strong Website Satisfaction Score of 87% in FY2024, demonstrating the platform's enduring appeal. The updates not only supported user satisfaction but also underscored Amway's ability to adapt its digital offerings to meet evolving market dynamics.

Through ongoing digital enhancements, Amway reaffirms its dedication to leveraging eCommerce as a cornerstone of its strategy. By providing an accessible and efficient platform, Amway empowers its ABOs to thrive in a rapidly changing marketplace while continuing to meet the diverse needs of modern consumers.



### **Pillar 2: Nurturing People and Community**



**Diversity, Equity and Inclusion** 

**Employee Welfare and Growth** 

**Ethical Business Practices** 

**Data Privacy and Protection** 

**Occupational Health and Safety** 

**Engaged Communities** 

















Amway's commitment to enriching the lives of our people and the wider community underpins the Second Pillar of our Sustainability Strategic Framework. We bring this promise to life through a range of programmes and initiatives that serve employees, ABOs, APCs, customers, and the broader community. By cultivating an inclusive work culture, supporting those in need, and providing holistic Health and Wellbeing solutions, we aspire to make a meaningful difference for individuals at every level.



# Championing Diversity, Equity and Inclusivity ("DE&I")

Amway values the diverse backgrounds, ethnicities, cultures, and talents of our employees, and we are deeply committed to creating an inclusive environment that mirrors our core values.

As we approach Amway Global's 70<sup>th</sup> anniversary in 2029, we remain focused on fulfilling our A70 vision. In line with our pledge to the Global Family, we have embarked on a multi-year DE&I transformation to reshape our organisation.

This strategy will help us realise our A70 vision by boosting employee engagement, fostering innovation, and strengthening our capacity to attract and retain diverse top talent. Recognising that diverse teams lead to richer discussions, strengthen decision-making, and fortify our business, we have established global aspirational targets across three tiers. Building on the legacy established by our Founders, Amway is embracing the variety of backgrounds, cultures, and talents our employees bring, to cultivate an environment that embodies our core values.



# The 4E's of DE&I Transformation - Excite, Equip, Educate, and Engage

During the year, Amway advanced its A70 aspirations by enhancing the capabilities of its Human Resources ("HR") team and Leaders to champion our DE&I goals across the organisation. To support this goal, the Group introduced the 4E's – EXCITE, EQUIP, EDUCATE, and ENGAGE – to deepen employees' understanding of DE&I principles and highlight their significance for Amway's future.

A core aspect of this programme has been cultivating inclusive and accountable leaders who recognise the unique needs of every team member, form diverse teams, and utilise resources to embed inclusive practices. Concurrently, Amway strives to foster an environment in which employees feel valued, barriers to inclusion are removed, and cultural sensitivities are respected.

By integrating DE&I into its talent processes, Amway is building a workforce that reflects its ABO base, untapped customer segments, and underrepresented groups – further reinforcing its commitment to achieving the A70 vision.

Amway's 2024 Culture & Engagement Survey reveals that 76% of employees recognise the Company's commitment to providing equal opportunities for all, regardless of age, race, gender identity, abilities, sexual orientation, gender expression, or religious beliefs – an increase from 75% in 2023. The survey also highlighted strong appreciation for the Company's emphasis on valuing and encouraging diverse perspectives and experiences within teams, which earned the highest score.

The composition of the Group's workforce reflects a diversity of gender and roles. In FY2024, Amway reaffirmed its commitment to fostering an inclusive workplace, with 25% of our team serving on a contract basis. This dynamic reflects a strategic balance between operational agility and stable full-time roles. At the same time, women make up 62% of our executive roles and 52% of non-executive positions, underscoring our ongoing efforts to foster gender balance at every level. These figures highlight Amway's focus on cultivating a culture that values each individual's perspective

while reinforcing our broader sustainability commitments to ensure lasting positive impact for our people and the business.

Percentage of Employees by Gender					
	Female Male				
	FY2023	FY2024	FY2023	FY2024	
Executives	62%	62%	38%	38%	
Non- Executives	54%	52%	46%	48%	

Amway respects and values the contributions of individuals from every age group and background. Both our workforce and Board of Directors comprise a multigenerational mix, ensuring diverse perspectives and experiences across the organisation.

Percentage of Employees by Age Group								
	Und	er-30	31	-40	41	-50	Abov	/e-50
	FY2023	FY2024	FY2023	FY2024	FY2023	FY2024	FY2023	FY2024
Executives	15%	11%	43%	48%	33%	32%	9%	9%
Non-Executives	28%	31%	37%	37%	26%	25%	9%	7%

Female representation remains a cornerstone of Amway's commitment to balanced leadership. By the end of FY2024, women held 38% of Board seats, surpassing the MCCG Practice 5.9 recommendation of 30%. Additionally, women accounted for 57% of Key Senior Management roles, exceeding the Board's target of 20%. These figures underscore the significant contributions women make to Amway's governance and strategic direction.

Amway respects and values the contributions of individuals from every age group and background. Both our workforce and Board of Directors comprise a multigenerational mix, ensuring diverse perspectives and experiences across the organisation.

### **Pillar 2: Nurturing People and Community**



Percentage of Amway's Board of Directors by Gender			
	FY2023	FY2024	
Female	38%	38%	
Male	62%	62%	

Percentage of Amway's Board of Directors by Age Group				
FY2023 FY2024				
50-59	38%	38%		
Above-60	62%	62%		



### **Targeted Development for Our Under 30 Employees**

Amway is committed to creating a dynamic and supportive environment where Under 30 or U30 employees can excel. Through targeted development programmes, networking events, and career coaching, we are enabling them to realise their potential and contribute to our A70 business strategy.

November 2024 saw the launch of the Young Graduate Programme, an 18-month initiative designed to address limited talent pipelines and retention challenges in areas such as sales, marketing, and eCommerce. By cultivating high-potential individuals, the programme is helping to strengthen Amway's business strategy and leadership pipeline while reinforcing the Group's employer brand and DE&I objectives.

The inaugural intake drew strong response from 1,000 applications with 300 shortlisted and 10 finally invited for further assessment. Selected candidates underwent a rigorous evaluation process, including cognitive profiling and assessment centres, to assess critical thinking and interpersonal skills. Ultimately, three top talents were appointed to key business functions, reflecting a strategic move to bolster Amway's succession pipeline and organisational effectiveness.

Beyond professional development, the programme emphasises personal growth through planned job rotations, cross-functional exposure, senior leader sponsorship, and tailored coaching. This comprehensive approach equips new graduates to navigate and lead in a fast-paced market, aligning with Malaysia's broader economic and health priorities.

Highlights of the Young Graduate Programme			
Programme Overview	<ul> <li>18-month structured initiative designed for early-career professionals</li> <li>Offers a unique opportunity for growth, learning, and impact</li> </ul>		
Attracting High-Potential Talents	<ul> <li>1,000 applications received</li> <li>300 shortlisted for initial phone interviews</li> <li>50 selected for cognitive profiling</li> <li>10 invited to Assessment Centre to evaluate their critical thinking and interpersonal skills</li> </ul>		
Acquired the Best Talents (3 Pax)	Recruited 3 talents (international and local universities) to join critical functions, i.e. Sales, Marketing and eCommerce		



Back in FY2023, the introduction of the revised Employment Act, which reduced maximum working hours from 48 to 45 hours, along with a labour shortage, led to a higher reliance on contract workers to meet operational needs, particularly in shop operations. However, by FY2024, our workforce composition stabilised, with the proportion of contract workers reverting to FY2022 levels, reflecting a more balanced operational environment.

Percentage of Contract Workers			
FY2022	FY2023	FY2024	
24%	33%	25%	

Beyond recruitment, Amway actively drives initiatives to enhance diversity and inclusion across the Group. To gauge the effectiveness of these efforts, we utilise the Employee Perception Survey, an internal tool designed to capture employees' perspectives on workplace inclusivity.

As a recognised industry leader, we remain dedicated to strengthening our position as an employer of choice. The employee turnover figures for FY2024 are as follows:

Total Employee Turnover (Number)		
	FY2023	FY2024
Executives	20	24
Non-Executives	11	13

#### **Preserving Our Values, Fostering Growth**

At Amway, we are committed to fostering growth that is both ambitious and ethically grounded. This commitment extends beyond our operations, as we actively instil ethical behaviour and sustainability principles in our employees and stakeholders. Through comprehensive training and e-Learning programmes, we cover key areas such as ethics, anti-corruption, health and safety, and privacy practices.

These thematic educational efforts ensure our workforce is well-equipped to operate responsibly, securely, and dynamically, while advancing Amway's vision of sustainable and principled growth.

### **Ensuring a Legacy for Future Generations of Employees**

We are committed to fostering an inclusive environment while building a lasting legacy for future generations of employees. To this end, we continue to deepen our commitment to ethical, responsible growth through targeted training initiatives. A central part of this approach is the Leading with Founders' Growth Mindset ("LFGM") course, which equips new managers and first-time people managers with the tools to uphold Amway's cultural pillars: "Lead with Heart", "Live to Serve", and "Love to Learn".

By focusing on these three principles, LFGM helps our managers cultivate a supportive and forward-thinking environment, ensuring they model ethical behaviour and sustainability in day-to-day operations. Delivered through a blend of in-person and e-Learning modules, the course underscores the importance of transparency, personal accountability, and continuous learning – key elements in Amway's vision of a holistic, secure, and dynamic workforce.

In addition to developing well-rounded leaders, LFGM aligns with the Group's broader goal of creating a lasting legacy for future generations. By actively encouraging participants to embody these values, Amway ensures that a culture of empowerment, collaboration, and innovation remains central to its organisational identity.

In FY2024, we expanded our LFGM programme to encompass all newly hired employees. The additional module, integrated into the onboarding process, is designed to help them understand and assimilate Amway's culture and values more effectively. By fostering a positive and supportive work environment, we aim to enhance employee satisfaction and retention, ultimately contributing to the Group's strategic objectives.

### **Pillar 2: Nurturing People and Community**





### **Committed to Championing Ethical Behaviour**

Amway's commitment to upholding anti-bribery and corruption laws is unwavering. We maintain a zero-tolerance stance on bribery and corruption, reinforcing integrity across all operations through strong anti-bribery policies, training, and compliance measures. This commitment is further upheld through a full suite of anti-bribery and corruption ("ABAC") policies, including our ABAC Policy, Code of Conduct and Ethics, and Global Code of Conduct. All employees and our Board of Directors are required to declare that they have read, understood and will comply with these policies on an annual basis to ensure that we adhere to the highest ethical standards, thereby safeguarding our reputation and fostering a trustworthy business environment.

Amway further prioritises the awareness and understanding of our ABAC policies through ongoing training initiatives. This includes annual ABAC e-Learning modules covering the ABAC Policy, Code of Conduct and Ethics, and Whistleblower Policy. In addition, all employees are also required to complete the annual Global Code of Conduct training conducted by the Amway Global Compliance Team. Furthermore, all Directors and specific departmental employees are required to complete the US Foreign Corrupt Practices Act 1977 ("FCPA") training and respond to the associated questionnaire, which is performed once every two years.



In FY2024, Amway achieved a 100% completion rate for anti-corruption training across our Board of Directors and all employee categories, ensuring that every member of our workforce is well-informed and vigilant against potential ethical breaches.

ABAC Training Attendance for FY2023 and FY2024

100%

**Directors, Executives, Non-Executives** 

The Group also successfully assessed 100% of its operations for corruption-related risks, and no corruption incidents were reported throughout the year.

# Anti-Bribery and Anti-Corruption Statistics for FY2023 and FY2024

Percentage of Operations Assessed for Corruption-Related Risks	100%
Number of Corruption Incidents	None

Amway has established a comprehensive Whistleblower Policy to encourage the reporting of any suspected wrongdoing or unethical behaviour within the organisation. This policy provides a safe and confidential channel for employees, business partners, and other stakeholders to voice their concerns, ensuring that issues are addressed promptly and transparently. In 2024, Amway bolstered its whistleblower procedures to provide prompt acknowledgements of received reports and ensured that the Audit Committee ("AC") Chairperson received prompt notifications of any allegations related to bribery or corruption, matters with significant financial impact, or shareholder concerns that may require urgent action. Additionally, whistleblower reports and the actions taken are reviewed by the AC on a quarterly basis.

In another enhancement to our corporate governance measures, all new employees and Directors are required to sign a declaration of conflicts of interest ("COI") before joining, while existing employees and Directors need to submit an annual COI declaration. The AC reviews these declarations and oversees measures to address, mitigate, or resolve any identified conflicts.

Our proactive approach also involves conducting ABAC risk assessments for all new vendors and requiring them to sign declarations of compliance with our ABAC Policy. ABAC clauses are integrated into contracts with higher-risk vendors and are incorporated into all Purchase Orders to mitigate potential exposures. We continue to monitor key areas – such as unauthorised selling on third-party online

platforms, information security, and cybersecurity – through our Corporate Risk Register. In addition, refresher training emphasises the importance of ABAC risk assessments before onboarding new vendors.

By maintaining robust anti-bribery and corruption measures, Amway is safeguarding its reputation and reinforcing its commitment to fostering a business environment grounded in trust and transparency.



For an overview of our commitment to ethical conduct in our vendor management and procurement practices, please turn to "Pillar 3: Wellbeing-Focused and Responsible Products" in this Sustainability Statement.

### **Curbing Unauthorised Selling**

Amway remains steadfast in its commitment to maintaining the integrity of its operations by curbing the unauthorised selling of its products on third-party eCommerce platforms. Through collaboration with the Direct Selling Association of Malaysia ("DSAM") and engagement with the Ministry of Domestic Trade and Cost of Living ("KPDN"), the Group has implemented robust measures to address this challenge effectively.

In FY2024, Amway refined its approach by conducting regular reviews and verifications of awards and rewards to encourage healthy business practices among our entrepreneurial ABOs. The Group also continued to actively remove unauthorised product listings via the Intellectual Property Rights ("IPR") portal and pursued legal action where necessary. Additionally, Amway strengthened its educational efforts by providing ABOs with training, social media content, and materials to reinforce compliance with its rules and policies.

These initiatives, paired with consistent dialogue with ABO Leaders and updates to enforcement statistics, highlight Amway's commitment to fostering a sustainable business environment and protecting the long-term profitability of its ABOs.



By prioritising adherence to Amway's values, rules, and the Founders' Fundamentals, the Group ensures its operations remain ethical and aligned with its commitment to responsible business practices.

### **Safeguarding Stakeholders' Data and Privacy**

Safeguarding customer data and privacy remains a top priority at Amway. The Group employs stringent measures, advanced technologies, and robust protocols to ensure the security and confidentiality of customer information. Compliance with data protection regulations, combined with employee education, forms the cornerstone of our approach to mitigating risks and preventing breaches. As testament to our efforts, we maintained zero substantiated complaints concerning breaches of customer privacy and losses of customer data.



FY2023 and FY2024
ZERO

In FY2024, Amway continued its Annual Information Security Training programme, a comprehensive computer-based initiative designed to educate employees on critical information security principles, best practices, and Payment Card Industry ("PCI") compliance. These efforts reinforce our commitment to equipping employees with the knowledge needed to uphold the highest standards of data protection.

Additionally, Amway Global implemented a centralised Global Electronic Storage of Contracts Process for contract management. This system consolidates all executed agreements into the Legal Department's matter management platform, "Passport", enhancing oversight, accessibility, and record-keeping. By integrating this process into our operations, we strengthen risk management, improve contract tracking and reporting, and optimise data analysis capabilities.

To maintain a high level of security, Amway's Information Security Risk team continues to conduct vendor risk assessments, ensuring that service providers handling sensitive data or systems on behalf of the Group meet stringent security requirements. These initiatives underscore Amway's unwavering dedication to protecting customer data and maintaining trust and integrity in all business relationships.

### **Pillar 2: Nurturing People and Community**



### **Strengthening Workplace Health and Safety**

Amway continues to prioritise Occupational Health and Safety ("OHS") as a fundamental component of its Sustainability Strategic Framework. By implementing robust safety measures, comprehensive training, and targeted initiatives, Amway ensures that all team members work in optimal conditions, enhancing productivity and morale across the organisation.



Building on the progress made in previous years, Amway achieved 100% compliance with Environmental, Health, and Safety ("EHS") risk assessments across all business units. Additionally, the Group successfully completed a compliance review for the 2024 amendment of the Occupational Safety and Health Act 1994 in Amway Malaysia, ensuring adherence to updated legal requirements.



A key focus area in FY2024 was the closure of the Facilities Risk Assessment ("FRA") audit findings, with 100% of identified issues addressed by October 2024. Amway conducted internal noise risk assessments across its premises, ensuring that noise exposure levels remained within safe limits to further mitigate risks. In line with ongoing commitments to workplace air quality, an Indoor Air Quality ("IAQ") Assessment was performed at the Amway Headquarters in Petaling Jaya ("HQ PJ") in November 2024, in compliance with local legal standards.

Training and knowledge sharing remained integral to Amway's OHS strategy. The Group launched bi-weekly EHS Onboarding sessions for new hires throughout the year, ensuring that all employees received comprehensive safety training from the outset. A total of 16 EHS knowledge-sharing sessions were conducted by November 2024, covering topics such as Accident Investigation Techniques for EHS Committee Members, Fire Safety Awareness for 359 participants, and Emergency Response Team ("ERT") training in collaboration with the Malaysian Fire Brigade for 27 employees.

Amway's EHS Committee played a pivotal role in maintaining high safety standards through monthly safety and health walkabouts at business premises and quarterly meetings to address EHS matters. To ensure effective implementation of safety and health management systems, a total of 21 OHS Coordinators were trained and appointed for Amway Shops.

In addition to training and assessments, Amway organised the following safety campaigns and events to foster a culture of safety and community engagement:

- The AMSB Annual Blood
  Donation Campaign held in
  June 2024 saw participation
  from 95 individuals, including
  employees, ABOs, and APCs.
- Two comprehensive fire drills were conducted at HQ PJ, reinforcing the importance of emergency preparedness.
- Preventive maintenance and operational safety programmes were also enhanced in FY2024.
- Safe work programmes focusing on ladder safety and fire protection system preventive maintenance were implemented.
- The First Aid Incident
  Reporting system with
  scheduled monthly
  maintenance was launched.

These initiatives contributed to maintaining zero work-related fatalities and a lost-time incident rate of zero in FY2024, underscoring Amway's unwavering dedication to the highest standards of workplace health and safety. Through these comprehensive OHS initiatives, Amway is not only ensuring the safety and wellbeing of its employees but also reinforcing its commitment to operational excellence and sustainable business practices.

Amway's commitment to reinforcing workplace health and safety is evident in the multiple training sessions conducted annually. The following table highlights, among other things, employee participation in training over FY2023 and FY2024, with total participation reflecting overlapping attendance across various programmes.

Health and Safety Statistics			
	FY2023	FY2024	
Number of employees trained on health and safety standards	377	658*	
Number of work-related fatalities	None		
Lost-time incident rate	0		

\*Note: The increase in employee participation for FY2024 was driven by the inclusion of a session open to all staff, including those from Amway Global Business Services.

#### **Engaging Our Employees for Success**

Amway continues to invest in the professional and personal growth of its employees, aligning with the "Love to Learn" principle under the Amway LFGM framework. In FY2024, the Group expanded its training offerings with a series of targeted sessions aimed at enhancing employees' technical expertise, leadership capabilities, and overall proficiency.

During 2024, Amway introduced a structured programme of in-person and blended courses tailored to meet various employee needs. These included a series of professional development training covering key topics such as revenue recognition, process improvement, communication skills, and self-efficacy. These sessions were designed to enhance financial reporting accuracy, process efficiency, communication effectiveness, and personal productivity among employees.

In addition to these new programmes, Amway continues to offer shorter, more intensive sessions to complement established courses such as situational leadership, managing business relationships, and high-performance intercom-communication. This streamlined approach was introduced in FY2023 to maximise learning outcomes while optimising time investment.

Through these programmes, Amway encourages employees to embrace new challenges, expand their skill sets, and explore different career pathways within the organisation. In FY2024, the Group recorded 4,641 training hours, involving 356 participants across various categories – a noteworthy increase from the previous year's 4,004 hours. This translates to a training investment of RM270,343, reflecting Amway's commitment to strengthening the capabilities of its workforce.

Total Hours of Training			
FY2022	FY2023	FY2024	
6,042	4,004	4,641	



#### **Prioritising A Holistic Work Environment**

Amway continues to prioritise a holistic work environment that balances professional development, wellbeing, and inclusivity for all employees regardless of age and gender. As such, we are pleased to report that no substantiated complaints of human rights violations were recorded during the year under review, reflecting Amway's commitment to strengthening the capabilities of its workforce.



# The 4 Fundamentals – Reinforcing the Founders' Growth Mindset Culture

Building on the Work by Design 2.0 framework, the Group brought the "4 Fundamentals" to life in FY2024 to reinforce a culture grounded in our Founders' values. These fundamentals encompass "Culture & Purpose", "Environment", "Career", and "Compensation & Benefit", ensuring that employees have access to clear guidance on Amway's mission, a safe and healthy workplace, and competitive benefits that encourage personal growth.



### **Pillar 2: Nurturing People and Community**



To this end, Amway introduced the following platforms in FY2024 to enhance the employee experience throughout the year:



### MY HR Hub:

As a centralised resource, this hub provides employees convenient access to HR policies, event updates, health and wellbeing bulletins, and continuous learning opportunities. Additionally, ongoing training calendars and resources enable individuals to explore new career pathways and cultivate entrepreneurial thinking.



### MSB Knowledge Hub:

As a centralised resource, this hub provides employees convenient access to HR policies, event updates, Health and Wellbeing bulletins, and continuous learning opportunities. Additionally, ongoing training calendars and resources enable individuals to explore new career pathways and cultivate entrepreneurial thinking.



### e-Suggestion Platform:

This online suggestion portal encourages employees to provide their suggestions, feedback, or ideas.

## **Ensuring Holistic Employee Health** and Wellbeing

To promote a healthy lifestyle, Amway continues to invest in employee wellbeing through programmes such as the Healthier ME initiative. Building on last year's Gut Reset success. this four-month journey emphasises long-term healthy habits. Over 100 employees participated in the Healthier ME Bootcamp at the Melaka Orchard Wellness Resort, benefiting from activities designed to support both mental and physical health. The programme is part of our plan to reinforce our employees to be the product of the product in order to serve and empower our ABOs to build Health and Wellbeing communities with their personal experiences.



The year's Health and Wellbeing efforts included:

**World Health Day 2024:** Free influenza vaccinations, comprehensive health screenings, mental health assessments, and wellness activities were offered during the one-day event.

**Employee Assistance Programme ("EAP"):** This entailed continued support for mental and emotional health with an Online Resource Page offering psychological assessments and educational sessions on self-care and stress management.

**Preventive Maintenance and Safety Programmes:** This involved the implementation of safe work programmes, fire protection system maintenance, and First Aid Incident Reporting to ensure a safe working environment.

**Annual Blood Donation Drive:** A blood donation drive was opened to employees, ABOs, APCs and the public.

**First Aid Room at HQ PJ:** This complimentary facility provides immediate care for unwell employees, thus enhancing workplace safety and support.

**Weekly Insurance Helpdesk:** Launched in September 2024, this helpdesk further streamlines access to insurance and medical claims.

### Safeguarding Our People's Welfare

In looking after the wellbeing of our people, our efforts extend beyond physical and mental health to include initiatives that support their overall welfare. To this end, we continue to introduce additional employee-friendly measures to help our staff balance work and personal commitments, such as an early release from work on birthdays and cultural festivals.

Furthermore, Amway's provision of a comprehensive compensation and benefits package is designed to support employees at all stages of their lives. The Group's FlexBen Programme offers a range of benefits, including medical screenings, wellness seminars, a Staff Entitlement Wallet for Amway product selections, virtual exercise programmes, and exclusive discounts on ARTISTRY makeup products for female employees.

Amway upholds an enhanced retirement contribution rate of 16% to the Employees Provident Fund ("EPF"), surpassing the statutory employer contribution requirement of 13%. This initiative, part of our commitment to Employee Experience, aims to attract and retain talent while supporting employees' journey toward financial independence and long-term financial security.

### **Inclusivity and Employee Engagement**

Employee engagement remains at the heart of Amway's culture. The Group organised a variety of events in 2024, including Warriors of Wellbeing ("WOW") Family Day at the Sunway Lagoon Theme Park and numerous social gatherings hosted by the Amway Social & Recreational Club ("ASRC"). These activities strengthen team spirit, encourage work-life balance, and nurture a sense of shared purpose.



Moreover, initiatives such as the WOW Community Bazaar event in October 2024 combined social impact with sustainability by raising funds for Jabatan Kebajikan Masyarakat Malaysia ("JKM") and promoting eco-friendly practices.

By integrating wellbeing, inclusivity, professional growth, and robust benefits, Amway is sustaining a holistic work environment in line with its core values. Through the 4 Fundamentals, expanded HR resources, and diverse engagement activities, the Group continues to prioritise the welfare of employees of all backgrounds and life stages. This comprehensive approach positions Amway as an employer of choice, fostering an engaged, resilient workforce capable of driving the organisation's ongoing success.

### **Pillar 2: Nurturing People and Community**



### **Caring for The Community**

In 2024, Amway's commitment to enhancing community wellbeing was reflected through its Corporate Social Responsibility ("CSR") activities. Focused on making a significant societal impact, our programmes enabled employees to actively participate in and contribute to various community-driven projects. This aligns with our broader mission to support not just the Health and Wellbeing of individuals through our products but also to foster societal development and empowerment through active corporate engagement.

#### **WOW Community Bazaar**

During the year, Amway expanded its impact through the WOW Community Bazaar, an event that championed both environmental sustainability and community empowerment. Held on 24 October 2024, this event featured multiple booths operated by JKM, Amway employees, and Karun Hijau to raise funds for a total of 10 JKM beneficiaries and promote green initiatives. A total of 108 Amway volunteers dedicated 1,080 hours to making this event a success. Their collective efforts helped raise RM21,500, which Amway matched, resulting in a total contribution of RM43,000 to support underprivileged individuals. Additionally, the event achieved the collection of more than 500 kg of recyclables including cartons, books, magazines, plastic bottles, metal cans, glass bottles, and e-waste within just four hours. Items unsuitable for recycling were responsibly disposed of. These efforts reflect Amway's commitment to creating positive change for both people and the planet.



FY2024

RM43,000.00

### **Projek HeadSTART**

Amway reinstated its commitment to underprivileged youths by kickstarting Projek HeadSTART with two enrolled participants. The six-month initiative combines technical training with administrative skill building, aiming to develop both practical capabilities and workplace-ready knowledge.

FY2023

RM66,023.30

Looking ahead, the Company is assessing ways to enhance Projek HeadSTART's scope, ensuring broader impact and sustained success for future cohorts. By providing meaningful learning opportunities, Amway reaffirms its dedication to empowering underserved communities and creating pathways towards personal and professional growth.

Number of Internship Opportunities			
FY2022	FY2023	FY2024	
Projek HeadSTART did not take-off due to COVID-19	Projek HeadSTART did not take-off due to lack of candidates	2	

### Pillar 3: Wellbeing-Focused and Responsible Products



**Responsible Sourcing and Supply Chain** 

**Energy Use and GHG Emissions** 

**Packaging and Waste** 

Water Use









At Amway, we integrate quality, safety, and environmental stewardship into every phase of our operations. Our approach spans ethically sourced materials and resource-efficient manufacturing to responsible branding, all reflecting the Amway promise of excellence. By continually exceeding rigorous health, safety, and environmental benchmarks, we underscore our commitment to responsible business practices – a core focus of Pillar 3.

### **Sourcing Responsibly**

In an era of heightened environmental awareness, more consumers are actively seeking assurance on the safety and quality of the products they purchase. Brands that prioritise transparent sourcing and ethical practices are gaining favour among those wanting confidence in what they consume.

Guided by this demand for integrity, Amway makes transparency a cornerstone of its product marketing and branding. From tracing our Nutrilite range to adhering to the "AMWAY**PROMISE**" and offering robust after-sales support, we ensure every item meets the highest standards of quality and reliability.

# **Vendor Management and Procurement Practices**

In FY2024, Amway continued to uphold responsible and sustainable procurement practices, building on the enhancements introduced the previous year.

Amway's comprehensive supplier management programme plays a pivotal role in this effort, enabling regular performance evaluations and facilitating open communication with vendors. This approach ensures a consistent supply chain while driving opportunities for shared growth and collaboration. Additionally, the Group maintains close oversight of its procurement expenditure, particularly with regard to local suppliers. While the bulk of our core products are imported from Amway Global in the United States, we remain vigilant in ensuring transparency and accountability in all purchasing activities.



Proportion of Spending on Local Suppliers		
FY2023	FY2024	
39%	32%	

### Pillar 3: Wellbeing-Focused and Responsible Products





In FY2024, Amway reinforced its dedication to stewarding its resources through the implementation of more eco-friendly practices. These included initiatives such as waste-to-energy ("WTE") conversion to achieve zero landfill status, the installation of EV charging bays to reduce carbon emissions, and solar power projects to promote renewable energy usage. We also continued to equip employees, ABOs, APCs and partners with the tools and knowledge needed to implement sustainable initiatives throughout our operations.





A major milestone in our zero-landfill ambition involves partnering with Cypark Resources Berhad to convert general waste into energy, in alignment with the Malaysian Government's WTE strategy. This partnership reflects our ongoing drive to reduce landfill contributions and underscores our commitment to circular economy principles.

In tandem with these efforts, November 2024 saw Amway relocating its warehouse to a third-party facility powered by solar energy. This move

complements the existing renewable energy initiatives at HQ PJ, significantly enhancing our overall clean energy usage. By familiarising employees with such forward-thinking practices, we equip them with the knowledge and experience needed to champion environmental sustainability in their daily responsibilities.

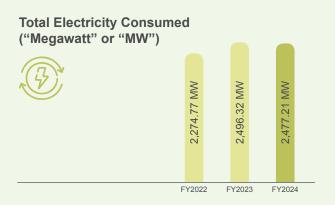
Moreover, we introduced an innovative packaging solution, Bubble Mailers, in April 2024. This new system, especially suited to smaller vitamins and supplements orders, cuts down on the consumption of cartons and fillers, minimises packaging waste, and improves the overall customer experience. Through purposeful training and clear guidance on this packaging approach, our teams gained practical skills in resource optimisation and are today better equipped to deliver responsible, high-quality service.

#### **Energy Management**

Amway prioritises sustainable energy management by focusing on minimising its environmental impact and optimising resource use. During the year in review, the Group advanced its energy efficiency initiatives by implementing innovative technologies, promoting conservation practices among employees, and integrating renewable energy solutions into its operations.

A key milestone in Amway's Go Green initiative was the successful implementation of solar panels and EV charging bays for the office block, which went live on 18 February 2024. In FY2024, the solar panel system generated 259.99 MW, contributing to a notable 23.5% reduction in overall energy usage for the office block. This achievement reinforces Amway's focus on sustainable energy practices and underscores the Group's commitment to minimising non-renewable energy reliance.

In FY2024, the combined energy consumption for the office and warehouse blocks stood at 2,477.21 MW. Alongside the generated solar energy, these figures highlight Amway's continued emphasis on efficiency and resource conservation. By closely monitoring consumption levels, implementing eco-conscious technologies, and encouraging employees to adopt energy-saving habits, the Group seeks to further optimise its environmental performance while realising cost efficiencies.



Amway's progress in energy management reflects a broader dedication to operational sustainability, demonstrating how innovation and responsible stewardship can work hand in hand to safeguard the environment and support business growth.

### Pillar 3: Wellbeing-Focused and Responsible Products



### **Waste Management**

Amway is forging a path towards minimising environmental impact by addressing waste at every stage of its operations. In FY2024, the Group introduced additional strategies to reduce office-generated waste, adopt greener practices across its retail network, and implement innovative methods such as waste-to-energy or WTE conversion. Notably, the significant reduction in landfill waste was driven by the implementation of the WTE initiative, which commenced in July 2024, enabling general waste to be converted into usable energy instead of being sent to landfills.



Total Recycling for FY2024 (Metric Tonnes or MT)
Non-Hazardous
Waste
196.57 MT

Hazardous Waste 32.47 MT

Landfill WasteRecyclable Waste

### Office and Retail Initiatives

Amway continues to run an office-wide waste reduction programme, separating general waste at HQ PJ to maximise recycling rates. As of this year, HQ PJ alone has diverted 229,040 kg of recyclable waste from landfills, reflecting a strong culture of reuse and recycling. In its retail operations, Amway phased out single-use plastic bags starting from August 2023 and fully completed the transition nationwide by December, replacing them with reusable bags made from post-consumer recycled material. Further supporting this movement, from March 2024 onwards, customers have been able to purchase the foldable Amway Recycle Bag made from recycled polyester ("RPET"), in support of the Reduce, Reuse, and Recycle philosophy.



- Total waste diverted from disposal: 229.04 MT
- Total waste sent for disposal: 35.54 MT

#### **Going Paperless**

To minimise paper consumption, Amway stopped automatically printing receipts at all shops beginning 1 April 2024. While paper receipts remain available upon request, this paperless move significantly reduces waste across the Group's retail network. Meanwhile, the ongoing "digital-first" operations philosophy has further cut back on printed pages, aligning with Amway's goal of lowering its overall environmental footprint.

### **Sustainable Packaging and Circular Solutions**

Shipping operations continue to rely on eco-friendly materials, including thermal print labels, recyclable air pillows, and recycled shrink wrap. By gradually doing away with carbon ribbon and other non-recyclable elements, Amway is transitioning towards circular packaging. These measures have helped the Group maintain high recycling rates, including 229.04 MT of diverted waste and 35.54 MT sent for disposal as of 2024.

#### **Waste-to-Energy Partnership**

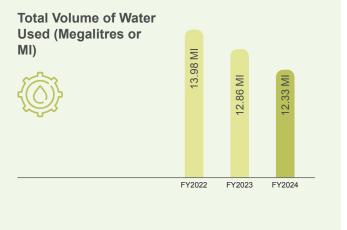
In July 2024, Amway began working with Cypark Resources to convert general waste into energy, eliminating conventional landfill disposal and contributing to the Group's broader sustainability goals. By harnessing waste as a resource, Amway is setting a strong example for responsible waste management in Malaysia.



### **Water Management**

Amway prioritises responsible water use across its operations, implementing practical measures at HQ PJ to reduce consumption. Leveraging earlier upgrades in FY2022, such as self-closing faucets and low-flow dual-flush toilets, the Group continues to decrease overall water usage. To date, these improvements have cut faucet consumption by 50% and toilet water use by 25%.

Additionally, Amway converted its facade fishpond into a static water feature in early FY2023, now requiring only quarterly replenishment. As a result of these collective efforts, total water usage stands at 12.33 Ml. By continuously refining day-to-day facility practices, Amway underscores its dedication to preserving resources while ensuring a functional environment for employees, ABOs, APCs, and visitors alike.



#### THE WAY FORWARD

Amway remains committed to continuous improvement and meaningful action in its sustainability journey. Looking ahead, the Group will focus on strengthening the integration of sustainable practices across all aspects of its operations, guided by the Sustainability Strategic Framework and its three core Pillars.

Through active engagement with internal teams and external partners, the Board and Sustainability Committees will work to identify new opportunities for innovation, collaboration, and impact. By aligning sustainability with business priorities, Amway aims to drive resilient growth while delivering long-term value for stakeholders and contributing positively to the environment and society.



### **Performance Data Table**

As a Listed Issuer, Amway is required to provide mandatory ESG disclosures in accordance with the Main Market Listing Requirements and the enhanced Bursa Malaysia Sustainability Reporting Guide (3rd Edition). The table below, extracted from Bursa Malaysia's ESG Reporting Platform (Standard Template), presents performance indicators that are aligned with our Material Matters. For further details and historical ESG performance data, please refer to pages 41 to 69 of this Annual Report.

Indicator	Measurement Unit	FY2022	FY2023	FY2024
Bursa (Diversity)				
Bursa C3(a) Percentage of employees by gender and age group, for each employee category				
Age Group by Employee Category				
Executives Under 30	Percentage	_	15.00	11.00
Executives Between 31-40	Percentage	_	43.00	48.00
Executives Between 41-50	Percentage	_	33.00	32.00
Executives Above 50	Percentage	_	9.00	9.00
Non-executives Under 30	Percentage	_	28.00	31.00
Non-executives Between 31-40	Percentage	_	37.00	37.00
Non-executives Between 41-50	Percentage	_	26.00	25.00
Non-executives Above 50	Percentage	_	9.00	7.00
Gender Group by Employee Category				
Executives Male	Percentage	_	38.00	38.00
Executives Female	Percentage	_	62.00	62.00
Non-executives Male	Percentage	_	46.00	48.00
Non-executives Female	Percentage	_	54.00	52.00
Bursa C3(b) Percentage of directors by gender and age group				
Male	Percentage	62.00	62.00	62.00
Female	Percentage	38.00	38.00	38.00
Between 50-59	Percentage	38.00	38.00	38.00
Above 60	Percentage	62.00	62.00	62.00
Bursa (Labour Practices and Standards)				
Bursa C6(a) Total hours of training by employee category				
Directors	Hours	_	2	36
Executives	Hours	_	3,422	3,706
Non-executives	Hours	_	580	899
Bursa C6(b) Percentage of employees that are contractors or temporary staff	Percentage	24.00	33.00	25.00
Bursa C6(c) Total number of employee turnover by employee category				
Executives	Number	_	20	24
Non-executives	Number	_	11	13
Bursa C6(d) Number of substantiated complaints concerning human rights violations	Number	_	0	0

Indicator	Measurement Unit	FY2022	FY2023	FY2024
Bursa (Community/Society)				
Bursa C2(a) Total amount invested in the community where the target beneficiaries are external to the listed issuer	MYR	-	66,023.30	43,000.00
Bursa C2(b) Total number of beneficiaries of the investment in communities	Number	_	14	10
Bursa (Data Privacy and Security)				
Bursa C8(a) Number of substantiated complaints concerning breaches of customer privacy and losses of customer data	Number	_	0	0
Bursa (Health and Safety)				
Bursa C5(a) Number of work-related fatalities	Number	-	0	0
Bursa C5(b) Lost time incident rate ("LTIR")	Rate	_	0.00	0.00
Bursa C5(c) Number of employees trained on health and safety standards	Number	_	377	658
Bursa (Anti-Corruption)				
Bursa C1(a) Percentage of employees who have received training on Anti-Corruption by employee category				
Directors	Percentage	_	100.00	100.00
Executives	Percentage	_	100.00	100.00
Non-executives	Percentage	_	100.00	100.00
Bursa C1(b) Percentage of operations assessed for corruption-related risks	Percentage	-	100.00	100.00
Bursa C1(c) Confirmed incidents of corruption and action taken	Number	_	0	0
Bursa (Supply Chain Management)				
Bursa C7(a) Proportion of spending on local suppliers	Percentage	_	39.00	32.00
Bursa (Energy Management)				
Bursa C4(a) Total energy consumption	Megawatt	2,274.77	2,496.32	2,477.21
Bursa (Waste Management)				
Bursa C10(a) Total waste generated	Metric tonnes	328.17	318.84	264.58
Bursa C10(a)(i) Total waste directed from disposal	Metric tonnes	77.321	79.980	35.54
Bursa C10(a)(ii) Total waste diverted to disposal	Metric tonnes	250.85	238.86	229.04
Bursa (Water)				
Bursa C9(a) Total volume of water used	Megalitres	13.98	12.86	12.33

### **STATEMENT OF ASSURANCE**

This Sustainability Statement has been reviewed and assured internally by Amway's Senior Management and the respective data owners to ensure accuracy and reliability. The Company is committed to continuous improvement and intends to explore the feasibility of obtaining external assurance for future reports.

# 2024 Event Highlights

**HEALTH WARRIOR BOOTCAMP 2024** 





In May 2024, the Health Warrior Bootcamp brought together over 1,200 Amway Business Owners ("ABOs") at the Malaysia International Trade and Exhibition Centre ("MITEC") in Kuala Lumpur for a day of inspiration, education, and empowerment. Designed to fuel passion for health and wellbeing, the event featured motivational speakers, expert-led workshops, and interactive sessions aimed at equipping participants with the tools to lead healthier lives and build sustainable businesses.

The day commenced with a palpable sense of excitement as ABOs gathered and received their goody bags packed with essentials for the day. Joanne Chong, Chief Marketing Officer, set the tone with an opening speech, providing insights from last year's Train-The-Trainer programme and her personal experience with the Nutrilite Gut Reset Weight Management Programme. This was followed by a dynamic BodyKey Dance video, energising participants for the day ahead.

Throughout the event, Health Warrior graduates shared their transformative Gut Reset experiences, reinforcing its impact on both personal health and business success. Furthermore, Amway Nutrition Trainers conducted sessions on gut health and product knowledge, equipping attendees with essential information to sustain their own progress.

Interactive workshops further enriched the event, with specialists such as Dr. Raymond from Innoquest Malaysia and dietitian Georgen Thye offering practical advice on interpreting health reports and managing dietary health concerns, respectively. Meanwhile, Personal Trainer Azmil Saleh led a Power Fitness session, emphasising core strength, discipline, and long-term fitness adherence.

Later in the day, knowledge-sharing sessions focused on social media storytelling, demonstrating how ABOs could leverage digital platforms to unlock new business opportunities and support their downlines in replicating success.

As the event drew to a close, attendees were encouraged to form teams, join challenges, and make personal health pledges, ensuring their wellness journey continued beyond the bootcamp. Joanne Chong's closing reflections underscored the event's role as a catalyst for transformation, reinforcing Amway's commitment to empowering individuals to take charge of their health and build thriving businesses.

The Health Warrior Bootcamp 2024 was more than just a gathering – it was a movement, fostering a community of passionate individuals dedicated to holistic Health and Wellbeing. With its resounding success, Amway looks ahead to future initiatives that will continue to inspire and equip ABOs and customers in their journey towards better health and business growth.



# ARTISTRY SKIN NUTRITION SLEEPING MASK RALLY



In March 2024, Amway Malaysia hosted the ARTISTRY SKIN NUTRITION Sleeping Mask Rally at the Malaysia International Trade and Exhibition Centre ("MITEC") in Kuala Lumpur, bringing together over 1,600 Amway Business Owners ("ABOs"), Amway Privileged Customers ("APCs"), and guests. The event marked the official launch of the ARTISTRY SKIN NUTRITION Sleeping Mask, featuring Tan Hua flowers, a key ingredient renowned for its skin-enhancing properties. The venue was carefully curated with floral installations, providing a visually striking setting for attendees to capture memorable moments.

The rally delivered a comprehensive brand experience, starting with product sampling sessions, where guests had the opportunity to test the mask's rich texture and calming Lavender and Bergamot scent. The official launch was led by Jason Leng, General Manager of Amway Malaysia & Brunei, Joanne Chong,



Chief Marketing Officer, and Song Youngshin from Amway Beauty Innovation & Science, who outlined the scientific formulation and hydration benefits of the mask, reinforced by clinical research.

Adding a personal dimension to the event, Founders Executive Diamonds Joanne Looi and Normaliana Saedin shared their first-hand experiences with the mask, underscoring its visible skin benefits and practical application in daily skincare routines.

The rally concluded with an exciting giveaway, where three lucky attendees who discovered a special card under their chair each won a full-sized jar of the ARTISTRY SKIN NUTRITION Sleeping Mask.

More than just a product launch, the ARTISTRY SKIN NUTRITION Sleeping Mask Rally provided a holistic experience, combining education, engagement, and product discovery. It reinforced Amway's commitment to empowering customers with high-quality skincare solutions while equipping them with the knowledge to achieve healthier, more radiant skin.







### 2024 Event Highlights (cont'd)



AMWAY NATIONAL LEADERSHIP CONFERENCE & DINNER 2024:
A NIGHT OF DISTINCTION

In July 2024, Amway Malaysia hosted the National Leadership Conference & Dinner ("NCLD"), bringing together distinguished leaders from across the country for an evening focused on strategic insights, business growth, and recognition.

The conference began with a keynote address by Asha Gupta, Amway's Regional President for Asia, outlining a vision for transformation and growth. This was followed by a joint presentation from Mike Duong, Managing Director for Amway Malaysia & Brunei, Indonesia, and Singapore, and Jason Leng, General Manager for Amway Malaysia & Brunei, who introduced the Health and Wellbeing Flower initiative, reinforcing Amway's commitment to holistic Health and Wellbeing.

A major highlight of the evening was the unveiling of the "5 Years 5 Continents" initiative, a prestigious programme offering Amway's top achievers unparalleled global experiences, starting with an exclusive adventure to Victoria Falls in 2025.

The event continued with the recognition of 18 Leaders who achieved Diamond & Above status in 2023. Their outstanding accomplishments were met with resounding applause and standing ovation. The introduction of the 2024 Diamond Advisory Council ("ADAC") marked the beginning of a new era of leadership excellence.







Adding to the excitement, Joanne Chong, Chief Marketing Officer, provided an exclusive preview of upcoming events and product launches, including the Nutrilite GUTPROtein Foundational Health. Meanwhile, Jennifer Wang, Chief Sales & ABO Enablement Officer, highlighted the transformative power of the Amway community, unveiling new initiatives for Performance Year 2025. Her announcement of the Amway Leadership Seminar in Vienna and Budapest was met with overwhelming enthusiasm.

The evening transitioned into a glamorous gala, where attendees embodied the Bloom theme, reflecting elegance and confidence. A defining moment of the night was the record-breaking achievement as over 3,000 leaders set a new Malaysia Book of Records title for the "Largest Participation in a Protein Shake Making Event", by mixing their GUTPROtein shakes simultaneously.

The night concluded with a vibrant after-party, where leaders celebrated their shared successes, strengthened connections, and networked late into the evening.



### 2024 Event Highlights (cont'd)

# **GUTPROTEIN DAY 2024: THE NEXT STEP FOR BETTER GUT HEALTH**







In July 2024, Amway Malaysia's Headquarters in Petaling Jaya was transformed into a vibrant hub of learning and discovery as over 4,000 gut health enthusiasts gathered for the inaugural GUTPROtein Day 2024. Under the theme "Life Starts with Protein. Health Powered by Gut," the event created a carnival-like atmosphere, attracting Amway Business Owners ("ABOs") and Amway Privileged Customers ("APCs") who were eager to explore the latest insights on gut health.

### **Expert-Led Educational Sessions**

One of the event highlights was the "GUTPROtein Insights on Gut Health & Nutrition" session, featuring renowned industry experts. Dr. Yosep Ji, CEO of Human Effective Microbes (HEM) Pharma Inc., provided an indepth analysis of the gut microbiome and its role in overall health, while Dr. Shyam Ramakrishnan, Director of SEA & India Product Development, R&D Amway Global, discussed the significance of probiotics, prebiotics, and soy protein in maintaining a healthy gut lining. These sessions, held in the Training Hall for leaders, were also livestreamed to the Brand **Experience Centre and Training** Rooms, ensuring accessibility for all attendees.













The Gut Experience Zone offered a sensory-rich walkthrough of the digestive system, allowing visitors to explore how each organ contributes to gut health. A colourful 3D display showcased the gut microbiome's role in digestion, immunity, and overall wellbeing. Adding an element of fun, the "What the Colour of Your Poo Might Be Telling You" photo wall engaged visitors with an interactive educational experience, complete with playful poo-shaped headgear for photo opportunities and crowd engagement.



### Revamped Nutrilite Experience Centre

A major moment of the event was the unveiling of the newly refurbished Nutrilite section in the Brand Experience Centre, led by Mike Duong, Managing Director for Amway Malaysia & Brunei, Indonesia, and Singapore, and Jason Leng, General Manager for Amway Malaysia & Brunei. This section showcased Nutrilite's latest innovations, the Nutrilite Gut Reset Weight Management Programme, and interactive exhibits on sustainable farming, scientific research, and traceability. Attendees also had access to health screenings in the Nutrilite health assessment room.

### Hands-On Product Engagement and Activities

Participants sampled the new GUTPROtein Shake which features a blend of the Nutrilite Soy Protein Drink, Nutrilite Mixed Fiber Powder, and Nutrilite Chicory Root Extract with Probiotics, available in multiple flavours. The event also featured interactive games, such as the BEC Treasure Hunt and workout challenges, and a photo wall celebrating attendees' health journeys.

The Product Pavilion was a hub of activity, with attendees taking advantage of exclusive one-day offers, while food stalls and trucks provided nutritious meal options, aligning with the event's health-focused theme.

### A Milestone in Gut Health Awareness

GUTPROtein Day 2024 was more than just an event – it was a transformative journey of learning and engagement. Through expert-led discussions, immersive exhibits, and hands-on engagement, attendees gained valuable knowledge on gut health and practical ways to improve their wellbeing. The event reinforced Amway's commitment to pioneering Health and Wellbeing solutions, setting a strong foundation for future initiatives aimed at fostering a healthier community.

## 2024 Event Highlights (cont'd)

# NUTRILITE X eSPRING: THE CONNECTION FOR HEALTHIER LIVES

The Nutrilite X eSpring: The Connection for Healthier Lives event brought together two of Amway's key health solutions – Nutrilite GUTPROtein Foundational Health and the eSpring Water Purifier – for a dynamic launch and rally. Designed to highlight the interconnection between gut microbiome health, essential nutrition, and water purification, the event attracted thousands of attendees eager to explore innovations that promote a healthier lifestyle.

# Reinforcing Foundational Health with New Nutrilite Innovations

A central focus of the event was Nutrilite's GUTPROtein Foundational Health Solution, which reinforced the importance of gut microbiome health in overall wellbeing. Attendees were introduced to two significant product launches – the all-new Nutrilite CH Balance Softgel and the enhanced Nutrilite Daily Multivitamin and Multimineral Plus Tablet.

At the Nutrilite Foundational Health Rally, Associate Professor Dr. Chong Chun Wie of Monash University Malaysia provided expert insights into re-engineering the second genome, explaining how gut microbiome health impacts cognitive function and cardiovascular health. Dr. Jina Hong, Principal Research Scientist, followed with a deep dive into the formulation and benefits of the Nutrilite CH Balance Softgel and the enhanced Nutrilite Daily Multivitamin and Multimineral Plus Tablet, reinforcing their role in supporting long-term health.







# The Next Evolution in Water Purification: eSpring Launch & Rally

The launch of the new eSpring Water Purifier, showcasing the latest advancements in water purification technology marked another high point of the event. Rick Andrew, Director of Global Business Development – Water Systems at the National Sanitation Foundation ("NSF"), discussed the importance of NSF certification for water purifiers, emphasising the need for cleaner, safer drinking water in everyday life.

The session continued with Tom Sturgeon, Global Brand Manager of eSpring, and Dr. Yulia Park, Regulatory Affairs Manager of Amway Global, who introduced the cutting-edge technology behind the new eSpring Water Purifier. Their presentation reinforced the purifier's ability to deliver cleaner, safer, and better-quality water, an objective that aligns seamlessly with Amway's commitment to holistic wellbeing.

# Interactive Experiences and Engaging Activities

Beyond educational sessions, attendees explored interactive booths and large-scale installations showcasing Amway's Healthy Home solutions. They also took part in handson activities, including the eSpring Carbon Filter Change Challenge, where participants competed for prizes while learning about the purifier's advanced filtration system.

### A Commitment to Healthier Living

The Nutrilite X eSpring: The Connection for Healthier Lives event served as an inspiring platform that reinforced Amway's mission to help people live better, healthier lives. By integrating foundational nutrition with cutting-edge water purification, Amway continues to drive innovation in Health and Wellbeing, providing consumers with holistic solutions for lifelong wellbeing.





# **Amway**



# NUTRILITE X ARTISTRY: INSIDE-OUT WELLBEING TRANSFORMATION EVENT

On 11 October 2024, Amway Malaysia hosted the Nutrilite X ARTISTRY Inside-Out Wellbeing Transformation event at Tropicana Gardens Mall, drawing over 1,700 attendees for an immersive experience in health, beauty, and scientific innovation. The event reinforced Amway's commitment to holistic wellness, showcasing the synergy between gut health, nutrition, and skincare.

Renowned healthcare expert Dr. Jeremy Ting shared insights on the microbiome's role in overall wellbeing and skin vitality, while dietitian Georgen Thye provided practical guidance on gut-friendly nutrition. The event also marked the exclusive launch of ARTISTRY's Super Peptide Serums, introduced by Jason Rothouse, Principal Research Scientist at Amway Innovation & Science, who highlighted the science behind this breakthrough in anti-ageing skincare.







Beyond expert discussions, attendees engaged in live cooking demonstrations, interactive product experiences, and exclusive promotions, deepening their understanding of science-backed beauty and wellness solutions. The event's overwhelming response reflected the growing interest in holistic health and reaffirmed Amway Malaysia's leadership in wellness innovation.

With its strong participation and impactful knowledgesharing, the Inside-Out Wellbeing Transformation set the stage for continued growth, education, and empowerment within the Amway community.

### **2024 Awards & Achievements**

### **Reader's Digest Trusted Brand Awards 2024**



More than 3,000 participants, including Amway Leaders, gathered to set a new record for the "Largest Participation In A Protein Shake Making Event" as recognised by the Malaysia Book of Records.





# **Corporate Information**

### **COMPANY SECRETARIES**

Chin Mun Yee (MAICSA 7019243) SSM PC No. 201908002785

Yeow Sze Min (MAICSA 7065735) SSM PC No. 201908003120

### **REGISTERED OFFICE**

Level 7, Menara Milenium, Jalan Damanlela, Pusat Bandar Damansara, Damansara Heights, 50490 Kuala Lumpur.

Tel : 03-2084 9000 : 03-2094 9940

### **AUDITORS**

Ernst & Young PLT **Chartered Accountants** Level 23A, Menara Milenium, Jalan Damanlela, Pusat Bandar Damansara, 50490 Kuala Lumpur.

### **PRINCIPAL BANKERS**

Public Bank Berhad Standard Chartered Bank Malaysia Berhad

### **PRINCIPAL BUSINESS ADDRESS**

28, Jalan 223, 46100 Petaling Jaya, Selangor Darul Ehsan. Tel: 03-7946 2800 E-mail: ir@amway.com

### STOCK EXCHANGE LISTING

Main Market

Bursa Malaysia Securities Berhad

Stock Code: 6351 Stock Name: AMWAY



### **Directors' Profiles**



AGE 77

NATIONALITY Malaysian

GENDER Male

Abd Malik Bin A Rahman (En. Abd Malik) was appointed a Director of Amway (Malaysia) Holdings Berhad ("AMHB") on 1 January 2019. He was appointed as the Chairman and Senior Independent Non-Executive Director of AMHB on 24 May 2023.

He is a Chartered Accountant member of the Malaysian Institute of Accountants ("MIA"), a Fellow of the Association of Chartered Certified Accountants (UK) ("ACCA"), a member of the Malaysian Institute of Certified Public Accountants ("MICPA") and a Life Member of the Malaysian Institute of Management ("MIM").

Over the course of his career, En. Abd Malik held senior management positions at several companies in diverse industries including the oil & gas, manufacturing, fast moving consumer goods, multi-level marketing and port logistics segments.

He was formerly the Chairman of Affin Hwang Investment Bank Berhad, and formerly served as an Independent Director of Affin Bank Berhad, Affin Hwang Asset Management Berhad, Boustead Heavy Industries Corporation Berhad, Innity Corporation Berhad and Lee Swee Kiat Group Berhad.

En. Abd Malik is currently an Independent Director of Mah Sing Group Berhad, AYS Ventures Berhad and CYL Corporation Berhad.

Save as disclosed, En. Abd Malik does not hold any directorship in other public companies and listed issuers.

En. Abd Malik is a shareholder of the Company. He does not have any family relationship with any Director and/or major shareholder of the Company and has no conflict of interest or potential conflict of interest, including interest in any business that is in competition with the Company or its subsidiaries. He has not been convicted of any offence within the past five (5) years, nor has he had any public sanction or penalty imposed upon him by the relevant regulatory bodies during the financial year.

En. Abd Malik attended all four (4) Board meetings held during the financial year ended 31 December 2024.



AGE 51

NATIONALITY American

GENDER Male

Michael Jonathan Duong (Mr. Mike Duong) was appointed a Director of Amway (Malaysia) Holdings Berhad ("AMHB") on 1 January 2017. He was also appointed a Director of both Amway (Malaysia) Sdn. Bhd. ("AMSB") and Amway (B) Sdn. Bhd. ("ABSB") on 1 January 2017. On 1 May 2018, he went on to helm AMHB, AMSB, ABSB and Amway Singapore as Managing Director ("MD"). On 1 April 2023, he relinquished his role as MD of Amway Singapore and took on a new role as MD of Amway Indonesia. Subsequently, on 1 January 2024, he reassumed his role as MD of Amway Singapore.

Mr. Mike Duong began his career with Amway holding the positions of Director of Internal Audit, Director of Amway Business Services Asia Pacific, and Director of Strategy & Planning Asia Pacific between 2008 and 2015. Prior to his employment with Amway, he worked with Boeing from 1997 to 2008. His last post with Boeing was as its Senior Manager of Global Financial Services.

He graduated with a Bachelor of Science - Mechanical Engineering from Boston University College of Engineering, Boston, Massachusetts, USA.

Mr. Mike Duong does not hold any directorship in other public companies and listed issuers.

Mr. Mike Duong is not a shareholder of the Company. He does not have any family relationship with any Director and/ or major shareholder of the Company and has no conflict of interest or potential conflict of interest, including interest in any business that is in competition with the Company or its subsidiaries. He has not been convicted of any offence within the past five (5) years, nor has he had any public sanction or penalty imposed upon him by the relevant regulatory bodies during the financial year.

Mr. Mike Duong attended all four (4) Board meetings held during the financial year ended 31 December 2024.

### Directors' Profiles (cont'd)



AGE 66

NATIONALITY Malaysian

GENDER Male

Low Han Kee (Mr. Low) was appointed a Director of Amway (Malaysia) Holdings Berhad ("AMHB") on 6 June 1996. He was appointed as a member of the Audit Committee on 25 August 2021.

He joined Amway (Malaysia) Sdn. Bhd. ("AMSB") in 1990 as the Divisional Manager of the Finance & Administration Division and was promoted to General Manager in 1993 before being appointed as the Managing Director in 1998, a position which he retired from on 31 January 2016. He also served as Managing Director of AMHB from 1998 until his retirement on 31 January 2016. He was also a Director of Amway (B) Sdn. Bhd.

He qualified as a Certified Public Accountant in 1984 whilst serving in Ernst & Whinney (now known as Ernst & Young PLT), an international accounting firm. He brings to the table more than 30 years of financial expertise, having held senior finance positions in companies listed on Bursa Malaysia Securities Berhad ("Bursa Securities"), including Mulpha International Trading Corporation Berhad, a group involved in trading, construction and engineering, where he last held the position of Group Chief Accountant, from 1985 to 1990 before leaving to join AMSB.

Presently, he is a Board member of Leong Hup International Berhad.

Save as disclosed, Mr. Low does not hold any directorships in other public companies and listed issuers.

Mr. Low is not a shareholder of the Company. He does not have any family relationship with any Director and/or major shareholder of the Company and has no conflict of interest or potential conflict of interest, including interest in any business that is in competition with the Company or its subsidiaries. He has not been convicted of any offence within the past five (5) years, nor has he had any public sanction or penalty imposed upon him by the relevant regulatory bodies during the financial year.

Mr. Low attended all four (4) Board meetings held during the financial year ended 31 December 2024.



AGE 64

NATIONALITY American

GENDER Male

Scott Russell Balfour (Mr. Scott Balfour) was appointed a Director of Amway (Malaysia) Holdings Berhad on 15 January 2004 and a Director of Amway (Malaysia) Sdn. Bhd. on 26 July 2005. He is the Chairman of the Remuneration Committee and a member of both the Audit Committee and the Nominating Committee.

He is a member of the American, Michigan and Grand Rapids Bar Associations. He has authored several articles regarding Korean and Asian jurisprudence and co-authored the book titled "Korean Labor and Employment Laws".

Mr. Scott Balfour joined Alticor Inc. ("Alticor") in 1998 and retired on 8 October 2021 from the position of Vice President and Deputy General Counsel, International Legal and Business Conduct and Rules - Asia and Greater China. He is currently serving as a consultant for Alticor providing ongoing support to the Asia region. During his tenure as the Vice President and Deputy General Counsel, Mr. Scott Balfour coordinated and oversaw Alticor's diverse legal issues for all of Alticor's Asian affiliates, including those in Australia, China, Korea, Hong Kong, Indonesia, Japan, Malaysia, New Zealand, the Philippines, Singapore, Taiwan, Thailand and Vietnam. He also led several legal and business conduct and rules teams in the markets that were responsible for ensuring compliance with diverse laws, including direct selling and fair trade laws as well as compliance with Amway's Code of Conduct for the benefit of more than three million Amway Business Owners.

Prior to joining Alticor, he spent eight years as a Senior Foreign Legal Consultant for the law firm of Kim & Chang in Seoul, South Korea. His clients included Amway, Citibank, Pepsico, Morgan Stanley, Nike, McDonald's, Gerber, Unilever, P&G and Duracell to name a few.

He graduated with a Bachelor of Science Degree from Michigan State University in 1983. After serving in the US military, he attended the University of Detroit where he received a Juris Doctorate Degree, *cum laude*, in 1990.

Mr. Scott Balfour does not hold any directorships in other public companies and listed issuers.

Mr. Scott Balfour is not a shareholder of the Company. He does not have any family relationship with any Director and/ or major shareholder of the Company and has no conflict of interest or potential conflict of interest, including interest in any business that is in competition with the Company or its subsidiaries. He has not been convicted of any offence within the past five (5) years, nor has he had any public sanction or penalty imposed upon him by the relevant regulatory bodies during the financial year.

Mr. Scott Balfour attended all four (4) Board meetings held during the financial year ended 31 December 2024.

### Directors' Profiles (cont'd)



AGE 62

NATIONALITY Malaysian

GENDER Female

Ho Kim Poi (Ms. Ho) was appointed a Director of Amway (Malaysia) Holdings Berhad on 15 March 2023. She is the Chairperson of the Audit Committee and a member of the Remuneration Committee.

She obtained a Bachelor of Science from the Faculty of Mathematical Sciences at the University of Adelaide, Australia, and thereafter a Master in Business Administration from the University of Lincoln, United Kingdom. She is a member of the Malaysian Institute of Accountants ("MIA") and CPA Australia ("ASCPA"). Ms. Ho is also a member of the Institute of Corporate Directors Malaysia ("ICDM").

Ms. Ho has more than 30 years of experience in finance and human resources. She began her career at KPMG Malaysia as a tax consultant. She then went on to hold senior management roles within corporations in the manufacturing and pharmaceutical industries. Thereafter, she joined a direct selling multi-national corporation and held several senior management positions including that of Chief Financial Officer, Regional Chief Financial Officer and Strategic Planning Director.

Ms. Ho is currently an Independent Non-Executive Director of Mah Sing Group Berhad and Senheng New Retail Berhad.

Save as disclosed, she does not hold any directorships in other public companies and listed issuers. She is not a shareholder of the Company.

She does not have any family relationship with any Director and/or major shareholder of the Company and has no conflict of interest or potential conflict of interest, including interest in any business that is in competition with the Company or its subsidiaries. She has not been convicted of any offence within the past five (5) years, nor has she had any public sanction or penalty imposed upon her by the relevant regulatory bodies during the financial year.

She attended all four (4) Board meetings held during the financial year ended 31 December 2024.



AGE 56

NATIONALITY Malaysian

GENDER Female

Datin Seri Azreen Binti Abu Noh (Datin Seri Azreen) was appointed a Director of Amway (Malaysia) Holdings Berhad on 26 February 2019. She is the Chairperson of the Nominating Committee and a member of the Audit Committee and the Remuneration Committee.

She graduated with a Bachelor Degree of Law ("LLB") from Universiti Kebangsaan Malaysia and was admitted as an Advocate and Solicitor of the High Court of Malaya in 1996. Her exposure in legal areas includes litigation and arbitration, particularly on the corporate, commercial and conveyancing fronts.

She is the Managing Director of Deluxe Merchant Sdn. Bhd., which is involved in the food and beverage business.

In addition, Datin Seri Azreen is also an advocate for empowering children with learning disabilities including dyslexia. In 2017, Datin Seri Azreen received the "Personaliti Industri dan Usahawan Malaysia" award from NiagaTimes for her contribution to the food and beverage sector.

In September 2020, Datin Seri Azreen conceptualised and created DMmart C-Store in Melaka which has been acknowledged by the State Government of Melaka as one of the state's 12 potential new domestic tourist attractions.

In 2022, she was appointed the Chairman of the Economic Bureau of the Malay and Islamic World ("DMDI"), an NGO affiliated with 23 countries around the world. In September 2023, she was conferred the "Tun Fatimah" Award by the Deputy Prime Minister of the Kingdom of Cambodia for her contributions to the DMDI. In 2024, she was also appointed as "Adjunct Professor" at Universiti Geomatika Malaysia in Strategic Management.

Datin Seri Azreen is currently a Board member of Ta Win Holdings Berhad and Asia Poly Holdings Berhad.

Save as disclosed, Datin Seri Azreen does not hold any directorships in other public companies and listed issuers.

Datin Seri Azreen is not a shareholder of the Company. She does not have any family relationship with any Director and/ or major shareholder of the Company and has no conflict of interest or potential conflict of interest, including interest in any business that is in competition with the Company or its subsidiaries. She has not been convicted of any offence within the past five (5) years, nor has she had any public sanction or penalty imposed upon her by the relevant regulatory bodies during the financial year.

Datin Seri Azreen attended all four (4) Board meetings held during the financial year ended 31 December 2024

### Directors' Profiles (cont'd)



AGE **55** 

NATIONALITY

Malaysian

GENDER

**Female** 

Norhanifah Binti A.Jalil (Pn. Norhanifah) was appointed a Director of Amway (Malaysia) Holdings Berhad on 1 January 2024.

She has almost three decades of experience in the banking, finance, energy transportation, and telecommunications sectors.

Pn. Norhanifah graduated with a Bachelor of Business Administration from the International Islamic University Malaysia. She commenced her career in credit supervision at Asia Commercial Finance and later evolved into process and project management roles within the banking industry. She then transitioned to the Human Capital domain in 2000 and led the Group Organisational Development at AmBank Group until 2011.

Since 2012, Pn. Norhanifah has held key senior management positions in several companies including that of Director of Human Capital & Communication at Danajamin Nasional Berhad, Head of Group Human Capital Strategy & Performance at Maybank, Head of Talent at Maxis, and Head of Human Resource Development at MISC Berhad. In January 2021, she assumed the role of Chief Human Resource Officer at Permodalan Nasional Berhad.

Pn. Norhanifah does not hold any directorships in other public companies and listed issuers.

Pn. Norhanifah is not a shareholder of the Company. She does not have any family relationship with any Director and/ or major shareholder of the Company and has no conflict of interest or potential conflict of interest, including interest in any business that is in competition with the Company or its subsidiaries. She has not been convicted of any offence within the past five (5) years, nor has she had any public sanction or penalty imposed upon her by the relevant regulatory bodies during the financial year.

Pn. Norhanifah attended all four (4) Board meetings during the financial year ended 31 December 2024.



AGE 62

NATIONALITY Malaysian

GENDER Male

Dato' Sri Harjeet Singh A/L Hardev Singh (Dato' Sri Harjeet) was appointed a Director of Amway (Malaysia) Holdings Berhad on 23 May 2024. He is a member of the Audit Committee and the Nominating Committee.

He graduated with a Master of Science in Information Technology from the Northern University of Malaysia and a Bachelor of Science in Civil Engineering from The Ohio State University, Columbus, USA.

Dato' Sri Harjeet has over thirty years of public sector experience, having held key positions such as Secretary-General and Deputy Secretary-General of the Ministry of Health ("MOH"); Director-General of the Public Complaints Bureau at the Prime Minister's Department; and Deputy Secretary-General of the Ministry of Women, Family & Community Development as well as the Ministry of Energy, Green Technology & Water. He was also the Assistant Secretary to the Selangor State Government.

He was a director of the National Heart Institute of Malaysia and a director of a private company involved in healthcare. In addition, he held director roles on the Malaysia Healthcare Travel Council and the Medical Device Authority Malaysia, among other organisations.

Save as disclosed, Dato' Sri Harjeet does not hold any directorships in other public companies and listed issuers.

Dato' Sri Harjeet is not a shareholder of the Company. He does not have any family relationship with any Director and/ or major shareholder of the Company and has no conflict of interest or potential conflict of interest, including interest in any business that is in competition with the Company or its subsidiaries. He has not been convicted of any offence within the past five (5) years, nor has he had any public sanction or penalty imposed upon him by the relevant regulatory bodies during the financial year.

Dato' Sri Harjeet attended all three (3) Board meetings held during the financial year ended 31 December 2024 since his appointment as a Director of the Company.

# **Key Management Profiles**



AGE 45 GENDER Male

### NATIONALITY Malaysian

Mr. Leng Kek Mun ("Jason") joined Amway Malaysia as its General Manager on 1 March 2024. He is responsible for aligning sales and marketing strategies to support commercial growth and achieve the Company's top-line and bottom-line goals. With 20 years of industry experience from having served other multinational direct selling companies in Malaysia, Jason brings to the table his expertise in sales strategy, customer engagement, digital innovation, and business development, among other things. He graduated from the Universiti Putra Malaysia with a major in Microbiology.



AGE 46 GENDER Female

### NATIONALITY Chinese

Ms. Wang Yanwei ("Jennifer") joined Amway Malaysia as its Chief Sales & Experience Officer in April 2023. Her team is responsible for Amway Business Owners ("ABOs") and customer matters, including strategising, designing, incentivising, modernising, and executing the ABO and customer experience as well as Amway's various touchpoints. Armed with a Master's Degree in Arts from the Communication University of China, Jennifer joined Amway China in 2004 where she spent 14 years in various sales roles including the last seven years as its North Area Sales Director. On top of this, she spent another five years accumulating a wealth of global experience from her time as the Build-Young-Leader Strategy Director, her stints with Amway Brazil and Global Sales, as well as her work as Director of the Asia A70 Transformation Office. Altogether, Jennifer has faithfully served Amway for some 20 years to date.



AGE 53 GENDER Female

### NATIONALITY Malaysian

Ms. Ng Ai Lee was appointed as Amway Malaysia's Head of Finance in June 2014, and assumed her present position as Chief Financial Officer ("CFO") in May 2017. As CFO, Ms. Ng is responsible for all the Group's financial-related matters, including financials, tax, treasury and risk management operations. She brings over 23 years of finance-related experience to the table having worked in similar capacities with various large and multinational companies in Malaysia and Singapore. These include companies involved in audit, pharmaceuticals, trading and manufacturing activities. Ms. Ng holds a Bachelor of Accounting from the University of Malaya. She is also a member of the Malaysian Institute of Accountants ("MIA") and the Malaysian Institute of Certified Public Accountants ("MICPA").



AGE 51 GENDER Female

### NATIONALITY Malaysian

Ms. Chong Sew Peng ("Joanne") was appointed as Amway Malaysia's Chief Marketing Officer in June 2020. She joined Amway in 1999 and has vast experience in both regional and local marketing. Joanne oversees Amway Malaysia's brand/category strategy development, portfolio strategy and commercial innovations portfolios and manages the overall day-to-day marketing and communication operations for Malaysia and Brunei. She also supports long-term strategic business development in the areas of both marketing and digital communication. She is a graduate of the University of Central Arkansas with a major in Business Administration (Marketing).



AGE 47 GENDER Male

### NATIONALITY Malaysian

Mr. Thomas Jackson Khoo was appointed as Amway Malaysia's Head of Omnichannel Commerce & ABO Experience on 1 May 2024. He is responsible for leading the digital transformation and ensuring unified, customercentric experiences for ABOs and customers. With over 24 years of experience across industries such as media and entertainment, telecommunications, fast moving consumer goods, financial services and consumer electronics, he brings on board extensive expertise in digital strategy, product management, business transformation and customer experience management. Mr. Khoo holds a Bachelor of Engineering from the University of Melbourne, Australia, and a Master of Business Administration from the University of Nottingham, United Kingdom.





AGE 51 GENDER Male

### NATIONALITY Malaysian

En. Mohamad Zaihan has been serving as Amway Malaysia's Head of Corporate & Government Affairs since December 2016. In this capacity, he plays a pivotal role as the key liaison, coordinator, and spokesperson on matters related to Government affairs, the Company's contributions to the direct selling industry, and sustainability initiatives. A graduate of RMIT University in Melbourne, where he majored in Interactive Media, En. Mohamad Zaihan brings over two decades of extensive experience spanning the advertising sector, financial institutions, Government-Linked Companies ("GLCs"), and multinational organisations. At the time of writing, En. Mohamad Zaihan represents Amway and the direct selling industry as the President of the Direct Selling Association of Malaysia ("DSAM").



AGE 55 GENDER Female

### NATIONALITY Malaysian

Ms. Wong Choom Yee joined Amway Malaysia as its Head of Human Resources in February 2017. She is in charge of implementing Amway's human resource strategies which include talent management and development, retention, facilities as well as other matters related to human capital which support the Group's overall strategic objectives.

Ms. Wong brings with her more than 21 years of experience, having helmed the full spectrum of human resource functions leading organisations in the cement, power and telecommunications industries. She holds professional qualifications from the Institute of Chartered Secretaries and Administrators ("ICSA") and a Diploma in Human Resources Management from the Malaysian Institute of Human Resource Management.

Amway Malaysia's Senior Management do not hold any directorships in any public companies or listed issuers. None of the Senior Management mentioned above are shareholders of the Company. They do not have any familial ties with any Director and/or major shareholder of the Company nor any conflicts of interest with the Company. They have not been convicted of any offence in the past five years, nor have they had any public sanction or penalty imposed on them by the relevant regulatory bodies during the financial year.

# **Corporate Governance Overview Statement**

The Board of Directors ("Board") is committed to maintaining a high standard of corporate governance throughout Amway (Malaysia) Holdings Berhad ("Amway" or "the Company") and its subsidiaries (collectively "the Group") as part of its strategic approach towards ensuring the sustainability of the Group's business and operations while safeguarding stakeholders' interests and enhancing shareholders' value.

During the financial year ended 31 December 2024 ("FY2024"), the Board continued to provide oversight on corporate governance, and by working closely together with the Senior Management, further refined its corporate governance practices in line with the Malaysian Code on Corporate Governance 2021 ("MCCG").

This Corporate Governance Overview Statement ("CG Overview Statement") has been prepared in accordance with Bursa Malaysia Securities Berhad's ("Bursa Securities") Main Market Listing Requirements ("Listing Requirements") and is intended to provide an overview of how the Group applied the following three (3) key principles as set out in the MCCG:

- (i) Board leadership and effectiveness;
- (ii) Effective audit and risk management; and
- (iii) Integrity in corporate reporting and meaningful relationships with stakeholders.

Comprehensive details of Amway's overall approach and the specific practices pertaining to corporate governance are disclosed in the Company's FY2024 standalone Corporate Governance ("CG") Report. The CG Report provides a detailed account of how Amway has applied each of the practices set out in the MCCG, and where there are departures, provides explanations for alternative practices or remedial plans. Hence, this CG Overview Statement should be read together with the standalone CG Report which is published at the same time as Amway's Annual Report 2024 and can be accessed via the Company's website at <a href="https://www.amway.my">www.amway.my</a>.

Similar to the previous year, in FY2024, Amway complied with forty (40) out of the total forty-two (42) recommended practices applicable for non-large Companies under the MCCG. The remaining two (2) practices that Amway departed from together with the reasons as well as the alternative practices or remedial plans are summarised below. For the finer details of the reasons and alternative practices for these departures, please refer to the standalone CG Report.

Practice	Description
Practice 4.4	Performance evaluations of the Board and Senior Management include a review of the performance of the Board and Senior Management in addressing the Company's material sustainability risks and opportunities.
Practice 8.2	The Board discloses on a named basis the top five Senior Management's remuneration components including salary, bonuses, benefits-in-kind and other emoluments in bands of RM50,000.

### Practice 4.4

In early FY2024, the Group completed a reassessment of its Sustainability Strategic Framework and initiatives to further align with the amendments to Bursa Securities' Listing Requirements pertaining to the latter's enhanced sustainability reporting framework. The Board then adopted the Group's enhanced Sustainability Strategic Framework in February 2024.

The Board conducts an annual evaluation exercise to assess Directors' performance in managing the Group's Environmental, Social and Governance ("ESG") matters. The Board will continue to closely monitor the progress of the Group's sustainability strategic plan before identifying suitable Key Performance Indicators ("KPIs") to assess how well the Board and Key Senior Management have managed the Group's material sustainability risks and opportunities. Please refer to the Sustainability Statement within Amway's Annual Report 2024 for further information.

### **Practice 8.2**

The Board recognises the importance of transparency. However, due to the highly competitive nature of the professional talent market and concerns regarding data privacy and personal security, the Board believes that disclosing the individual remuneration details of Key Senior Management ("KSM") personnel on a named basis is not in the Group's best interests. Therefore, Amway will continue its current alternative practice of disclosing the total remuneration of its KSM on an aggregate basis.

### PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS

### I. BOARD RESPONSIBILITIES

### **GOVERNANCE FRAMEWORK**



The Board has set in place a robust governance framework that encompasses all levels of the Group. The framework provides for strong oversight at the working, supervisory and management levels as well as at the Board level.

### Corporate Governance Overview Statement (cont'd)

The Board plays an active role in charting the strategic direction of the Group. The following are the key aspects of the Board's role in providing effective leadership, governance and oversight for Amway:

- Reviewing, evaluating, challenging and adopting the strategic plans for the Group proposed by the Management to ensure these plans support both short and long-term creation goals as well as include strategies on economic, environmental, social and governance considerations underpinning sustainability;
- · Reviewing the Group's operating budget and capital expenditures proposed by the Senior Management;
- · Reviewing the Group's unaudited quarterly financial results and annual audited financial statements;
- · Ensuring all Directors are able to understand financial statements and form a view on the information presented;
- Evaluating the adequacy and effectiveness of the system of internal control and risk management processes as well as mitigating measures to address financial, operational, business, sustainability and corruption risks;
- Ensuring that the Board has capable and qualified members with diverse backgrounds and skills; as well as ensuring
  the establishment of appropriate roles for the Board and Board Committees, and the implementation of succession
  planning;
- Reviewing and determining the remuneration of the Board, Managing Director ("MD") and KSM to ensure that the compensation offered is competitive and aligned with the Group's remuneration packages;
- · Ensuring a collaborative and constructive relationship between the Board and Senior Management; and
- Overseeing the development and implementation of an investor relations programme for the Group.

Effective leadership and management are also established via Amway's set of guidelines, policies, procedures and the Group's corporate values. The following constitute key components of Amway's governance framework which guide the Board in the execution of its duties:

- · Board Charter;
- Directors' Fit and Proper Policy;
- · Board and Key Senior Management Diversity Policy;
- · Policy on Succession Planning for Board and Key Senior Management;
- · Remuneration Policy for Board and Key Senior Management;
- · Sustainability Strategic Framework;
- Code of Conduct and Ethics, Whistleblower Policy, and Anti-Bribery and Corruption Policy;
- · Enterprise Risk Management Policy, Internal Audit Charter, and Policy on External Auditors; and
- · Investor Relations Policy.

The Board regularly reviews its governance framework in response to developments in the regulatory space as well as in tandem with the Group's evolving requirements. It is also cognisant of the key role it plays while discharging its fiduciary and leadership duties.

### **Ethical Business Conduct**

The Board and Senior Management of Amway are committed to ensuring and maintaining the highest ethical standards and levels of integrity in carrying out its business. The Group is committed to conducting its business honestly and ethically and adopting a zero-tolerance approach to any form of bribery or corruption. This type of conduct is absolutely prohibited whether committed by the Group's employees or anyone else acting on behalf of Amway.

In this respect, the Board has put in place policies and procedures in line with the Guidelines for Adequate Procedures issued by the Prime Minister's Department pursuant to Section 17A(5) of the Malaysian Anti-Corruption Commission Act 2009. The Code of Conduct and Ethics as well as the Global Code of Conduct assert the Group's commitment to practice the highest level of integrity and ethics. The Anti-Bribery and Corruption ("ABAC") Policy affirms its strict policy to combat bribery and corrupt activities, while the Whistleblower Policy facilitates exposure of any violations or wrongdoings within the Group.

During FY2024, several initiatives were implemented to enhance whistleblowing reporting and conflicts of interest.

### **Whistleblowing Reporting**

- The Whistleblower Policy was updated to include prompt acknowledgement of all whistleblowing reports received;
- To enhance the Audit Committee's ("AC") oversight of whistleblowing reporting, the AC reviewed the quarterly updates
  on whistleblowing reports received and the actions taken; and
- In between the quarterly updates, the Global Compliance Officer is to notify the AC Chairperson within a specific timeframe of any whistleblowing reports received relating to bribery or corruption, matters with material financial impact, or reports raised by shareholders which may require urgent attention.

### **Conflicts of Interest**

- All new employees and Directors signed a declaration highlighting any conflicts of interest ("COI") before onboarding;
- All employees and Directors made an annual declaration of any COI situations that arose, were persisting, or which
  may potentially arise; and
- The AC reviewed the findings of the annual declaration and measures taken to resolve, eliminate or mitigate the COI.

As part of the Group's effort to continue raising awareness of the Group's ABAC Policy and measures, the following refresher training sessions were carried out:

- Comprehensive annual ABAC e-Learning for Directors, employees and key support service providers on the Group's ABAC Policy, Code of Conduct and Ethics, and Whistleblower Policy; and
- New vendor onboarding corruption risk assessment training.

### SUSTAINABILITY MANAGEMENT

The Board recognises the importance of sustainability in business and in creating long-term value for stakeholders. Ultimately, the Board, together with the Management, is responsible for the governance of sustainability in the Group, including the formulation of related strategies, priorities and targets, as well as for maintaining regular oversight of the Group's sustainability progress and achievements.

Amway is committed to improving its business operations by incorporating environmental and social considerations into the business decisions and is seeking to deliver value to its stakeholders in the current rapidly shifting landscape in a 'right and good way'.

At the Board level, a Sustainability Policy ("the Policy") and Sustainability Strategic Framework ("the Framework") have been established to facilitate the Group's sustainability implementation which considers the Group's context, business direction, activities, products and services, environmental, economic, social and governance impacts, as well as the resulting material matters.

The Policy guides how Amway is to conduct its business responsibly while reaffirming its commitment towards sustainability, while the Framework encapsulates the overarching pillars to address the Group's material matters namely,

- (i) Building Entrepreneurs;
- (ii) Nurturing People and Community; and
- (iii) Wellbeing-focused Responsible Products.

The Framework also considers the Group's overall direction towards sustainability while supporting the achievement of the United Nations' Sustainable Development Goals and Targets.

As mentioned above, in early 2024, the Group completed a review of the Framework to further align with the changes to the Listing Requirements on the sustainability reporting framework. The enhanced Framework was approved and adopted by the Board in February 2024.

### Corporate Governance Overview Statement (cont'd)

In order for the Board to stay abreast of sustainability developments, all the Directors attended a training session organised internally on climate change awareness. In addition, all Directors completed Bursa Securities' Mandatory Accreditation Programme Part II: Leading for Impact. This aims to provide Directors with the foundation to address sustainability risks and opportunities effectively and have better oversight on the Company's sustainability matters.

At the Management level, the Sustainability Steering Committee ("SSC") is responsible for driving sustainability initiatives across the Group's operations and overseeing the sustainability strategies and progress. The SSC is supported by the Sustainability Working Committee ("SWC") which is dedicated to implementing sustainability initiatives. The Head of Corporate and Government Affairs, who is a member of the SSC, reports regularly to the Board on the progress of the Group's sustainability initiatives and how the Group is addressing its material sustainability matters.

In addition, the key risks associated with the Group's material sustainability matters have been incorporated into the Corporate Risk Register together with mitigation action plans and are reviewed quarterly by the Board through the Audit Committee.

Details of the Group's sustainability management efforts and activities are disclosed in the Sustainability Statement in this Annual Report.

### **BOARD CHARTER**

In executing its duties, the Board is guided by its Board Charter. The Board Charter clearly defines the Board's duties as well as that of the Board Committees, their limits of authority, as well as other related matters that are reserved for the Board. The duties of the Chairman, individual Directors in their capacities as Independent or Non-Independent Directors including the Senior Independent Non-Executive Director ("Senior INED"), and the role of the MD (which is separate and distinct from the role of the Chairman), are also clearly defined in the Board Charter.

The Board Charter is available on the Company's website at <a href="www.amway.my">www.amway.my</a>.

### **ROLES AND RESPONSIBILITIES OF KEY POSITIONS**

### Chairman

- Leads the Board in establishing and instilling good corporate governance practices within the Group;
- Maintains regular dialogue with the MD over operational matters and consults with the remaining Board members promptly over any matters of major concern;
- Leads Board meetings and discussions and acts as a facilitator at Board meetings to ensure that no member, whether executive or non-executive, dominates discussions; that the appropriate discussions take place; and that relevant opinions amongst members are forthcoming. The Chairman shall ensure that discussions result in logical and understandable outcomes;
- Encourages active participation at Board meetings and allows dissenting views to be freely expressed;
- Sets the Board agenda and ensures Board members receive complete and accurate information in a timely manner:
- Manages the interface between the Board and the Management;
- Ensures general meetings support meaningful engagement between the Board, KSM and shareholders; and
- Represents the Board to shareholders and ensures effective communications with stakeholders.

### **Independent Directors**

- Safeguard the interests of all shareholders, not only the interests of a particular group, and ensure that all relevant matters and issues are objectively and impartially considered by the Board in the decision-making process;
- Specifically look into matters of corporate governance within the Group while providing an independent perspective of the proposals and plans put forward by the MD and/or the Management; and
- Monitor the areas of discussion, notably those where potential conflicts of interest situations may arise.

### **Non-Executive Directors**

- Act as a bridge between the Management, shareholders and other stakeholders; and
- Provide the relevant checks and balances, focusing on the interests of shareholders and other stakeholders, while ensuring that high standards of corporate governance are applied.

### **Managing Director or MD**

- Develops and ensures the execution of day-to-day operational strategies together with the Management team;
- Develops business and sustainability strategies, plans, targets, annual operating plans and budgets to be adopted by the Board;
- Implements, monitors and provides effective leadership to the Management team with a view to achieving the approved plans, budgets, strategic objectives and direction set by the Board;
- Develops and maintains the Group's risk management systems, including internal control mechanisms and ensures that the Group is operating within the risk appetite set by the Board;
- Manages resources within budgets approved by the Board;
- Effectively represents the interests of the Group with major customers, regulatory bodies, and industries at large, to ensure general goodwill towards the Group and cooperation in planned development;
- Ensures that the Group's corporate identity, products and services are of a high standard and are reflective of the market environment;
- Provides accurate and timely information to the Board and Board Committees to enable them to carry out their responsibilities; and
- Acts within the specific authority delegated by the Board and ensures that the limits of authority accorded by the Board are observed.

### SCHEDULE OF MATTERS RESERVED FOR THE BOARD

There is a formal schedule of matters reserved for the Board's purview except if the Board chooses to delegate determination and/or approval of any such matter to the respective Board Committees or Senior Management.

These include strategic issues and planning including sustainability, performance reviews, capital expenditure, limits of authority, risk management, the appointment of external auditors, announcements to Bursa Securities, approval of financial statements as well as the adequacy and integrity of internal controls and risk management, of both the Company and the Group.

The Board may alter the matters reserved for its decision, subject to the limitations imposed by the Constitution of the Company and the law.

The Board is ably supported by the MD, General Manager ("GM") and Senior Management, who provide it with the necessary information and support needed to develop comprehensive perspectives on strategic matters and issues. This in turn enables the Board to chart robust and sustainable business strategies and policies to guide the Group's operations. These strategies cover a wide range of areas which include, but are not limited to the areas of audit, risk, business planning and talent development, among others.

### Corporate Governance Overview Statement (cont'd)

### SEPARATION OF ROLES BETWEEN THE BOARD AND SENIOR MANAGEMENT

There is a clear delineation of roles and functions between the Board and Senior Management to ensure that the strategic operations and day-to-day operations of the Group are well managed.

The MD together with the GM and Senior Management oversees the day-to-day management of the Group including financial, business, sustainability and operational matters within the prescribed limits of authority and following the Group's standard operating procedures.

Their role encompasses developing strategies and setting KPIs to realise the approved business plan for the year. In executing their roles, the Senior Management is supported by the rest of the management personnel and staff.

The Board, however, retains the ultimate responsibility for decision-making and is responsible for the oversight and stewardship of the Group.

### **BOARD MEETINGS**

Separate meetings are held for the Board and Board Committees. The meeting agenda and papers are uploaded to a secured online portal which is accessible by the Directors at least five (5) business days, or over a shorter period where it is unavoidable, prior to the Board and Board Committee meetings. This is to allow sufficient time for the Directors to review, consider and deliberate knowledgeably on the issues and, where necessary, to obtain further information and explanations to facilitate informed decision-making.

The Chairs of the various Board committees report to the Directors at Board meetings, the important matters and recommendations discussed at their respective meetings which require the Board's notation and/or approval. A Director is required to refrain from participating in discussions and voting during Board deliberations and decisions when he or she has a vested interest in the matter. This precaution ensures that the Director does not exert any undue influence over the Board's determination concerning the issue at hand.

The GM and Chief Financial Officer ("CFO") attend all Board and AC meetings by invitation to brief members on matters relating to their responsibilities. Other KSM and external advisers are invited to attend the Board and AC meetings where required to provide additional insights and professional views, advice and explanations on specific items on the meeting agenda.

The Management provides updates on matters raised in previous Board and Board Committee meetings which require follow-up and remain as 'matters arising' until they are resolved. The minutes of the previous Board and Board Committee meetings are circulated to the Directors for their perusal prior to confirming these minutes at the commencement of the following meeting.

### **ACCESS TO INFORMATION AND ADVICE**

The Board has full and unrestricted access to all information pertaining to the Group's business and affairs. The Board is provided with concise and comprehensive relevant information and reports on financial, operational, corporate, regulatory, business development and audit matters, by way of Board reports or other means upon specific request, for more informed decision-making and effective discharge of the Board's responsibilities.

Directors may also obtain independent professional advice at the Group's expense, if considered necessary, in accordance with the established procedures set out in the Board Charter in furtherance of their duties.

### **COMPANY SECRETARIES**

Prior to 13 September 2024, the Company engaged the services of two (2) Company Secretaries, namely Ms. Joanne Toh Joo Ann and Ms. Kuan Hui Fang. On 13 September 2024, both stepped down as Company Secretaries and were replaced by Ms. Law Mee Poo and Ms. Tan Bee Hwee.

Following the change of the Company Secretary Agent on 13 December 2024, Ms. Chin Mun Yee and Ms. Yeow Sze Min took over as the new Company Secretaries of the Company. Both are qualified Company Secretaries with extensive experience in corporate secretarial matters and advisory.

The Company Secretaries assist the Board in executing their fiduciary duties and responsibilities, and leadership functions, while also advising on the Company's Constitution and ensuring that Board policies and procedures align with the best practices outlined in the MCCG and adhere to applicable rules and regulations. They also collaborate closely with the Management to ensure that the appropriate information is cascaded to the Board and Board Committees, as well as flows between Non-Executive Directors and Management, in a timely manner. The Directors can seek the advice and services of both the Company Secretaries in an unrestricted manner.

### **BOARD ACTIVITIES AND TASKS IN FY2024**

The following is a summary of the key activities and tasks performed by the Board either directly or via its respective Board Committees:

Focus Area	Key Activities and Tasks			
Strategic Plans	<ul><li>Reviewed the business strategies and operating plans; and</li><li>Oversaw the conduct of the Group's business.</li></ul>			
Financial and Operations	<ul> <li>Deliberated on and approved the Group's financial budget and forecasts;</li> <li>Deliberated on and approved the capital expenditure budget;</li> <li>Deliberated on and approved the unaudited quarterly financial results and annual audited financial statements;</li> <li>Approved the interim and special dividends and reviewed the solvency position of the Company; and</li> <li>Reviewed the recurrent related party transactions.</li> </ul>			
Corporate Governance	<ul> <li>Reviewed Board effectiveness;</li> <li>Reviewed the respective terms of office and performance of the Audit Committee ("AC"), Nominating Committee ("NC") and Remuneration Committee ("RC");</li> <li>Reviewed the Group's corporate governance practices to further align with the Listing Requirements of Bursa Securities and the MCCG best practices; and</li> <li>Reviewed the CG Overview Statement, CG Report, AC Report, Statement on Risk Management and Internal Control, and Sustainability Statement for inclusion in the Annual Report.</li> </ul>			
Sustainability	<ul> <li>Reviewed and approved the enhanced Sustainability Strategic Framework; and</li> <li>Monitored the progress of the implementation of the Group's sustainability initiatives and achievements.</li> </ul>			
Risk Management	<ul> <li>Reviewed principal risks (operational, sustainability and corruption) and the related mitigating measures and internal controls;</li> <li>Reviewed internal audit findings and management responses;</li> <li>Reviewed the quarterly updates on whistleblowing reports received and the actions taken;</li> <li>Reviewed the findings of the annual declaration and measures taken to resolve, eliminate or mitigate the COI;</li> <li>Reviewed the legal report and opinion from the solicitors on their assessment of the adequacy of the Group's ABAC measures; and</li> <li>Reviewed the updated Whistleblowing Policy and ABAC Policy.</li> </ul>			

### Corporate Governance Overview Statement (cont'd)

Focus Area	Key Activities and Tasks		
Leadership	<ul> <li>Approved the following changes in the Board and Committees:         <ul> <li>The retirement of Dato' Abdullah Thalith Bin Md Thani as an Independent Non-Executive Director ("INED"), and cessation as the NC Chairman and AC member.</li> <li>The appointment of Dato' Sri Harjeet Singh A/L Hardev Singh as an INED, AC member and NC member.</li> <li>The re-designation of Datin Seri Azreen Binti Abu Noh from an NC member to the NC Chairperson; and</li> </ul> </li> <li>Reviewed the succession planning and remuneration of the Board and KSM.</li> </ul>		
Shareholders and Other Stakeholders' Engagement	<ul> <li>Approved the Circular to shareholders for renewal of the mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature before tabling it at the Annual General Meeting;</li> <li>Participated and engaged with shareholders at the Annual General Meeting; and</li> <li>Monitored the Company's key engagement activities with the various stakeholders.</li> </ul>		

In November 2024, the Non-Executive Directors held an annual private session among themselves without the presence of the MD, GM and Senior Management to discuss strategic, governance and operational issues. No significant issues were noted from the discussion.

### II. BOARD COMPOSITION

Board Changes on 1 January 2024

On 1 January 2024, Pn. Aida Binti Md Daud, a Non-INED and a nominee of Permodalan Nasional Berhad ("PNB") stepped down from the Board and was replaced by Pn. Norhanifah Binti A.Jalil from PNB on the same day. Following this change, the Board comprised eight (8) Directors, seven (7) of whom were Non-Executive Directors. Of the seven (7) Non-Executive Directors, four (4) were Independent Directors. The Board then was made up of the following Directors:

- En. Abd Malik Bin A Rahman (Chairman and Senior INED);
- Mr. Michael Jonathan Duong (MD);
- Ms. Ho Kim Poi (INED);
- Dato' Abdullah Thalith Bin Md Thani (INED);
- Datin Seri Azreen Binti Abu Noh (INED);
- Mr. Low Han Kee (Non-INED);
- Mr. Scott Russell Balfour (Non-INED); and
- Pn. Norhanifah Binti A.Jalil (Non-INED).

Implementation of the Succession Plan for Dato' Abdullah Thalith Bin Md Thani

Upon the conclusion of the Twenty-Ninth ("29th") AGM held on 23 May 2024, Dato' Abdullah Thalith Bin Md Thani retired as an INED after having served as an INED for a term of nine (9) years. This is in line with Practice 5.3 of the MCCG which states that the tenure of an Independent Director should not exceed a cumulative term of nine (9) years.

On the same day, the shareholders approved Dato' Sri Harjeet Singh A/L Hardev Singh's appointment as an INED in place of Dato' Abdullah Thalith Bin Md Thani at the 29th AGM. The composition of the Board after the conclusion of the 29th AGM up to the present is as follows:

- En. Abd Malik Bin A Rahman (Chairman and Senior INED);
- Mr. Michael Jonathan Duong (MD);
- Ms. Ho Kim Poi (INED);
- Datin Seri Azreen Binti Abu Noh (INED);
- Dato' Sri Harjeet Singh A/L Hardev Singh (INED);
- Mr. Low Han Kee (Non-INED);
- Mr. Scott Russell Balfour (Non-INED); and
- Pn. Norhanifah Binti A.Jalil (Non-INED).

### **BOARD AND KEY SENIOR MANAGEMENT DIVERSITY**

### **Board Diversity**

As of now and throughout 2024, three (3) out of eight (8) Directors are women, representing 38% of the Board's composition. This aligns with:

- Amway's Board and Key Senior Management Diversity Policy of having at least 30% women representation on the Board;
- · Practice 5.9 of the MCCG which requires the Board to have at least 30% women Directors; and
- Paragraph 15.02(1)(b) of Bursa Securities' Listing Requirements, whereby listed issuers are required to have at least one (1) woman Director on the Board.

Collectively, the Board brings a diverse range of skills, expertise, qualifications, backgrounds and experiences to Amway. The Board composition reflects both a healthy ethnic and gender diversity. This ensures a rich spectrum of views and opinions to facilitate a more comprehensive dialogue and a more robust decision-making process.

The Board is of the view that the Directors have the necessary range of skills, knowledge and experience in key areas such as corporate planning, risk management, financial (including audit, tax and accounting), legal, human resource, business acumen, and entrepreneurial capabilities to direct the Group. The Board also believes that its composition represents an adequate balance of Executive and Non-Executive Directors to safeguard shareholders' interests and facilitate effective decision-making.

### Key Senior Management Diversity

In tandem with the application of the guidance as per Practice 5.10 of the MCCG, the Board is also supportive of ensuring that there is a healthy representation of women among the KSM or in KSM positions and strives to have at least 20% women participation in such positions. At present, the KSM team comprises the following, of which four (4) out of the seven (7) positions, or 57% are held by women:

- Mr. Jason Leng Kek Mun (General Manager)(\*);
- Ms. Ng Ai Lee (Chief Financial Officer);
- Ms. Wang Yan Wei (Chief Sales & ABO Enablement Officer);
- Ms. Chong Sew Peng (Chief Marketing Officer);
- Mr. Thomas Jackson Khoo (Head of Omnichannel Commerce & ABO Experience)(\*);
- Ms. Wong Choom Yee (Head of Human Resources); and
- En. Mohamad Zaihan bin Mohamed Ariffin (Head of Corporate & Government Affairs).
- (\*) Mr. Jason Leng Kek Mun joined Amway and the KSM team in FY2024, while Mr. Thomas Jackson Khoo, was re-designated to the KSM team the same year.

### **COLLECTIVE SKILLS AND COMPETENCE OF THE BOARD**

Skill/Competence	Description
Leadership	Overall stewardship of the Group, strategy formulation, strong and established business networks and corporate management experience.
Entrepreneurial Acumen	Business development, assessment of existing and emerging opportunities.
Sustainability and Stakeholder Management	Government relations, community and investor relations, and corporate governance.
Finance and Corporate	Accounting, audit, risk management, legal, financial literacy, human resource, economics and business administration.

### Corporate Governance Overview Statement (cont'd)

### **BOARD INDEPENDENCE**

At present and over the course of 2024, four (4) of the eight (8) Directors (representing 50% of the Board) are independent. This composition complies with:

- Paragraph 15.02(1)(a) of Bursa Securities' Listing Requirements whereby a minimum of one-third (1/3) of the Board of Directors are Independent Directors; and
- Practice 5.2 of the MCCG and Board Charter whereby at least half of the Board comprises Independent Directors.

The Board reviews the independence of Directors before they are appointed, on an annual basis, and at any other time when the circumstances of a Director change and reassessment is warranted. Director independence is essentially assessed based on the criteria set out in Paragraph 1.01 of the Listing Requirements.

The NC, following its annual assessment, is satisfied that in FY2024, all Independent Directors of Amway demonstrated a high level of independence and acted, to the best of their abilities, in the best interests of the Group. In justifying its decision, the NC is entrusted to assess the Directors' suitability to continue as INEDs based on the criteria for independence.

### **SENIOR INED**

The Company's Chairman, En. Abd Malik Bin A Rahman is also the Senior INED and serves as an independent point of contact for shareholders. He may be reached via email at AmwayChairman@gmail.com.

### **CONFLICTS OF INTEREST**

The Board has established processes for declaring and monitoring actual and potential conflicts of interest ("COI") and is guided by Amway's Code of Conduct and Ethics.

In the commitment to transparency and ethical practices, the Group requires all employees and Directors to declare any COI before onboarding and on an annual basis. During FY2024, the AC reviewed the findings of the annual COI declaration and the measures taken to resolve, eliminate or mitigate the COI, and reported the same to the Board.

The Code of Conduct and Ethics is available on the Company's website at www.amway.my.

### **BOARD COMMITTEES**

In effectively discharging its duties, the Board has established relevant Board Committees where specific powers of the Board are delegated to these Committees as well as to the Management.

Committee	Key Responsibilities
AC	<ul> <li>Oversees the financial reporting process;</li> <li>Assesses the effectiveness of the system of internal control and risk management processes;</li> <li>Assesses the suitability, objectivity and independence of the Internal and External Auditors, and the performance of the audit functions;</li> <li>Reviews related party transactions;</li> <li>Reviews and reports to the Board any conflicts of interest that arose, persist or may arise together with the measure taken to resolve, eliminate or mitigate such conflicts; and</li> <li>Reviews the effectiveness of Amway's anti-corruption and whistle-blowing processes as well as receives reports and recommendations for improvements from the Internal Auditors.</li> </ul>

Committee	Key Responsibilities
NC	<ul> <li>Reviews the size and composition of the Board and Board Committees, while keeping in mind the need to refresh the composition of the Board periodically;</li> <li>Assesses the effectiveness and performance of the Directors, Board and its Committees;</li> <li>Reviews the tenure of Directors;</li> <li>Proposes new nominees to the Board and Board Committees in line with the Directors' Fit and Proper Policy;</li> <li>Assesses the independence of the Independent Directors; and</li> <li>Ensures succession plans for the Board and KSM are in place.</li> </ul>
RC	<ul> <li>Reviews and recommends the Directors' fees and allowances of the Non-Executive Directors taking into account their responsibilities and time commitment; and</li> <li>Reviews and recommends the remuneration packages of the Executive Director and KSM based on their individual performances and that of the Group.</li> </ul>

The Chairman of each Committee reports to the Board to keep the Board members apprised of matters discussed at the Committee level.

Supporting the Board Committees are the Risk Management Committee ("RMC"), Executive Committee ("EXCOM") and Sustainability Steering Committee ("SSC").

### MANAGEMENT GOVERNANCE FRAMEWORK

### **RMC**

- Ensures effective implementation and maintenance of the risk management framework; and
- Manages the Group's principal business, operational, corruption and material sustainability matters risks on a timely basis.

### **EXCOM**

- Implements the Group's strategic plan, policies and decisions adopted by the Board; and
- Oversees the operations and business development of the Group.

### SSC

- Drives sustainability initiatives across the Group's operations;
- Oversees the implementation of sustainability strategies and progress; and
- The SSC is supported by the Sustainability Working Committee or SWC which is dedicated to implementing sustainability initiatives.

### THE AC

### **AC Composition**

The Board's AC is exclusively made up of Non-Executive Directors, the majority of whom are Independent Directors.

The composition of the AC from 1 January 2024 to 23 May 2024 comprised the following:

- Ms. Ho Kim Poi (Chairperson, INED);
- Dato' Abdullah Thalith Bin Md Thani (Member, INED);
- Datin Seri Azreen Binti Abu Noh (Member, INED);
- Mr. Scott Russell Balfour (Member, Non-INED); and
- Mr. Low Han Kee (Member, Non-INED).

### Corporate Governance Overview Statement (cont'd)

Dato' Abdullah Thalith Bin Md Thani retired upon the conclusion of the 29<sup>th</sup> AGM on 23 May 2024 and accordingly ceased to be a member of the AC. At the 29<sup>th</sup> AGM, shareholders approved the appointment of Dato' Sri Harjeet Singh A/L Hardev Singh to succeed Dato' Abdullah Thalith Bin Md Thani. On the same day, Dato' Sri Harjeet Singh A/L Hardev Singh was appointed as an AC member. The composition of the AC after the 29<sup>th</sup> AGM up to the present is as follows:

- Ms. Ho Kim Poi (Chairperson, INED);
- Datin Seri Azreen Binti Abu Noh (Member, INED);
- Dato' Sri Harjeet Singh A/L Hardev Singh (Member, INED);
- · Mr. Scott Russell Balfour (Member, Non-INED); and
- Mr. Low Han Kee (Member, Non-INED).

### AC's Responsibilities

One of the AC's key responsibilities is to ensure that the financial statements of the Company and Group have been prepared in accordance with the provisions of the Companies Act 2016 ("the Act") and applicable accounting standards; and that these provide a balanced and fair view of the financial state and performance of the Company and Group. Through the AC, the Board entrusts the RMC with the overall responsibility of overseeing the risk management activities of the Group.

The detailed roles and responsibilities and key activities undertaken by the AC during FY2024 are spelled out in the AC Report within this Annual Report.

The Terms of Reference of the AC can be found on the Company's website at www.amway.my.

### THE NC

### **NC Composition**

The Board's NC is exclusively made up of Non-Executive Directors, the majority of whom are Independent Directors.

From 1 January 2024 to 23 May 2024, the NC comprised the following:

- Dato' Abdullah Thalith Bin Md Thani (Chairman, INED);
- Datin Seri Azreen Binti Abu Noh (Member, INED); and
- Mr. Scott Russell Balfour (Member, Non-INED)

Upon the conclusion of the 29<sup>th</sup> AGM held on 23 May 2024, Dato' Abdullah Bin Md Thani ceased to be the Chairman of the NC following his retirement from the Board. On the same day, Datin Seri Azreen Binti Abu Noh was redesignated as the NC Chairperson, while Dato' Sri Harjeet Singh A/L Hardev Singh, whose appointment as a Director was approved by the shareholders, joined the NC.

The composition of the NC after the 29th AGM up to now is as follows:

- Datin Seri Azreen Binti Abu Noh (Chairperson, INED);
- Dato' Sri Harjeet Singh A/L Hardev Singh (Member, INED); and
- Mr. Scott Russell Balfour (Member, Non-INED).

### NC's Responsibilities

The NC is tasked with specific terms of reference to assist the Board, among other things, to identify, consider and recommend suitable individuals for appointment as Directors of the Board and Board Committees in line with the Directors' Fit and Proper Policy.

The NC is also responsible for identifying training programmes for the Board, reviewing the Board's succession planning, and assessing the performance of the Directors on an ongoing basis. In addition, the NC, in consultation with the MD and the Head of Human Resources, shall provide input and guidance on the development and succession plans for KSM. In this regard, the NC is guided by the Group's Policy on Succession Planning for Board and Key Senior Management.

The Terms of Reference of the NC can be found on the Company's website at www.amway.my.

### **NC's Activities**

The NC held one (1) meeting during FY2024, and the main activities undertaken during the year included the following:

### Composition and Performance

- Reviewed and assessed the mix of skills, experience, size and composition of the Board of Directors;
- Reviewed and assessed the effectiveness of the Board as a whole as well as the Committees of the Board, together
  with the contributions of each individual Director including his/her time commitment, character, experience, integrity
  and competency;
- Assessed the effectiveness and performance of the MD;
- Reviewed the character, experience, integrity and competency of the MD and CFO, and the time they require to
  effectively discharge their roles;
- Reviewed and recommended the training needs for Directors;
- Deliberate the Succession Plan for Dato' Abdullah Thalith Bin Md Thani; and
- Reviewed and assessed the profile of the potential candidates for appointment as INED.

### Nomination

- · Assessed the independence of the Independent Directors based on the criteria set out in the Listing Requirements;
- · Reviewed the tenure of the Directors;
- Reviewed the re-election of Directors who were subject to retirement by rotation and recommended the same to the Board;
- Accepted the retirement of Dato' Abdullah Thalith Bin Md Thani as an INED, and cessation as the NC Chairman and an AC member effective after the conclusion of the 29th AGM on 23 May 2024;
- Recommended the re-designation of Datin Seri Azreen Binti Abu Noh as the new NC Chairperson effective after the conclusion of the 29<sup>th</sup> AGM; and
- Recommended the appointment of Dato' Sri Harjeet Singh A/L Hardev Singh as a Director and a member of the AC and NC to succeed Dato' Abdullah Thalith Bin Md Thani, subject to shareholders' approval at the 29th AGM.

All recommendations of the NC were reported by the NC Chairman at the Board Meeting and approved/noted by the Board.

### THE RC

### **RC** Composition

The Board's RC comprises exclusively of Non-Executive Directors, the majority of whom are Independent Directors.

Currently, the RC comprises the following:

- Mr. Scott Russell Balfour (Chairman, Non-INED);
- Datin Seri Azreen Binti Abu Noh (Member, INED); and
- Ms. Ho Kim Poi (Member, INED)

### RC's Responsibilities

The RC is responsible for establishing the framework to review and determine the remuneration packages that appropriately reflect the different roles and responsibilities of the Executive Director, Non-Executive Directors and KSM to attract and retain high-calibre and experienced individuals to support the Group's growth plans going forward. To this end, the Board is guided by the Remuneration Policy for Board and Key Senior Management.

The Terms of Reference of the RC can be found on the Company's website at www.amway.my.

### **RC's Activities**

The RC held one (1) meeting during FY2024, and the main activities undertaken during the year included the following:

- · Reviewed and recommended the remuneration packages for the MD and KSM; and
- Reviewed the remuneration benchmarking for the Non-Executive Directors and recommended their fees, allowances and benefits.

All recommendations of the RC were reported by the RC Chairman at the Board Meeting and approved by the Board.

### Corporate Governance Overview Statement (cont'd)

### TIME COMMITMENT

The Board recognises that all Directors need to allocate sufficient time to effectively discharge their duties. This includes attending meetings, being able to review Board papers before meetings and providing constructive viewpoints.

This is in addition to the duties or commitments if the said Directors also serve on any Board Committees. The Board obtains this commitment from Directors at the time of their appointment. For the year under review, Amway's Directors remained fully committed as reflected by their full attendance at the Board meetings and Board Committee meetings held during FY2024.

In ensuring Directors are able to allocate their time to Amway, the schedule of the meetings for the coming year is circulated before the financial year end to enable the Directors to plan their schedules for the coming year. Additional meetings may be convened if and when urgent matters arise between the scheduled meetings.

In accordance with the Board Charter, Directors seeking to accept any new directorships are required to notify the Chairman, notwithstanding that Paragraph 15.06 of the Listing Requirements allows a Director to sit on the boards of five (5) listed issuers. At present, no Directors have more than five (5) directorships in listed issuers.

### ATTENDANCE OF BOARD AND BOARD COMMITTEES

The following table outlines the attendance of the Board Members for Board meetings and Board Committee meetings held during FY2024:

Pirestone	Attendance			
Directors	Board	AC	NC	RC
Non-Executive Directors				
En. Abd Malik Bin A Rahman	4/4	N/A	N/A	N/A
Ms. Ho Kim Poi	4/4	4/4	N/A	1/1
Mr. Low Han Kee	4/4	4/4	N/A	N/A
Mr. Scott Russell Balfour	4/4	4/4	1/1	1/1
Datin Seri Azreen Binti Abu Noh (Re-designated as NC Chairperson upon conclusion of the 29th AGM on 23 May 2024)	4/4	4/4	1/1	1/1
Pn. Norhanifah Binti A.Jalil (Appointed as a Board member on 1 January 2024)	4/4	N/A	N/A	N/A
Dato' Sri Harjeet Singh A/L Hardev Singh (Appointed as a Board member at the 29 <sup>th</sup> AGM on 23 May 2024 and as an AC member and NC member on the same day)	3/3 <sup>(1)</sup>	2/2(2)	N/A <sup>(3)</sup>	N/A
Dato' Abdullah Thalith Bin Md Thani (Retired as a Board member and ceased to be the NC Chairman and an AC member upon conclusion of the 29 <sup>th</sup> AGM on 23 May 2024)	1/1 <sup>(4)</sup>	2/2 <sup>(5)</sup>	1/1(4)	N/A
Executive Director				
Mr. Michael Jonathan Duong	4/4	N/A	N/A	N/A

### Notes:

- Only three meetings were held after his appointment as a Board member.
- Only two meetings were held after his appointment as an AC member.
- No meeting was held after his appointment as an NC member.
- Only one meeting was held prior to his retirement as a Director and cessation as the NC Chairman.
- Only two meetings were held prior to his cessation as an AC member.

All Directors have complied with the minimum 50% attendance requirement in respect of Board meetings as stipulated by the Listing Requirements. The Board is satisfied with the level of time commitment afforded by its Directors in FY2024 towards fulfilling their roles and responsibilities as Directors of the Group.

#### **BOARD EFFECTIVENESS**

#### **BOARD PERFORMANCE EVALUATION**

The Board and individual members are assessed annually by the NC via a Board Effectiveness Evaluation ("BEE") exercise. Directors are assessed based on the following:

- Directors' evaluation form (self and peer assessment);
- Board and Board Committee evaluation form;
- · AC evaluation form (including assessments of the External and Internal Auditors);
- · Mix of skills and experience of the Board;
- · Declaration of Independence; and
- · Time commitment.

The process of the BEE exercise is as follows:

- 1. Each Director completes the BEE questionnaires circulated by the Company Secretary;
- 2. The responses are compiled, summarised and furnished to the NC by the Company Secretary; and
- 3. The NC conducts the assessment and the Chairperson of the NC reports the NC's deliberations and recommendations to the Board for consideration and approval.

None of the Directors has any conflict of interest or potential conflict of interest, including interest in any business that is in competition with the Company or its subsidiaries.

Having conducted the BEE in respect of FY2024 internally and facilitated by the Company Secretary, the Board is satisfied with the outcome of this exercise. Areas requiring improvements were identified and action plans were recommended to the Board for implementation.

As part of the BEE process, the Board also reviewed the self-evaluation forms completed by the MD and CFO. After considering the Group's overall performance, the NC is satisfied with the character, experience, integrity, competence and time commitment of the MD and CFO in discharging their roles in FY2024.

#### **BOARD APPOINTMENTS**

The NC is responsible for recommending suitable candidates to the Board to strengthen the Board's existing skills matrix. It is also tasked with ensuring a constant rejuvenation of its Directors so that they can inject fresh perspectives and ideas while ensuring strong corporate governance. Directors are selected purely on merit.

Candidates are sourced using several channels, including the recommendations of present or former Directors, major shareholders and/or independent external sources. In shortlisting and recommending candidates for the Board's approval, the NC is guided by the following:

- Directors' Fit and Proper Policy;
- Board and Key Senior Management Diversity Policy; and
- · Policy on Succession Planning for Board and Key Senior Management.

The NC considers, among others, the following key criteria:

- The size, composition and diversity in terms of skills, experience and gender requirements of the Board and its Committees (if the candidate is proposed to be appointed to any of the Board Committees) having regard to the strategic direction of the Group;
- The candidate's independence in the case of the appointment of an INED;
- The candidate's track record, skills, knowledge, expertise, experience, age, professionalism, character, integrity
  (personal and financial), ability to understand financial statements and form a view on the information presented, and
  such other relevant factors that may potentially contribute to the Board's collective skills; and
- · Any competing time commitments if the candidate has multiple board representations.

## Corporate Governance Overview Statement (cont'd)

All newly appointed Directors will undergo an induction programme to acquaint them with the Group and its business operations and strategies, as well as ongoing activities and any potential issues or developments. This includes visits to the Group's corporate headquarters, as well as meetings with Senior Management and relevant staff.

During FY2024, the NC undertook the following in connection with the succession plan for Dato' Abdullah Thalith Binti Md Thani:

- Reviewed the profiles of potential candidates put forward by external independent sources, as well as recommendations from a former Board member that fit the requirements set out in the succession plan approved by the Board:
- Assessed the potential candidates' independence as well as their fitness and propriety based on criteria set out in the Directors' Fit and Proper Policy which includes probity, personal and financial integrity, reputation, experience and competency, and time and commitment;
- Reviewed the results of the due diligence checks performed by the Management (which included bankruptcy, credit and criminal checks, among others) and the fit and proper declaration made by the potential candidates via the Directors' Declaration and Undertaking form;
- Reviewed any conflicts of interest or potential conflicts of interest, including interests in any business that competes with the Company or its subsidiaries; and
- Conducted engagement sessions with the shortlisted candidates before recommending the potential candidates to the Board.

#### **RE-ELECTION OF DIRECTORS**

In compliance with the Constitution of the Company, one-third (1/3) of the Directors shall retire by rotation at each AGM, and a Director who is appointed during the year shall retire at the next AGM. The Constitution provides that all Directors shall retire from office at least once every three (3) years.

At the Company's forthcoming 30th AGM to be held on 21 May 2025, the following Directors will be subjected to stand for re-election pursuant to Clause 76(3) of the Constitution of the Company:

- Mr. Low Han Kee;
- Mr. Scott Russell Balfour: and
- Datin Seri Azreen Binti Abu Noh.

All Directors who are subjected to stand for re-election have offered themselves for re-election.

To determine the eligibility of a Director to stand for re-election, the NC:

- Conducted an assessment of each Director's performance based on the results of the BEE exercise.
- Applied the Directors' Fit and Proper Policy in their assessment of the abovementioned Directors which includes the areas of probity, personal and financial integrity, reputation, experience and competency, as well as time and commitment.
- Reviewed the results of the checks performed by the Management (which included bankruptcy, credit, and criminal checks, among others) as well as the fit and proper declaration made by the said Directors via the Directors' Declaration and Undertaking form.

The NC was satisfied that the abovementioned Directors had met the Board's expectations in the discharge of their duties and responsibilities, contributed effectively and demonstrated their commitment to the Board. Based on NC's recommendation, the Board is recommending their re-election at the 30th AGM.

As at 31 December 2024, no INED has served for a cumulative period beyond nine (9) years. The Board has in essence complied with Practice 5.3 of the MCCG which stipulates that the tenure of an Independent Director should not exceed a term limit of nine years.

#### **BOARD TRAINING**

The Directors continue to undergo relevant training programmes to further enhance their skills and knowledge so as to discharge their duties effectively. The Board, via the NC, continues to review and assess the training needs of each Director should he/she require specific training for personal development or to keep abreast of changes in legislation and regulations affecting the Group.

Bursa Securities' Mandatory Accreditation Programme

All Directors have completed Bursa Securities' Mandatory Accreditation Programme ("MAP") Part II in relation to sustainability and the related roles of a Director. In addition, Pn. Norhanifah Binti A.Jalil, and Dato' Sri Harjeet Singh A/L Hardev Singh (who was appointed for the first time as a Director of a listed issuer), have also completed Bursa Securities' MAP Part I on the Director's role, duties and liabilities.

#### Other Training

During FY2024, the Directors attended various external training programmes and workshops, conferences as well as internal tailor-made programmes. The conferences, seminars and training programmes included the following:

#### Corporate Governance/Risk Management

- 1. Conflicts of Interest
- 2. INEDs being sued
- 3. Anti-Bribery and Corruption E-Learning
- 4. U.S. Foreign Corrupt Practices Act: Anti-Bribery Know Your Deal
- 5. Anti-Money Laundering Awareness
- 6. Effective Risk Management by ISO 31000
- 7. Geopolitical Risk and the Strategic Imperatives for Boards and C suites

#### Leadership/Business/Sustainability

- 1. Mastering Self-Leadership and Motivation at the Workplace
- 2. Leading in a Changed World: Upskill Your Leadership Capabilities to Drive Resilient Teams
- 3. Innovation Leadership Training Programme: Amazon Working Backwards Masterclass (Part 1 and 2)
- 4. 2024 Global Economic Outlook Slow Growth, High Uncertainty
- 5. Climate Change Awareness
- 6. ESG Sustainability Reporting
- 7. Double Materiality Assessment for Sustainability Reporting: Challenges of Regulatory Evolutions
- 8. Sustainability: Unlocking the Scope 3 Opportunity
- 9. Audit Oversight Board Conversation with Audit Committees on Sustainability

#### Finance/Technology

- 1. Navigating Capital Gains Tax
- 2. Capital Gains Tax on Foreign & Domestic Transactions
- 3. E-Learning: SiberSAFE Cyber Detective Social Engineering
- 4. Cybersecurity Oversight: Board Responsibilities in Light of the Cybersecurity Bill 2024
- 5. Knowledge Sharing Session: Generative AI for the Future of Work
- 6. Model Risk Management for Al-Challenges & Opportunities
- 7. Leveraging AI for Efficiency and Quality

## Corporate Governance Overview Statement (cont'd)

#### **III. REMUNERATION**

#### **REMUNERATION POLICIES**

The Board has established a Remuneration Policy for Board and KSM. The remuneration for Directors of the Board is determined based on their responsibilities, efforts and time commitment, as well as benchmarking with comparable listed companies. Meanwhile for the KSM, factor such as market competitiveness, business results, experience and individual performance are taken into account to ensure that the compensation provided is competitive with industry benchmarks.

This is in line with the Board's aim to retain, attract and reward talent that is essential for driving Amway forward in the realisation of its business goals.

The Remuneration Policy for Board and Key Senior Management is available on the Company's website at www.amway.my.

#### **DIRECTORS' REMUNERATION**

For Non-Executive Directors, remuneration is a matter for the Board as a whole, with each individual Director abstaining from the discussion of his/her own remuneration.

For the MD (the sole Executive Director on the Board), remuneration is based on the achievement of KPIs for the Group as well as individual KPIs. The Board deliberates on and approves the remuneration of the MD who shall abstain from deliberation and voting on his own remuneration. The Group adopts the ultimate holding Company's employee compensation plan to set the remuneration of the MD.

The RC reviews and recommends to the Board the remuneration for the MD and further recommends the Non-Executive Directors' fees and benefits to the Board for shareholders' approval at the Company's AGM.

Remuneration of the Directors for FY2024 is as follows:

Group						
	Fees	Salaries and Other Emoluments	Bonus	Allowances	Benefits- In-Kind	Total
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Executive Director						
Mr. Michael Jonathan Duong	-	2,125.6	1,154.4	-	494.2	3,774.2
Non-Executive Directors (1)						
En. Abd Malik Bin A Rahman	131.8	-	-	7.0	6.4	145.2
Ms. Ho Kim Poi	94.3	-	-	14.0	7.0	115.3
Mr. Low Han Kee	82.1	-	-	12.6	5.6	100.3
Mr. Scott Russell Balfour	-	-	-	-	-	-
Datin Seri Azreen Binti Abu Noh (2)	94.7	-	-	15.4	4.5	114.6
Pn. Norhanifah Binti A.Jalil (3)	75.1 <sup>(6)</sup>	-	-	7.0	3.2	85.3
Dato' Sri Harjeet Singh A/L Hardev Singh <sup>(4)</sup>	52.9	-	-	7.0	-	59.9
Dato' Abdullah Thalith Bin Md Thani (5)	35.7	-	-	7.0	-	42.7
Total	566.6	2,125.6	1,154.4	70.0	520.9	4,437.5

Company						
	Fees	Salaries and Other Emoluments	Bonus	Allowances	Benefits- In-Kind	Total
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Executive Director (7)						
Mr. Michael Jonathan Duong	-	-	-	-	-	-
Non-Executive Directors						
En. Abd Malik Bin A Rahman	131.8	-	-	7.0	6.4	145.2
Ms. Ho Kim Poi	94.3	-	-	14.0	7.0	115.3
Mr. Low Han Kee	82.1	-	-	12.6	5.6	100.3
Mr. Scott Russell Balfour	-	-	-	-	-	-
Datin Seri Azreen Binti Abu Noh (2)	94.7	-	-	15.4	4.5	114.6
Pn. Norhanifah Binti A.Jalil (3)	75.1 <sup>(6)</sup>	-	-	7.0	3.2	85.3
Dato' Sri Harjeet Singh A/L Hardev Singh <sup>(4)</sup>	52.9	-	-	7.0	-	59.9
Dato' Abdullah Thalith Bin Md Thani (5)	35.7	-	-	7.0	-	42.7
Total	566.6	-	-	70.0	26.7	663.3

#### Notes:

- (1) The Non-Executive Directors did not receive any remuneration from the Company's subsidiaries.
- (2) Re-designated as the NC Chairperson upon the conclusion of the 29th AGM on 23 May 2024.
- (3) Appointed as a Board member on 1 January 2024.
- (4) Appointed as a Board member at the 29th AGM on 23 May 2024 and as an AC member and NC member on the same day.
- Retired as a Board member and ceased to be an AC member and the NC Chairman upon the conclusion of the 29th AGM on 23 May 2024.
- (6) The Nominee Director's fees are paid to Permodalan Nasional Berhad or PNB.
- <sup>(7)</sup> The Executive Director did not receive any remuneration from the Company.

Bonus payable to the Executive Director is performance-based and relates to individual and Group achievement of specific goals. The Non-Executive Directors do not receive any performance-related remuneration. Meeting allowances are provided to Directors for attendance at meetings.

In accordance with the Companies Act 2016 or "the Act", the payment of Directors' fees and benefits shall be approved at a general meeting. The Board shall seek shareholders' approval at the forthcoming 30<sup>th</sup> AGM for the payment of Directors' fees and benefits for the Directors of the Company for FY2025.

## Corporate Governance Overview Statement (cont'd)

#### PRINCIPLE B: EFFECTIVE AUDIT AND RISK MANAGEMENT

#### I. AUDIT COMMITTEE

Matters pertaining to audit and risk are managed by the AC, which comprises the majority of Independent Directors.

The AC is supported by the Company's external and internal audit functions, as well as the RMC on matters pertaining to risk.

During the financial year, the AC focused on governance, financial reporting, budgeting, internal audit, risk management and external audit matters. The full scope of work undertaken by the AC is given in the AC Report of this Annual Report.

The AC is responsible for ensuring that the financial statements of the Group are made in accordance with the provisions of the Act and according to applicable accounting standards that result in a balanced and fair view of the financial state and performance of Amway, which includes financial results.

The said financial statements comprise quarterly financial report announcements to Bursa Securities and the annual statutory financial statements. The CFO presents a review of quarter-to-quarter and year-to-date financial performance at quarterly meetings. These are prepared on a going concern basis and reflect a true and fair view of the financial position of the Group as at each specific reporting date.

Other statements that provide analysis and insights into the Group's financial and operational performance include the Management Discussion & Analysis section that is provided in this Annual Report.

The Directors are satisfied that in preparing the financial statements of the Company and of the Group for FY2024, the Group has applied the appropriate accounting standards and policies with consistency in the preparation of these financial statements. The Statement of Directors' Responsibility is provided in this Annual Report.

The Terms of Reference of the AC are available on the Company's website at www.amway.my.

#### **EXTERNAL AUDITORS**

The Board via the AC maintains a formal and transparent, professional relationship with the Group's External Auditors, Ernst & Young PLT ("EY"). In this regard, the Group has established a Policy on External Auditors which serves as a guide for the AC on the selection, appointment, re-appointment and assessment of the External Auditors' suitability, objectivity and independence. This is to safeguard the quality and reliability of the Group's audited financial statements in providing a true and fair view of the Group's financial position and performance. The role of the AC in relation to the External Auditors is described in the AC Report of this Annual Report.

On an annual basis, the AC considers the re-appointment of the External Auditors and their remuneration and makes recommendations to the Board. The External Auditors are subject to re-appointment each year at the AGM. The AC assesses the level of service provided by the External Auditors through the AC Evaluation Form, and takes into consideration the following, among others:

- Provision of a written assurance of independence from the External Auditors;
- The level of service, independence and non-audit services rendered;
- The quality and scope of the planning of the audit in assessing risks and how the External Auditors maintain or update the audit plan to respond to changing risks and circumstances;
- The quality and timeliness of reports provided to the AC;
- The level of understanding demonstrated of the Group's business; and
- Communication to the AC about new and/or revised applicable financial reporting standards and auditing standards and their impact on the Group's financial statements.

EY has reported to the AC that, in their professional judgement, they are independent within the meaning of regulatory and professional requirements and that the objectivity of the audit engagement partner and audit staff is not impaired.

The AC has considered the findings of the assessment together with EY's independence and the level of non-audit services rendered by them for FY2024. The AC is satisfied that EY continue to possess the competency, objectivity, independence and experience required to fulfil their duties effectively. Based on the recommendation of the AC, the Board will be seeking shareholders' approval for the re-appointment of the External Auditors at the coming 30<sup>th</sup> AGM.

The following is a summary of the fees paid or payable by the Group to the External Auditors:

Fees	FY2024	FY2023
Audit fees (RM)	371,070	356,870
Non-audit fees (RM)	15,878	15,278

The non-audit fees for FY2024 and FY2023 relate to the review of the Statement on Risk Management and Internal Control and are within the fee threshold for permitted non-audit services as set out in the Policy on External Auditors.

#### COMPLIANCE WITH APPLICABLE FINANCIAL REPORTING STANDARDS

The Directors are responsible for ensuring that the annual audited financial statements and interim financial results are prepared in accordance with the provisions of the Act and applicable accounting standards in Malaysia. This includes adopting all necessary measures to ensure that all applicable accounting policies have been applied consistently and that the policies are supported by reasonable and prudent judgement and estimates.

#### II. RISK MANAGEMENT AND INTERNAL CONTROL FRAMEWORK

#### **RISK MANAGEMENT AND INTERNAL AUDIT**

The Board maintains a sound risk management framework and system of internal control to safeguard shareholders' investment and the Group's assets. The framework is designed to identify, assess, establish mitigation plans and monitor the significant risks faced by the Group on an ongoing basis.

The Board has oversight of the risk management function via the AC which in turn is supported by the RMC. Supporting the RMC is the Group's internal audit function, which is outsourced to KPMG Management & Risk Consulting Sdn. Bhd. ("KPMG MRC"), an independent external professional firm. Further details on the key features of the risk management framework and the tasks undertaken by the RMC and KPMG MRC during FY2024 are set out in the Statement on Risk Management and Internal Control of this Annual Report.

The Board is supported by a risk management framework that focuses on the assessment of risks and which ultimately determines the Group's risk appetite. The responsibility for managing risks resides at all levels within the Group and is mainly managed at the operational level and guided by the approved risk management policy and guidelines.

The Board is of the view that the present system of internal controls and the risk management framework is sound and sufficient to safeguard the Group's assets, as well as shareholders' investments, plus the interests of customers, regulators, employees and other stakeholders. In this regard, the Board has received assurance from the Managing Director and Chief Financial Officer that the Group's risk management and internal control system is operating adequately and effectively in all material aspects.

For further information, please refer to the Statement on Risk Management and Internal Control in this Annual Report.

## Corporate Governance Overview Statement (cont'd)

#### PRINCIPLE C: INTEGRITY IN CORPORATE REPORTING AND MEANINGFUL RELATIONSHIP WITH **STAKEHOLDERS**

#### I. COMMUNICATION WITH STAKEHOLDERS

The Board is committed to undertaking active engagement with its key stakeholders to meet their expectations and address their concerns as well as the impact of the Group's business on them. The Board also recognises the need for timely, comprehensive and accurate disclosures of the Group's performance to stakeholders. This includes but is not limited to corporate announcements, circulars to shareholders and financial information.

As stipulated in the Listing Requirements, the Board has formalised an Investor Relations Policy which also governs pertinent corporate disclosures, including information that needs to be disseminated by persons authorised and responsible for approving and disclosing such material information to shareholders and stakeholders. The Group's unaudited quarterly financial results are released within two (2) months from the end of each quarter, while the annual audited financial results together with the Annual Report, which remains a key channel of communication, are published within four (4) months after the financial year-end.

The Group has put in place various channels of communication with stakeholders, which include quarterly announcements on financial results to Bursa Securities, relevant announcements and circulars when necessary, an annual briefing to the financial community, and the AGM. In order to facilitate an effective information dissemination process, the Company has established a dedicated section for corporate information on its website where information on the Company's announcements, financial information, share prices, press releases and the Company's Annual Report may be accessed. In addition, stakeholders can also email the Group at ir@amway.com, however, any information that may be regarded as undisclosed material information about the Group will not be given to any single stakeholder or stakeholder group.

During FY2024, a briefing session with investors and analysts was held on 29 February 2024 following the issuance of the Group's Fourth Quarter and Full Year 2023 financial results on 28 February 2024. The Board believes its practices in this area are consistent with both the principles concerning dialogue with stakeholders and good governance.

#### II. CONDUCT OF GENERAL MEETINGS

The AGM, which is the principal forum for shareholder dialogue, allows shareholders to review the Group's performance via the Company's Annual Report and to pose questions to the Board for clarification. Amway ensures that all Directors and the CFO attend the AGM so that matters brought up by the floor can be effectively addressed according to shareholders' expectations. Beyond the proposed resolutions, the AGM also serves as an avenue to share updates on the Group's performance as well as future business plans and strategies with shareholders.

The Notice of the 29th AGM was issued to shareholders on 23 April 2024, in effect being 30 days in advance of the scheduled AGM that was held on 23 May 2024. This is in line with Practice 13.1 of the MCCG, where the notice to shareholders should be given at least 28 days in advance of the AGM.

The Company's 29th AGM was held in a virtual manner for the fifth consecutive year through live streaming from the broadcast venue to facilitate remote shareholders' participation and online electronic poll voting.

Shareholders were encouraged to attend and speak in the form of real-time submission of typed texts and to vote remotely at the AGM using the Remote Participation and Voting facilities ("RPV") from Tricor Investor & Issuing House Services Sdn. Bhd. ("Tricor"). As the AGM was conducted online, Tricor had put in place information security measures to prevent cyberattacks and data breaches, which included hosting the RPV facilities on a secured cloud platform. Shareholders were encouraged to submit questions to the Board in advance before the AGM via Tricor's TIIH Online website and the questions received were addressed at the AGM. All questions received in advance and those posed in real-time during the AGM were made visible to all the meeting participants.

At the 29<sup>th</sup> AGM, all Directors as well as the CFO and Company Secretary were present at the broadcast venue, while the External Auditors and advisors participated through video conferencing to facilitate vigorous discussion with shareholders. The MD provided shareholders with an overview of the Group's operations, while the CFO provided a financial overview of the financial year's performance. The Company replied to questions received in advance of the meeting and those posed during the meeting.

The minutes of the 29<sup>th</sup> AGM, together with the Company's response to questions received in advance and those raised during the AGM, were then made available to shareholders on the Company's website at <a href="www.amway.my">www.amway.my</a> within 30 business days after the AGM.

#### SHAREHOLDER PARTICIPATION AT GENERAL MEETINGS

A total of 408 shareholders and proxies participated virtually in the 29<sup>th</sup> AGM held on 23 May 2024. A total of 46 proxy forms and certificates of corporate representatives were received, representing about 77% of the Company's total issued share capital.

Online electronic poll voting was conducted for all resolutions set out in the Notice of AGM. The Directors addressed questions raised by the shareholders on the proposed resolutions before putting the resolutions to a vote. Coopers Professional Scrutineers Sdn. Bhd. was appointed as the independent scrutineer to validate the votes cast at the AGM. All resolutions proposed were duly passed and the outcome of the AGM was announced to Bursa Securities on the same meeting day.

This CG Overview Statement was approved by the Board of Directors on 26 February 2025.

## **Audit Committee Report**

The Board of Directors of Amway (Malaysia) Holdings Berhad ("Amway" or "the Company") and its subsidiaries (collectively "the Group") are pleased to present the Audit Committee ("AC") Report for the financial year ended 31 December 2024 ("FY2024").

The AC was established in accordance with the Main Market Listing Requirements ("Listing Requirements") of Bursa Malaysia Securities Berhad ("Bursa Securities") to serve as a Committee of the Board of Directors ("the Board") for the primary purpose of assisting the Board in fulfilling its fiduciary responsibilities.

The AC is supported by the Company's external and internal audit functions in carrying out its responsibilities. In addition, the Internal Audit team from Alticor Inc. (the parent company of the Group) undertakes rotational audits (guided by the global internal audit programme) and enterprise risk assessments of the Group. This team is staffed by highly competent personnel with a wide knowledge of the industry. This team is capable of assessing the business and operational risks of the Group as well as benchmarking these against their global affiliates' efficiencies and controls to ensure good corporate governance practices are implemented throughout the Group.

The Group also has an in-house Compliance Officer tasked primarily with carrying out audits on operational processes to ensure adherence to internal Standard Operating Procedures ("SOPs"). The Compliance Officer is also tasked with identifying internal control gaps and recommending improvements.

#### COMPOSITION

The AC is made up exclusively of Non-Executive Directors, with the majority of them being Independent Non-Executive Directors ("INEDs"), including the Chairperson. All the INEDs satisfy the test of independence under Paragraph 1.01 of the Listing Requirements of Bursa Securities. The AC also fulfils the requirements of Paragraphs 15.09(1)(a) and 15.09(1)(b) of the Listing Requirements of Bursa Securities.

The composition of the AC from 1 January 2024 to 23 May 2024 comprised the following:

- Ms. Ho Kim Poi (Chairperson, INED);
- Dato' Abdullah Thalith Bin Md Thani (Member, INED);
- · Datin Seri Azreen Binti Abu Noh (Member, INED);
- Mr. Scott Russell Balfour (Member, Non-INED); and
- Mr. Low Han Kee (Member, Non-INED).

Dato' Abdullah Thalith Bin Md Thani was due for retirement at the 29<sup>th</sup> Annual General Meeting ("AGM") on 23 May 2024 and did not seek re-election. Accordingly, Dato' Abdullah Thalith Bin Md Thani, who has served as an INED for nine (9) years, retired from the Board upon the conclusion of the 29<sup>th</sup> AGM and also ceased to be a member of the AC. At the 29<sup>th</sup> AGM, shareholders approved the appointment of Dato' Sri Harjeet Singh A/L Hardev Singh to succeed Dato' Abdullah Thalith Bin Md Thani. On the same day, Dato' Sri Harjeet Singh A/L Hardev Singh was appointed as an AC member. The composition of the AC after the 29<sup>th</sup> AGM up to the present is as follows:

- · Ms. Ho Kim Poi (Chairperson, INED);
- Datin Seri Azreen Binti Abu Noh (Member, INED);
- Dato' Sri Harjeet Singh A/L Hardev Singh (Member, INED);
- Mr. Scott Russell Balfour (Member, Non-INED); and
- Mr. Low Han Kee (Member, Non-INED).

#### **AC CHAIRPERSON**

The AC Chairperson, Ms. Ho Kim Poi is a member of the Malaysian Institute of Accountants and CPA Australia, as well as the Institute of Corporate Directors Malaysia.

The Company complies with Paragraph 15.09(1)(c)(i) of the Listing Requirements of Bursa Securities whereby at least one (1) member of the AC must be a member of the Malaysian Institute of Accountants. The AC Chairperson is also not the Chairman of the Board which is in line with Practice 9.1 of the MCCG.

#### **MEETINGS**

The AC held four (4) meetings during FY2024, aligning with the financial reporting schedule. The Managing Director ("MD"), General Manager ("GM") and Chief Financial Officer ("CFO") attended all the AC meetings by invitation to brief members on matters relating to their responsibility. Other Key Senior Management ("KSM") and external advisers are invited to attend the AC meetings where required to provide additional insights and professional views, advice and explanations on specific items on the meeting agenda.

Chairperson of The AC	Attendance
Ms. Ho Kim Poi (INED)	4/4
Members of The AC	Attendance
Datin Seri Azreen Binti Abu Noh (INED)	4/4
Dato' Sri Harjeet Singh A/L Hardev Singh (INED) (Appointed as a Board member at the 29 <sup>th</sup> AGM on 23 May 2024 and as an AC member on the same day)	2/2 (1)
Mr. Scott Russell Balfour (Non-INED)	4/4
Mr. Low Han Kee (Non-INED)	4/4
Dato' Abdullah Thalith Bin Md Thani (INED) (Retired as a Board member and ceased to be an AC member upon conclusion of the 29th AGM on 23 May 2024)	2/2 (2)

#### Notes:

- Only two meetings were held after his appointment as an AC member.
- Only two meetings were held prior to his cessation as an AC member.

All deliberations at the AC meetings were properly recorded. The minutes of the AC meetings were tabled for confirmation at the meetings that followed and subsequently presented to the Board for notation. The AC Chairperson also reported to the Board on the activities and significant matters discussed at each AC meeting.

#### **ROLES AND RESPONSIBILITIES**

The AC operates under written Terms of Reference ("TOR") which contain provisions that address the requirements imposed by Bursa Securities. These TOR provide for the AC's oversight of financial compliance matters in addition to several other responsibilities.

During FY2024, the AC focused on matters of governance, financial reporting, budgeting, internal audit, external audit and risk management (including conflicts of interest or COI, whistleblowing reporting and anti-bribery and corruption measures).

Risk management is also addressed by the AC through the Risk Management Committee ("RMC"). Matters of risk are reported to the AC on a quarterly basis by the MD. For further details on the Group's risk management processes, kindly refer to the Statement on Risk Management and Internal Control ("SORMIC") within this Annual Report.

## **Audit Committee Report (cont'd)**

#### **SUMMARY OF WORK OF THE COMMITTEE**

In FY2024, the AC undertook the following key activities in the discharge of its roles and responsibilities:

#### **Financial Reporting**

- Reviewed the quarterly financial results and annual audited financial statements prior to recommending them to the Board for approval. In conducting such a review, the AC had sought explanations and additional information from the CFO on the reasons for any significant variances in the Group's financial performance;
- Assessed whether the appropriate accounting policies had been applied throughout the financial year and whether
  the Management had made appropriate estimates and judgements regarding the recognition, measurement and
  presentation of the financial results;
- Reviewed and highlighted to the Board significant matters raised by the External Auditors (Ernst & Young PLT)
  including key audit matters, significant judgements made by the Management, significant events or transactions, and
  actions taken for improvement; and
- Deliberated on significant changes pertaining to the relevant regulatory requirements, as well as accounting and auditing standards that affect the Group and the adoption of such changes by the Management.

#### **External Audit**

- Discussed with the External Auditors their annual statutory audit plan focusing on the scope of work, timeline of audit, materiality threshold, audit approach to be adopted, areas of audit emphasis including the key audit matters, key changes to the accounting and financial reporting standards, as well as auditing standards;
- Reviewed and deliberated on the External Auditors' report which summarised key findings arising from the annual statutory audit of the financial statements and reported the results to the Board;
- · Reviewed the Management Letters from the External Auditors together with the Management's responses;
- · Obtained written assurance regarding the independence of the External Auditors throughout the audit engagement;
- Reviewed the proposed the audit fees for FY2024 and made recommendations to the Board for approval;
- Reviewed the nature and extent, and approved the provision of non-audit services and fees by the External Auditors in accordance with the Group's Policy on External Auditors; and
- Held two (2) meetings with the External Auditors during the year. The External Auditors provided timely updates on audit-related affairs and remained fully apprised of all matters considered by the AC. This included two (2) private sessions without the presence of the MD, GM and Senior Management.

In addition, the AC also assessed the performance of the External Auditors. In conducting the assessment, the AC was guided by the Group's Policy on External Auditors and had considered the following, among other criteria:

- Independence and objectivity (including reviewing the External Auditors' Transparency Report which sets out among other things, their audit quality programme, independence practices and risk management);
- · Competency, quality of service and non-audit services rendered by the External Auditors;
- Rigour and quality of the audit;
- · Effectiveness and timeliness of communicating and reporting to the AC;
- Level of understanding of the Group's business;
- · Adequacy of resources used; and
- Appropriateness of the audit fee to support a quality audit.

Having assessed and deliberated on the matter, the AC was satisfied that the External Auditors continued to possess the competency, objectivity, independence and experience required to fulfil their duties effectively. As such, the AC agreed to recommend that the Board table the re-appointment of the External Auditors at the upcoming 30<sup>th</sup> AGM to be held on 21 May 2025.

The AC is satisfied that the FY2024 audit fees amounting to RM371,070 (FY2023: RM356,870) and non-audit fees of RM15,878 (FY2023: RM15,278) paid or payable by the Group to Ernst & Young PLT are appropriate to support a quality audit.

#### Oversight of The Group's Internal Audit Function

The internal audit function is outsourced to KPMG Management & Risk Consulting Sdn. Bhd. ("KPMG MRC"), an independent external professional firm.

The internal audit function operates on a clearly defined audit plan which is reviewed and approved by the AC in terms of adequacy of scope and coverage of the auditable areas as well as takes into consideration the findings of previous audits.

During FY2024, the AC undertook the following:

- Reviewed the number of resources and the qualifications of the personnel responsible for the internal audit function and assessed whether the function was being undertaken in accordance with a recognised framework;
- Monitored KPMG MRC's audit progress against the approved audit plan;
- Deliberated on the internal audit reports prepared by KPMG MRC, which highlighted the audit observations, effects
  or potential risks, recommendations and the Management's comments, as well as the follow-up reports on the
  implementation status of recommendations arising from the previous audits. All findings were discussed with the
  Management, and where appropriate, the necessary actions were taken to improve the internal controls based on
  improvement opportunities identified in the internal audit reports;
- Assessed the performance of the internal auditors based on the AC Evaluation, considering the scope, adequacy and
  effectiveness (including the methodology, competency and resources) of the internal audit function; and
- Held two (2) private sessions with KPMG MRC without the presence of the MD, GM and Senior Management.

#### SUMMARY OF ACTIVITIES UNDERTAKEN BY THE INTERNAL AUDIT FUNCTION

For the financial year under review, the KPMG MRC team of five (5) was headed by the engagement partner, En. Mohd Khaidzir Shahari, who is a Chartered Accountant of the Malaysian Institute of Accountants; a Certified Global Management Accountant; a Certified Internal Auditor of the Institute of Internal Auditors Inc.; and a Chartered Member of the Institute of Internal Auditors Malaysia. En. Khaidzir has over 25 years of experience in undertaking internal audit and risk management engagements for various governmental and public-listed entities including those in the consumer markets (retail and distribution management). En. Khaidzir retired from his role as the engagement partner on 31 March 2025, and Mr. Chan Chee Keong assumed this role effective 1 April 2025.

KPMG MRC has also established an internal process necessitating individual declarations that the assigned KPMG MRC team is free from any relationships or conflicts of interest vis-à-vis Amway, which could impair their objectivity and independence.

The internal audit performed is based on the KPMG MRC Internal Audit Methodology, a risk-based internal audit methodology that is aligned with the International Standards for the Professional Practice of Internal Auditing issued by the Institute of Internal Auditors. The risk-based audit plan covers the review of key operational and financial activities, including the effectiveness of internal control practices, as well as compliance with the Group's policies and procedures, and relevant laws and regulations. The audits and reviews focus on high-risk areas to evaluate the efficiency and effectiveness of the controls in place to mitigate risks.

In FY2024, KPMG MRC conducted three (3) review cycles on the Group's internal controls in accordance with the internal audit plan approved by the AC. All major findings as well as significant control issues and concerns and the corresponding root causes (where applicable) were reported directly to the AC. During these reviews, the Management shared the actions taken based on improvement opportunities identified in the reports. At the same time, KPMG MRC performed follow-up activities on the status of implementation by the Management based on the observations raised in preceding audits and reported this to the AC periodically to ensure prompt resolution.

## Audit Committee Report (cont'd)

During FY2024, KPMG MRC audited the following key areas:

#### **Shop Operations**

- Product placement and display according to visual guidelines;
- · Product return process;
- Monitoring mechanism to track any non-compliance with rules and regulations;
- · Timeliness in responding to customer complaints and the follow-up process;
- Process to test responsiveness and knowledge of call centre personnel;
- · Safety measures in stores; and
- · Safeguards deployed in-store to prevent theft by employees and customers.

#### **Marketing Management**

- Process to govern the development and adoption of an overall branding strategy;
- · Development of advertising and promotion plans to create awareness of Amway's brand and products;
- Planning and budgeting of resources;
- Process for sourcing marketing agencies;
- Contract management related to outsourced marketing agencies;
- · Standardisation and usage of Amway's logo and signatures;
- Rollout of the branding and media strategy;
- Evaluation to gauge the effectiveness of advertising and promotion activities;
- · Management of competitor intelligence; and
- Development and review of crisis communication strategy.

#### Occupational Safety and Health of Amway Malaysia Head Office ("PJ HQ")

- · Establishment and composition of the Safety and Health Committee;
- Assessment or evaluation of the PJ HQ (including the warehouse) environment in terms of ability to impairment, nature of health impairment, and community nuisance and/or damage;
- Adequacy of rules, standards, procedures and programmes for the healthy conduct of work and prevention of nuisance:
- Preventive maintenance of safety-related tools and equipment;
- Establishment and composition of the Emergency Response Team;
- First-aid measures at the PJ HQ;
- · The presence and accuracy of a fire evacuation plan; and
- · Validity of fire certificates.

#### **Recurrent Related Party Transaction Management**

- The establishment of a framework to address disclosures on related party relationships and transactions thereof, and conflict of interest situations that may occur; and
- Controls initiated by the Management to ensure recurrent related party transactions ("RRPT") comply with the Shareholders' Mandate approved at the AGM of the Company (i.e., relating to matters such as the terms of amount, terms of trade, etc.).

Based on the above scope of work, KPMG MRC concluded that the Group's system of internal controls was adequate with some areas requiring improvements.

The total cost incurred in outsourcing the internal audit function to KPMG MRC for FY2024 amounted to RM150,000.

#### OTHER MATTERS CONSIDERED BY THE AC

During FY2024, the AC also undertook the following:

#### **Dividends**

 Reviewed the proposed interim and special dividends as well as the solvency tests undertaken by the Management before making a recommendation to the Board;

#### Reporting

 Reviewed and recommended to the Board the Audit Committee Report and Statement on Risk Management and Internal Control for inclusion in the Company's Annual Report;

#### Compliance

 Reviewed and recommended that the Board approve the Circular to seek shareholders' approval on the proposed renewal of the Shareholders' Mandate for RRPT of a Revenue or Trading nature, as well as monitored the actual RRPT transactions value against the Shareholders' Mandate;

#### **Risk Management**

- Reviewed the Group's risk profile and risk register quarterly, which covers the Group's key risks covering business, operational, corruption and sustainability material matters;
- Reviewed the internal compliance audit plan and reports prepared by the in-house Compliance Officer focusing on operational processes and compliance with internal SOPs;
- Reviewed the quarterly updates on whistleblowing reports received and the actions taken;
- Established an internal procedure for the Global Compliance Officer to notify the AC Chairperson within a specific timeline of any whistleblowing reports received relating to bribery or corruption, matters with material financial impact, or reports raised by the shareholders which may require urgent attention.
- Reviewed the findings of the annual declarations and measures taken to resolve, eliminate or mitigate any COI;
- Reviewed the legal report and opinion from the solicitors on their assessment of the adequacy of the Group's ABAC measures; and
- Reviewed and recommended the updated Whistleblowing Policy and ABAC Policy.

#### **AC TRAINING AND EDUCATION**

During the year in review, the AC members attended relevant training programmes, which included among others, the areas of corporate governance, risk management, strategy, leadership, sustainability and finance to enhance their knowledge and enable them to discharge their duties more effectively. The list of training programmes undertaken by the Board of Directors, including members of the AC, can be found in the Corporate Governance Overview Statement of this Annual Report.

The AC is of the view that during FY2024, the Company complied with the Listing Requirements, and as such, there are no breaches to be reported to Bursa Securities pursuant to paragraph 15.16 of the Listing Requirements.

As the AC members are not employees of the Company, the AC has relied, without independent verification, on the Management's representation that the financial statements have been prepared with integrity and objectivity, as well as in conformity with approved accounting principles. The AC has also relied on the representations of the External Auditors included in its reports on the Company's financial statements and internal control over financial reporting.

With the assistance of the NC, the Board has assessed the performance of the AC and its members for FY2024 through an annual AC evaluation and is satisfied that the AC and its members have discharged their functions, duties and responsibilities in accordance with the TOR.

## Statement on Risk Management and Internal Control

This statement has been prepared pursuant to Paragraph 15.26(b) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad as guided by the Statement on Risk Management and Internal Control: Guidelines for Directors of Listed Issuers. It is also guided by the Principles and Best Practices as stipulated in Practices 10.1 and 10.2 of the Malaysian Code on Corporate Governance 2021 ("MCCG").

This statement covers matters pertaining to the risk management and internal control system of Amway (Malaysia) Holdings Berhad ("Amway" or "the Company") and its subsidiaries (collectively "the Group").

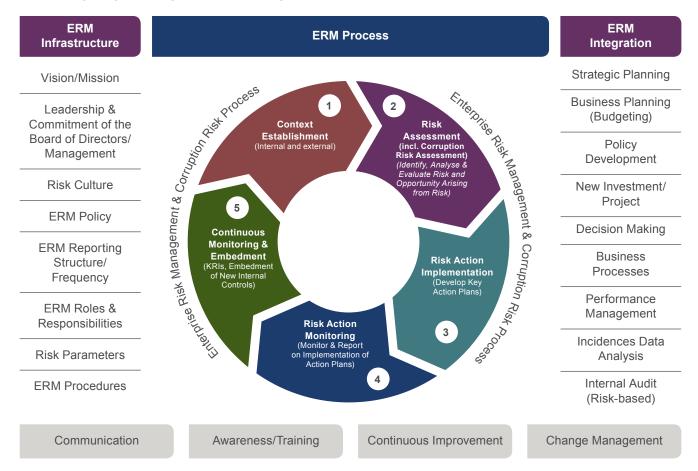
#### **BOARD RESPONSIBILITY**

Acknowledging its overall responsibility for the risk management and internal control system of the Group, the Board is committed to safeguarding shareholders' interests and the Group's assets as well as reviewing the adequacy, integrity and effectiveness of the system. Towards this end, the Board has established a robust Enterprise Risk Management ("ERM") framework and internal control system to identify, assess and establish mitigation plans, monitor the Group's significant risks, as well as determine the Group's risk appetite for the financial year as it pursues its business strategies. The Board has full oversight of the Group's ERM framework.

Matters pertaining to risk are specifically overseen by the Audit Committee ("AC") and the Risk Management Committee ("RMC"), who in turn are supported by an internal audit function. These Committees are responsible for overseeing the financial reporting process, evaluating internal and external audit processes, as well as reviewing the risk management and internal control processes.

The responsibility for managing risk resides at all levels within the Group, including at the operational level, and is guided by an approved risk management policy as well as guidelines.

#### **ENTERPRISE RISK MANAGEMENT FRAMEWORK**



The Group's ERM framework and system of internal control encompass financial, operational and compliance controls. In view of the inherent limitations of any system, the Group's risk framework and controls cannot guarantee the total elimination of risks. As such, they can therefore only provide reasonable, but not absolute assurance, against material misstatement or loss, fraud, irregularities and errors in judgement or unpredictable risks, as well as uncontrollable events such as natural disasters.

The ERM framework involves multiple levels across the Group. It begins with the respective business units and departments and is thereafter channelled upwards ultimately to the Board of Directors.

The framework is based on a triple line of defence approach. It ensures a robust system that allows for a more proactive and strategic response that facilitates the effective sharing of information across the organisation. The system employed also clearly delineates the roles and expectations at each level of the Group's corporate structure in the management of risk.

Level	Business Unit/Owner	Roles and Responsibilities
1 <sup>st</sup> Level	Heads of Departments and Managers	Heads of Departments and managers from all functions are entrusted with the responsibility of assisting the Board in overseeing the Group's risk management practices. The Group's risk management activities are embedded across Amway, thus enabling risks to be addressed in a timely manner.
		The identification of potential new risks and a reassessment of existing risks are performed on a quarterly basis based on the severity and likelihood of the said risks occurring. At the same time, the appropriate mitigation plans are identified. For each of the risks identified, the respective Head of Department or manager is assigned to ensure that appropriate risk response actions are conducted in a timely manner.
		To further strengthen the Group's first line of defence in managing day-to-day operational risks, the in-house Compliance Officer is tasked primarily with carrying out audits on the operational processes to ensure adherence with internal Standard Operating Procedures ("SOPs"). The Compliance Officer is also responsible for identifying internal control gaps and recommending improvements.
2 <sup>nd</sup> Level	RMC	The RMC meets quarterly to review the Group's Corporate Risk Register in accordance with the policy and guidance enshrined in the ERM framework.
		The key responsibilities of the RMC include:
		Reviewing and assessing the Group's risk profile and mitigation plans to address significant risks;
		Monitoring significant risks through the review of risk- related performance measures and the progress of action plans;
		Ensuring risk management processes are integrated into all core business processes; and
		Providing a consolidated risk and assurance report to the AC and Board to support the Group's system of risk management and internal control.
		The results of these risk management activities undertaken by the RMC are reported quarterly to the AC by the Managing Director.

## Statement on Risk Management and Internal Control (cont'd)

Level	Business Unit/Owner	Roles and Responsibilities
3 <sup>rd</sup> Level	Internal and external auditors	The internal audit function plays an essential role in strengthening the risk management and internal controls of the Group. It also assists the AC in reviewing the effectiveness of the internal controls as well as provides an independent view of specific risks and control issues, together with the state of internal controls, trends and events.
		The internal audit function reports directly to the AC on a regular basis and its role is defined based on an approved risk-based internal audit plan.
		The Company's internal audit function is outsourced to an independent external professional firm, namely KPMG Management & Risk Consulting Sdn. Bhd. ("KPMG MRC").
		The external audit function, performed by Ernst & Young PLT ("EY"), works closely with the AC to address elevated risk areas (if any) that are likely to give rise to a material misstatement of the financial statements, or which are perceived to be of higher risk and require additional audit emphasis.

The Group's risk profile is expressed using a risk impact and likelihood matrix as follows:

	Magnitude of Impact					
Likelihood	Insignificant	Minor	Moderate	Major	Catastrophic	
5 Almost Certain	1 Medium	Medium	3 High	Extreme	5 Extreme	
4 Likely	Medium	Medium	High	High	Extreme	
3 Possible	Low	Medium	Medium	High	High	
Unlikely	Low	Low	Medium	Medium	High	
Rare	Low	Low	Medium	Medium	High	

#### **CORPORATE RISK REGISTER**

The Group's ERM framework includes an ongoing risk management process that creates a Corporate Risk Register with specific risk profiles and action plans for mitigating identified risks. The register is reviewed quarterly by the Board through the AC which focuses on the progress of mitigation plans for the key risks identified in the areas pertaining to operations, corruption and material sustainability matters.

The following table provides an overview of the Group's key risks:

#### Proliferation of eCommerce

The continued sale of Amway products on unauthorised third-party websites at reduced prices undercuts the earnings of our Amway Business Owners ("ABOs") which could potentially lead to dissatisfaction and impact our overall earnings capability, not to mention the credibility of the Amway brand.

#### **Controls & Mitigation Measures In Place**

The Group continues to collaborate closely with the relevant authorities to identify such websites and to ensure the appropriate actions are taken to safeguard the Amway brand, reputation and price margins of our products.

The Group has also intensified its engagement efforts with the representatives of numerous eCommerce websites to alert them about this issue so that they may remove the unauthorised sellers and Amway products from their platforms.

Amway also undertakes strict enforcement including the issuance of warning letters to offending parties and may also withdraw any awards conferred as part of our efforts to deter the unauthorised selling of our products online.

Amway's ABOs are accorded training and awareness programmes on the prohibition of unauthorised selling and are advised to refrain from such activities. ABOs are also urged to inform their customers to only make purchases from authorised sales channels.

#### Information Security and Cybersecurity

The Group's operations heavily rely on technology and information systems. Information security breaches or cyberattacks not only have the potential to disrupt the Group's business operations but can also significantly damage its reputation. Furthermore, these incidents could lead to financial losses and non-compliance with a multitude of laws and regulations.

#### **Controls & Mitigation Measures In Place**

The Group's Information Security Risk ("ISR") Team is responsible for overseeing the management of information security and cyber risks.

The ISR Team operates in accordance with comprehensive information security policies, standards and procedures established by Amway Global. These are subject to regular updates to effectively mitigate the exposure of information systems and data against major potential threats, including cyberattacks, fraud and the loss of critical information.

The Group has implemented a set of controls and measures designed to identify, prevent, detect and respond to information security threats. These measures include vulnerability assessments, round-the-clock real-time threat monitoring, and vendor risk assessments.

Continuous groupwide awareness-building activities concerning information security risks among employees include mandatory online training and phishing tests.

## Statement on Risk Management and Internal Control (cont'd)

#### **BUSINESS CONTINUITY**

The Group has set in place a Business Continuity Plan including a Pandemic Response Plan and a Disaster Recovery Plan to ensure that, in the event of unforeseen circumstances, Amway's business operations will continue without major disruptions or with only minimal delay.

#### **INSURANCE**

Sufficient insurance and physical safeguards on major assets and contingencies are in place to ensure that the assets of the Group have sufficient coverage against any mishap that may result in material losses to the Group. A yearly insurance policy renewal exercise is undertaken in which the Management reviews the relevance and adequacy of the existing insurance coverage.

#### INTERNAL AUDIT FUNCTION

The Company's internal audit function has been outsourced to KPMG MRC, an independent external professional firm. The internal audit function reports directly to the AC and its role is defined based on an approved, risk-based internal audit plan.

Observations from these audits are presented, together with the Management's responses and proposed action plans, to the AC for its review. The internal audit function also follows up and reports to the AC on the status of action plans implemented by the Management based on the recommendations highlighted in the internal audit reports.

During FY2024, KPMG MRC conducted three (3) internal audit cycles and reported its findings to the AC. Further details of the activities of the internal audit function are provided in the AC Report.

#### **INTERNAL CONTROLS**

The other key elements of the Group's internal control system are as follows:

#### (a) Group Core Values

The Amway Values set the tone and help nurture a conducive culture of accountability, transparency and integrity, which begins at the top and is cascaded across the organisation. The Values provide a shared belief system that governs corporate conduct and helps to develop an environment that supports good corporate governance.

#### (b) Code of Conduct and Ethics

The Group maintains a written Code of Conduct and Ethics which, like the Group's Core Values, helps to provide clear guidelines on the expected corporate behaviour and practices in accordance with laws, policies, standards and procedures. Employees are obliged to sign a written declaration confirming their compliance with the Group's Code of Conduct and Ethics to promote ethical conduct in the workplace.

#### (c) Whistleblower Policy

The Group has instituted a Whistleblower Policy with the appropriate channels to facilitate feedback. This allows anyone to disclose information pertaining to misconduct or improprieties in a timely as well as safe and secure manner. The confidentiality of the whistleblower is assured throughout the process. The AC reviews whistleblowing reports received and the actions taken on a quarterly basis and report the same to the Board.

Ms. Ho Kim Poi, in her capacity as the AC Chairperson, is one of the key designated contact persons to whom employees or relevant parties can raise their concerns if they suspect any wrongdoing. Ms. Ho Kim Poi may be contacted via email at ACChairperson@amway.com.

#### (d) Anti-Bribery and Corruption Policy

The Group adopts a zero-tolerance approach against all forms of bribery and corruption as well as takes a strong stance against such acts. The Group is committed to conducting business in an honest and ethical manner, as well as to complying with all applicable laws and regulations.

The Group has established a Group-wide Anti-Bribery and Corruption ("ABAC") Policy in line with the Guidelines on Adequate Procedures issued by the Prime Minister's Department and Subsection (5) of Section 17A of the Malaysian Anti-Corruption Commission Act 2009.

The ABAC Policy sets out the Group's position on bribery and corruption in all its forms and provides principles, guidelines, and requirements on how to deal with bribery and corrupt practices that may occur within the Group as well as in its interactions with its Business Associates. The ABAC Policy applies to the Board of Directors and employees of the Group as well as Business Associates of the Group including external parties performing work or services for or on behalf of the Group. Training is provided to Directors and employees to raise awareness of the Group's stand on bribery and corruption as well as the ABAC Policy.

The Group's RMC shall have oversight for the implementation and monitoring of the compliance controls related to the ABAC Policy.

#### (e) Sustainability Management

The Group has established a Sustainability Strategic Framework ("the Framework") at the Board level. This Framework serves as a guide to facilitate the implementation of sustainability initiatives across the organisation. It takes into account the Group's context, business direction, activities, products and services, as well as its environmental, economic, social and governance impacts. It also identifies the material matters stemming from these considerations. In addition to the Framework, the Board has also adopted a Sustainability Policy which provides further guidance on how Amway is to conduct its business responsibly and reaffirms the Group's commitment towards sustainability.

To ensure the effective execution of these sustainability strategies, a Sustainability Steering Committee ("SSC") has been formed at the management level. The SSC plays an important role in driving sustainability initiatives throughout the Group's operations and oversees the progress of sustainability strategies. Supporting the SSC is the Sustainability Working Committee ("SWC"), which is specifically dedicated to the implementation of sustainability initiatives. The Head of Corporate and Government Affairs, who is a member of the SSC, provides regular reports to the Board on the advancement of the Group's sustainability initiatives and how it is addressing its material sustainability matters. In addition, the key risks associated with the Group's material sustainability matters have been incorporated into the Corporate Risk Register together with the mitigation action plan and these are reviewed quarterly by the Board through the Audit Committee.

#### (f) Authority and Responsibility

Clearly defined and documented lines and limits of authority, responsibility and accountability have been established through the relevant charters/terms of reference, organisational structures and appropriate authority limits. These enhance the Group's ability to achieve its strategies and operational objectives. The divisional structure further enhances the ability of each division to focus on its assigned core or support functions within the Group.

#### (g) Written Policies and Procedures

Clearly defined internal policies and procedures as set out in the SOPs are regularly updated to reflect changing risks or to resolve operational deficiencies. This helps ensure that internal control principles and mechanisms are embedded within the Group's operations.

Group policies and procedures are available on the Group's intranet for easy access by the employees, while compliance with the controls set out in the SOPs is reviewed by the internal auditors and the in-house Compliance Officer.

## Statement on Risk Management and Internal Control (cont'd)

#### (h) Planning, Monitoring and Reporting

- There is an established strategic planning and budgeting process, requiring all functional divisions to prepare the operating and financial budgets for discussion and approval by the Board. The Group's actual performance versus the approved budget is reviewed and deliberated on by the Board on a quarterly basis;
- The AC reviews the Group's quarterly financial results and annual audited financial statements, together with the Management, and this is subsequently reported to the Board;
- Comprehensive information, which includes the monthly management reports covering all key financial and operational indicators, is provided to Key Management for the monitoring of performance against strategic plans;
- A reporting system generates monthly performance and variance reports for review by the Management and the actions to be taken, where necessary;
- Management meetings are held regularly to identify, discuss and resolve strategic, operational, financial as well as key management issues; and
- Management information systems with documented processes, including change requests for computer programmes and access to data files, are also in place.

#### (i) Information Security and Cyber Resilience

The Information Security & Risk or ISR Team has oversight of Amway's information security and cyber resilience functions. The ISR Team has to date adopted the comprehensive information security policies, standards and procedures of Amway Global. These are updated regularly to mitigate the exposure of information systems and data against major potential threats such as cyberattacks, fraud and information loss. All these elements align with globally approved ISR policies and standards which are reviewed and updated by the global ISR Governance and Change Management Team.

To further strengthen the Group's ability to identify, prevent, detect and respond to information security threats in a timely and effective manner, the ISR Team carries out, among other things, the following activities:

- Undertakes vulnerability assessment activities including system penetration tests for Amway;
- Performs 24x7x365 real-time threat monitoring, alert analysis and response activities; and
- Conducts vendor risk assessment to ensure service providers who handle data or systems on behalf of Amway have the capabilities to handle the data and information systems securely.

The Group provides continuous training to employees to raise awareness of information security risks, which include among others the following:

- Mandatory employee online training sessions encompassing (i) the ISR Policy and Standards, and (ii) Annual Information Security Training covering hackers headlines: ChatGPT, mobile security, safe web browsing, usage of public Wi-Fi, password security, phishing emails, QR code security and Payment Card Industry Data Security
- Mandatory online people's leader training on Offboarding Employees which covers the best practices revolving around employee offboarding and information security;
- A physical Information Security Awareness Workshop which covers a range of crucial topics including social engineering, AI threats, deepfake technology, mobile security and social media tips;
- A physical Security Day to raise awareness on phishing emails, data classification and clean desk practices; and
- InfoSafe orientation for all new employees.

Amway also conducts ongoing internal phishing tests aimed at providing employees with a safe environment for learning about the dangers of phishing. At the same time, Amway continues to track susceptibility rates across the organisation. As employees undergo realistic security education, they gain awareness about how to identify threats and how to respond to them effectively.

The Group has also put in place a cyber liability insurance policy to protect against losses arising from cyber threats. In addition, the Group has established privacy policies and procedures to protect personal data and comply with the Personal Data Protection Act 2010.

#### **REVIEW OF STATEMENT BY EXTERNAL AUDITORS**

The External Auditors, EY, have reviewed this Statement for inclusion in the Annual Report 2024 of the Company. The review was conducted in accordance with Audit and Assurance Practice Guide 3, Guidance for Auditors on Engagements to Report on the Statement on Risk Management and Internal Control, issued by the Malaysian Institute of Accountants.

The External Auditors have reported to the Board that nothing has come to their attention that causes them to believe that the Statement is inconsistent with their understanding of the processes adopted by the Board in reviewing the adequacy and integrity of the Group's risk management and internal control system.

#### CONCLUSION

The Board is of the view that the system of internal control and risk management in place for the year under review was sound and that there were no significant control failures or weaknesses that would result in material losses, contingencies or uncertainties requiring separate disclosure in this Annual Report. The Group continues to take measures to strengthen the internal control environment.

The Board has received assurance from the Managing Director and Chief Financial Officer that the Group's risk management and internal control system is operating adequately and effectively in all material aspects.

The Board is committed to a process of continuous development and improvement in response to any relevant reviews and developments pertaining to good governance.

This Statement is made in accordance with the resolution given by the Board of Directors on 26 February 2025.

## **Compliance with Main Market Listing** Requirements of Bursa Malaysia **Securities Berhad**

In compliance with the Main Market Listing Requirements ("MMLR") of Bursa Malaysia Securities Berhad, the following information is provided:

#### UTILISATION OF PROCEEDS RAISED FROM CORPORATE PROPOSALS

There were no proceeds raised from corporate proposals during the financial year ended 31 December 2024.

#### **AUDIT AND NON-AUDIT FEES**

The amount of audit and non-audit fees paid or payable by the Company and the Group to the External Auditors for the financial year ended 31 December 2024 are as follows:

Fees	Company (RM)	Group (RM)
Audit fees	52,755	371,070
Non-audit fees	15,878	15,878

#### **MATERIAL CONTRACTS**

There were no material contracts entered into by the Company and its subsidiaries involving interests of Directors and major shareholders either still subsisting at the end of the financial year ended 31 December 2024 or entered into since the end of the previous financial year.

#### STATEMENT OF DIRECTORS' RESPONSIBILITY FOR PREPARING THE ANNUAL AUDITED FINANCIAL STATEMENTS ("FINANCIAL STATEMENTS")

The Directors are required by the Companies Act 2016 to prepare the financial statements for each financial year which have been made out in accordance with MFRS Accounting Standards, IFRS Accounting Standards and the requirements of the Companies Act 2016 in Malaysia so as to give a true and fair view of the financial position of the Group and of the Company and of their financial performance and cash flows for the financial year.

In preparing the financial statements, the Directors have:

- adopted appropriate accounting policies and applied them consistently;
- made judgements and estimates that are prudent and reasonable;
- ensured that applicable approved accounting standards have been followed; and
- prepared the financial statements on a going concern basis.

#### RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE

At the Annual General Meeting ("AGM") held on 23 May 2024, the Company obtained a shareholders' mandate to allow the Group to enter into recurrent related party transactions of a revenue or trading nature ("RRPT").

In accordance with Practice Note 12 of the MMLR, details of RRPT conducted for the financial year ended 31 December 2024 pursuant to the shareholders' mandate are as follows:-

< Trans	acting parties>		Nature of	
Related parties	Companies within our Group	Name of other related parties	transactions by companies within our Group	Amount transacted RM'000
Access Business Group International LLC ("ABGIL")	Amway (Malaysia) Sdn. Bhd. ("AMSB")	Alticor Global Holdings Inc. ("AGH"), Solstice Holdings Inc. ("SHI"), Alticor Inc. ("Alticor"), Amway International Inc. ("Amway International"), Alticor Distribution LLC ("Alticor Distribution"), Alticor Corporate Enterprises Inc. ("Alticor Corporate"), Amway Nederland Ltd. ("Amway Nederland"), Access Business Group LLC ("ABGL") and GDA B.V. ("GDA")	Purchase of consumer products from ABGIL	490,178
ABGIL	AMSB and Amway (B) Sdn. Bhd. ("ABSB")	AGH, SHI, Alticor, Amway International, Alticor Distribution, Alticor Corporate, Amway Nederland, ABGL and GDA	Payment of Royalty Fees to ABGIL on any Substitute Products and/or Additional Products	2,869
Amway (Singapore) Pte. Ltd. ("Amway (S)")	AMSB	AGH, SHI, Alticor, Amway International, Amway Nederland and GDA	Sale of products to Amway (S)	27

#### Notes:

- 1. ABGIL, a company incorporated in the United States of America ("USA"), is 85%-owned by Alticor Distribution, 14%-owned by Alticor Corporate and 1%-owned by ABGL. Alticor Distribution, a company incorporated in the USA and a wholly-owned subsidiary of Alticor. Alticor Corporate, a company incorporated in the USA and a wholly-owned subsidiary of Alticor. ABGL, a company incorporated in the USA and a wholly-owned subsidiary of Alticor Corporate.
- 2. Alticor, a company incorporated in the USA, is a wholly-owned subsidiary of SHI which in turn is a wholly-owned subsidiary of AGH.
- 3. Amway International, a company incorporated in the USA, is a wholly-owned subsidiary of Alticor.
- 4. Amway (S), a company incorporated in the Republic of Singapore, is a wholly-owned subsidiary of Amway International.
- 5. The Company is a 51.70%-owned subsidiary of GDA, a company incorporated in the Netherlands, which in turn is wholly-owned by Amway Nederland. Amway Nederland, a company incorporated in the USA, is a wholly-owned subsidiary of Amway International, which in turn is wholly-owned by Alticor.

# Financial Statements

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The directors have pleasure in presenting their report together with the audited financial statements of the Group and of the Company for the financial year ended 31 December 2024.

#### **Principal Activities**

The principal activity of the Company is investment holding.

The principal activities of the subsidiaries consist of distribution of consumer products principally under the "Amway" trademark. There have been no significant changes in the nature of these activities during the financial year.

Details of the subsidiary companies are disclosed in Note 16 to the financial statements.

#### Results

	Group RM'000	Company RM'000
Profit for the financial year	100,319	98,927

There were no material transfers to or from reserves or provisions during the financial year other than as disclosed in the financial statements.

In the opinion of the directors, the results of the operations of the Group and of the Company during the financial year were not substantially affected by any item, transaction or event of a material and unusual nature.

#### **Dividends**

The amounts of dividends paid by the Company since 31 December 2023 were as follows:

In respect of the financial year ended 31 December 2023 as reported in the directors' report of that year:

		RM'000
(i)	Fourth interim tax exempt (single-tier) dividend of 5.0 sen per share, on 164,385,645 ordinary shares, declared on 28 February 2024 and paid on 27 March 2024; and	8,219
(ii)	Special interim tax exempt (single-tier) dividend of 40.0 sen per share, on 164,385,645 ordinary shares,	
	declared on 28 February 2024 and paid on 27 March 2024.	65,754
		73,973
In re	espect of the financial year ended 31 December 2024:	

		RM'000
(i)	First interim tax exempt (single-tier) dividend of 5.0 sen per share, on 164,385,645 ordinary shares, declared on 23 May 2024 and paid on 21 June 2024;	8,219
(ii)	Second interim tax exempt (single-tier) dividend of 5.0 sen per share, on 164,385,645 ordinary shares, declared on 21 August 2024 and paid on 20 September 2024; and	8,219
(iii)	Third interim tax exempt (single-tier) dividend of 5.0 sen per share, on 164,385,645 ordinary shares, declared on 20 November 2024 and paid on 18 December 2024.	8,219
		24,657
		98,630

On 26 February 2025, the directors declared a fourth interim tax exempt (single-tier) dividend in respect of the financial year ended 31 December 2024, of 5.0 sen per share on 164,385,645 ordinary shares, amounting to a dividend payable of approximately RM8,219,000 and special interim tax exempt (single-tier) dividend of 40.0 sen per share on 164,385,645 ordinary shares, amounting to a dividend payable of approximately RM65,754,000.

The financial statements for the current financial year do not reflect these dividends. Such dividends will be accounted for in equity as an appropriation of retained earnings in the financial year ending 31 December 2025.

#### **Directors**

The names of the directors of the Company in office since the beginning of the financial year to the date of this report are:

Abd Malik Bin A Rahman (Chairman)

Michael Jonathan Duong (Managing Director)

Low Han Kee

Scott Russell Balfour

Datin Seri Azreen Binti Abu Noh

Ho Kim Poi

Norhanifah Binti A.Jalil (Appointed on 1 January 2024) Dato' Sri Harjeet Singh A/L Hardev Singh (Appointed on 23 May 2024) Aida Binti Md Daud (Resigned on 1 January 2024) Dato' Abdullah Thalith Bin Md. Thani (Retired on 23 May 2024)

The name of the directors at the Company's subsidiaries since the beginning of the financial year to the date at this report, excluding those who are already listed above are:

Ng Ai Lee

Nur 'Azizah Binti Ahmad

#### **Directors' Benefits**

Neither at the end of the financial year, nor at any time during that year, did there subsist any arrangement to which the Company was a party, whereby the directors might acquire benefits by means of acquisition of shares in or debentures of the Company or any other body corporate.

Since the end of the previous financial year, no director has received or become entitled to receive a benefit (other than benefits included in the aggregate amount of emoluments received or due and receivable by the directors or the fixed salary of a full time employee of the Company as shown below) by reason of a contract made by the Company or a related corporation with any director or with a firm of which he is a member, or with a company in which he has a substantial financial interest.

The directors' benefits are as follows:

	Group	Company
	RM'000	RM'000
Executive director		
Salaries and other emoluments	2,126	-
Bonus	1,154	-
Estimated monetary value of benefits-in-kind	494	-
	3,774	-
Non-executive directors		
Fees	567	567
Allowances	70	70
Estimated monetary value of benefits-in-kind	28	28
	665	665
Total directors' remuneration	4,439	665

#### **Indemnities to Directors and Officers**

The Company maintained a directors' and officers' liability insurance in respect of any legal action taken against the directors and officers in the discharge of their duties while holding office for the Company and for the Group. The total amount of insurance premium effected for any director and officer of the Company or the Group as at the financial year end was RM26,000 and the total amount of sum insured was RM47,810,000. The directors and officers shall not be indemnified by such insurance for any deliberate negligence, fraud, intentional breach of law or breach of trust proven against them.

#### **Directors' Interests**

According to the register of directors' shareholdings, none of the directors in office at the end of the financial year had any interest in shares in the Company and its subsidiary companies during the financial year except for the following:

	Number of ordinary shares			
	As At		-	As At
	1.1.2024	Acquired	Sold	31.12.2024
Amway (Malaysia) Holdings Berhad				
Abd Malik Bin A Rahman	1,000	-	-	1,000
Amway (B) Sdn. Bhd.				
Michael Jonathan Duong^	1	-	-	1

<sup>^</sup> As a director of Amway (Malaysia) Sdn. Bhd., Michael Jonathan Duong holds 1 ordinary share in Amway (B) Sdn. Bhd. on behalf of Amway (Malaysia) Sdn. Bhd. in order to comply with the Laws of Brunei Chapter 39 Companies Act which requires a minimum of 2 shareholders.

#### Immediate, Ultimate and Penultimate Holding Companies

The immediate holding company is GDA B.V., a company incorporated in Netherlands. The ultimate and penultimate holding companies are Alticor Global Holdings Inc. and Alticor Inc. respectively. Both companies are incorporated in the United States of America.

#### **Other Statutory Information**

- (a) Before the statements of comprehensive income and statements of financial position of the Group and of the Company were made out, the directors took reasonable steps:
  - to ascertain that proper action had been taken in relation to the writing off of bad debts and the making of allowance for doubtful debts and satisfied themselves that all known bad debts had been written off and that adequate allowance had been made for doubtful debts; and
  - (ii) to ensure that any current assets which were unlikely to realise their value as shown in the accounting records in the ordinary course of business had been written down to an amount which they might be expected so to realise.
- (b) At the date of this report, the directors are not aware of any circumstances which would render:
  - (i) the amount written off for bad debts or the amount of the allowance for doubtful debts in the financial statements of the Group and of the Company inadequate to any substantial extent; and
  - (ii) the values attributed to the current assets in the financial statements of the Group and of the Company misleading.
- (c) At the date of this report, the directors are not aware of any circumstances which have arisen which would render adherence to the existing method of valuation of assets or liabilities of the Group and of the Company misleading or inappropriate.

#### Other Statutory Information (contd.)

- (d) At the date of this report, the directors are not aware of any circumstances not otherwise dealt with in this report or financial statements of the Group and of the Company which would render any amount stated in the financial statements misleading.
- (e) As at the date of this report, there does not exist:
  - (i) any charge on the assets of the Group or of the Company which has arisen since the end of the financial year which secures the liabilities of any other person; or
  - (ii) any contingent liability of the Group or of the Company which has arisen since the end of the financial year.
- (f) In the opinion of the directors:
  - (i) no contingent or other liability has become enforceable or is likely to become enforceable within the period of twelve months after the end of the financial year which will or may affect the ability of the Group or of the Company to meet their obligations when they fall due; and
  - (ii) no item, transaction or event of a material and unusual nature has arisen in the interval between the end of the financial year and the date of this report which is likely to affect substantially the results of the operations of the Group or of the Company for the financial year in which this report is made.

#### **Auditors and Auditors' Remuneration**

The auditors, Ernst & Young PLT, have expressed their willingness to continue in office.

Auditors' remuneration are as follows:

	Group RM'000	Company RM'000
Statutory audit	371	53
Other services	16	16
	387	69

#### **Indemnification of Auditors**

To the extent permitted by law, the Company has agreed to indemnify its auditors, Ernst & Young PLT, as part of the terms of its audit engagement against claims by third parties arising from the audit. No payment has been made to indemnify Ernst & Young PLT during the financial year.

Signed on behalf of the Board in accordance with a resolution of the directors dated 11 April 2025.

Abd Malik Bin A Rahman

Michael Jonathan Duong

## **Statement by Directors**

## Pursuant to Section 251(2) of the Companies Act 2016

We, Abd Malik Bin A Rahman and Michael Jonathan Duong, being two of the directors of Amway (Malaysia) Holdings Berhad, do hereby state that, in the opinion of the directors, the accompanying financial statements set out on pages 142 to 183 are drawn up in accordance with MFRS Accounting Standards, IFRS Accounting Standards and the requirements of the Companies Act 2016 in Malaysia so as to give a true and fair view of the financial position of the Group and of the Company as at 31 December 2024 and of their financial performance and cash flows for the financial year then ended.

Signed on behalf of the Board in accordance with a resolution of the directors dated 11 April 2025.

Abd Malik Bin A Rahman

Michael Jonathan Duong

## **Statutory Declaration**

Pursuant to Section 251(1)(b) of the Companies Act 2016

I, Ng Ai Lee, being the officer primarily responsible for the financial management of Amway (Malaysia) Holdings Berhad, do solemnly and sincerely declare that the accompanying financial statements set out on pages 142 to 183 are in my opinion correct, and I make this solemn declaration conscientiously believing the same to be true and by virtue of the provisions of the Statutory Declarations Act, 1960.

Subscribed and solemnly declared by the abovenamed Ng Ai Lee at Petaling Jaya in Selangor Darul Ehsan on 11 April 2025

Ng Ai Lee MIA no. 16684

Before me,

## **Independent Auditors' Report**

## to the members of Amway (Malaysia) Holdings Berhad (Incorporated in Malaysia)

#### Report on the audit of the financial statements

#### Opinion

We have audited the financial statements of Amway (Malaysia) Holdings Berhad, which comprise the statements of financial position as at 31 December 2024 of the Group and of the Company, and statements of comprehensive income, statements of changes in equity and statements of cash flows of the Group and of the Company for the financial year then ended, and notes to the financial statements, including material accounting policy information, as set out on pages 142 to 183.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Group and of the Company as at 31 December 2024, and of their financial performance and their cash flows for the financial year then ended in accordance with MFRS Accounting Standards, IFRS Accounting Standards and the requirements of the Companies Act 2016 in Malaysia.

#### Basis for opinion

We conducted our audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing. Our responsibilities under those standards are further described in the *Auditors' responsibilities for the audit of the financial statements* section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

#### Independence and other ethical responsibilities

We are independent of the Group and of the Company in accordance with the By-Laws (on Professional Ethics, Conduct and Practice) of the Malaysian Institute of Accountants ("By-Laws") and the International Code of Ethics for Professional Accountants (including International Independence Standards) ("IESBA Code"), as applicable to audits of financial statements of public interest entities and we have fulfilled our other ethical responsibilities in accordance with the By-Laws and the IESBA Code.

#### Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the Group and of the Company for the current financial year. We have determined that there are no key audit matters to communicate in our report on the financial statements of the Company. The key audit matters for the audit of the financial statements of the Group are described below. These matters were addressed in the context of our audit of the financial statements of the Group as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have fulfilled the responsibilities described in the *Auditors' responsibilities for the audit of the financial statements* section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the financial statements of the Group and of the Company. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis of our audit opinion on the accompanying financial statements.

#### Revenue

(Refer to Notes 2.11, 4 to the financial statements)

The Group's revenue is derived from its operation in the distribution of consumer products where the revenue is made up of a large volume of individually insignificant transactions.

Our audit procedures included, amongst others:

- (a) Involved our information technology specialists to test samples on the IT General Controls of the sales ordering system;
- (b) Tested the accuracy of data interface between the sales ordering system and the general ledger to ensure the completeness and accuracy of revenue recognised;
- (c) Analysed the three-way relationship between revenue, receivable and cash and performed procedures to corroborate the occurrence of revenue by tracing sample of sales to cash receipts;
- (d) Performed controls testing over the Group's revenue and cash collections processes; and
- (e) Performed substantive procedures including review of the Group's revenue recognition policies, cut-off test, review of credit memos and its compliance with MFRS 15.

## Independent Auditors' Report to the members of Amway (Malaysia) Holdings Berhad (Incorporated in Malaysia)

Key audit matters (contd.)

#### Incentives and bonuses

(Refer to Notes 2.16, 25(c) to the financial statements)

These are the significant cost elements in the Group's financial statements and the Group offers various incentives and bonuses to its Amway Business Owners ("ABOs") as part of its sales and marketing strategy. As at 31 December 2024, the total related accruals of the Group amounted to RM83,593,000 representing 42% and 38% of current liabilities and total liabilities respectively.

Our audit procedures included, amongst others:

- (a) Tested the IT General Controls and application controls of the bonus system;
- (b) Tested the completeness and accuracy of the data interfaced from bonus system to general ledger;
- (c) Reviewed the estimation process and management's assessment to ensure it is supportable and appropriate; and
- (d) Traced the accruals of the incentives and bonuses to payment subsequent to year end.

#### Inventories

(Refer to Notes 2.7, 18 to the financial statements)

The Group's inventories are voluminious and were held at numerous locations including warehouses and retail shops. As of 31 December 2024, the total inventories of the Group amounted to RM160,253,000 representing 39% and 30% of current assets and total assets respectively.

Our audit procedures included, amongst others:

- (a) Attended and observed the inventory counts at selected warehouse and shops and performed inventory roll-forward procedures when the inventory counts were performed before financial year end; and
- (b) Performed costing and net realisable value (NRV) test to ensure that inventories were correctly valued and stated at lower of cost or net realisable value at the reporting date.

Information other than the financial statements and auditors' report thereon

The directors of the Company are responsible for the other information. The other information comprises the Directors' Report, but does not include the financial statements of the Group and of the Company and our auditors' report thereon, which we obtained prior to the date of this auditors' report, and the annual report, which is expected to be made available to us after the date of this auditors' report.

Our opinion on the financial statements of the Group and of the Company does not cover the other information and we do not and will not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements of the Group and of the Company, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements of the Group and of the Company or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information that we obtained prior to the date of this auditors' report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

When we read the annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to the directors of the Company and take appropriate action.

## Independent Auditors' Report to the members of Amway (Malaysia) Holdings Berhad (Incorporated in Malaysia)

#### Responsibilities of the directors for the financial statements

The directors of the Company are responsible for the preparation of financial statements of the Group and of the Company that give a true and fair view in accordance with MFRS Accounting Standards, IFRS Accounting Standards and the requirements of the Companies Act 2016 in Malaysia.

The directors are also responsible for such internal control as the directors determine is necessary to enable the preparation of financial statements of the Group and of the Company that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements of the Group and of the Company, the directors are responsible for assessing the Group's and the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or the Company or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements of the Group and of the Company as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with approved standards on auditing in Malaysia and International Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements of the Group and of the Company, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's and the Company's internal control;
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors;
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's or the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements of the Group and of the Company or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group or the Company to cease to continue as a going concern;
- Evaluate the overall presentation, structure and content of the financial statements of the Group and of the Company, including the disclosures, and whether the financial statements of the Group and of the Company represent the underlying transactions and events in a manner that achieves fair presentation; and
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the group as a basis for forming an opinion on the financial statements of the Group. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

## Independent Auditors' Report to the members of Amway (Malaysia) Holdings Berhad (Incorporated in Malaysia)

Auditors' responsibilities for the audit of the financial statements (contd.)

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial statements of the Group and of the Company for the current year and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

#### Other matters

This report is made solely to the members of the Company, as a body, in accordance with Section 266 of the Companies Act 2016 in Malaysia and for no other purpose. We do not assume responsibility to any other person for the content of this report.

Ernst & Young PLT 202006000003 (LLP0022760-LCA) & AF 0039 Chartered Accountants Edwin Joseph Francis No. 03370/05/2026 J Chartered Accountant

Kuala Lumpur, Malaysia 11 April 2025

# Statements of Comprehensive Income for the financial year ended 31 December 2024

	Group		Company	
Note	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
4	1,217,219	1,408,259	98,687	63,898
5	(910,565)	(1,059,539)	-	-
	306,654	348,720	98,687	63,898
6	9,461	8,045	2,947	2,529
	(63,841)	(67,846)	-	-
	(116,603)	(135,666)	(2,006)	(1,937)
7	(1,309)	(667)	-	-
8	134,362	152,586	99,628	64,490
11	(34,043)	(36,660)	(701)	(602)
	100,319	115,926	98,927	63,888
ne	(740)	<b>500</b>		
	(519)	539	-	
	99,800	116,465	98,927	63,888
12	61.03	70.52		
	4 5 6 7 8 11	Note RM'000  4 1,217,219 5 (910,565)  306,654 6 9,461 (63,841) (116,603) 7 (1,309) 8 134,362 11 (34,043)  100,319	Note         RM'000         RM'000           4         1,217,219         1,408,259           5         (910,565)         (1,059,539)           306,654         348,720           6         9,461         8,045           (63,841)         (67,846)           (116,603)         (135,666)           7         (1,309)         (667)           8         134,362         152,586           11         (34,043)         (36,660)           100,319         115,926	Note         2024 RM'000         2023 RM'000         2024 RM'000           4         1,217,219 (910,565)         1,408,259 (1,059,539)         98,687 -           5         (910,565)         (1,059,539)         -           6         9,461 (63,841)         8,045 (67,846)         2,947 (63,841)           6         9,461 (116,603)         (135,666) (135,666)         (2,006) (2,006)           7         (1,309) (1,309)         (667) (667)         -           8         134,362 11         152,586 (34,043)         99,628 (36,660)         99,628 (701)           100,319         115,926         98,927

### **Statements of Financial Position**

as at 31 December 2024

		G	Froup	Co	mpany
	Mada	2024	2023	2024	2023
	Note	RM'000	RM'000	RM'000	RM'000
Assets					
Non-current assets					
Property, plant and equipment	14	64,734	56,178	-	-
Intangible assets	15	5,693	4,143	-	-
Right-of-use assets	26	24,938	9,929	-	-
Investment in subsidiaries	16	-	-	86,202	86,202
Deferred tax assets	17	20,707	35,385	-	-
		116,072	105,635	86,202	86,202
Current assets					
Inventories	18	160,253	121,269	_	_
Tax recoverable		2,595	-	_	_
Trade and other receivables	19	27,102	45,204	576	54
Contract assets	20	1,440	958	_	_
Cash and cash equivalents	21	222,932	338,598	91,399	91,421
		414,322	506,029	91,975	91,475
Total assets		530,394	611,664	178,177	177,677
Equity and liabilities  Equity	00	400 400	400 400	400 400	400 400
Share capital	22	166,436	166,436	166,436	166,436
Foreign currency translation reserve	23	1,072	1,591	44.004	40.707
Retained earnings	24	141,345	139,656	11,064	10,767
Total equity attributable to owners of the parent		308,853	307,683	177,500	177,203
No. of the Control of					
Non-current liabilities Other payable	25	2,761	1,881	_	_
Contract liabiliites	20	688	818	_	_
Lease liabilities	26	20,812	7,302	-	-
		24,261	10,001	_	
		-	<u> </u>		
Current liabilities	25	470.050	057.040	E 4.4	440
Trade and other payables	25	179,353	257,313	541	418
Contract liabilities	20	12,979	23,118	-	-
Lease liabilities Current tax payable	26	4,948	3,021 10,528	- 136	- 56
- Current tax payable		197,280	293,980	677	474
Total liabilities			303,981	677	474
		221,541	<u> </u>		
Total equity and liabilities		530,394	611,664	178,177	177,677

# Consolidated Statement of Changes in Equity for the financial year ended 31 December 2024

	Attributable to equity holders of the Company			
	< Non-di	stributable> Foreign currency	Distributable	
	Share capital RM'000 (Note 22)	translation reserve RM'000 (Note 23)	Retained earnings RM'000 (Note 24)	Total equity RM'000
Group				
At 1 January 2024 Total comprehensive income Transaction with owners	166,436	1,591 (519)	139,656 100,319	307,683 99,800
Dividends on ordinary shares (Note 13)	-	-	(98,630)	(98,630)
At 31 December 2024	166,436	1,072	141,345	308,853
At 1 January 2023 Total comprehensive income Transaction with owners	166,436	1,052 539	86,195 115,926	253,683 116,465
Dividends on ordinary shares (Note 13)	-	-	(62,465)	(62,465)
At 31 December 2023	166,436	1,591	139,656	307,683

# Statement of Changes in Equity for the financial year ended 31 December 2024

	Non- distributable share capital RM'000	Distributable retained earnings RM'000	Total equity RM'000
Company			
At 1 January 2024	166,436	10,767	177,203
Total comprehensive income	-	98,927	98,927
Transaction with owners			
Dividends on ordinary shares (Note 13)	-	(98,630)	(98,630)
At 31 December 2024	166,436	11,064	177,500
At 1 January 2023	166,436	9,344	175,780
Total comprehensive income	-	63,888	63,888
Transaction with owners			
Dividends on ordinary shares (Note 13)	-	(62,465)	(62,465)
At 31 December 2023	166,436	10,767	177,203

### **Statements of Cash Flows**

### for the financial year ended 31 December 2024

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Cash flows from operating activities				
Profit before tax	134,362	152,586	99,628	64,490
Adjustments for:				
Property, plant and equipment				
- depreciation (Note 14)	5,311	4,135	-	-
- gain on disposals (Note 6)	(70)	-	-	-
- written off (Note 8)	309	8	-	_
Intangible assets				
- amortisation (Note 15)	747	6,557	-	_
- written off (Note 8)	_	13	-	_
Depreciation of right-of-use assets (Note 26)	4,772	4,166	_	_
Gain on lease modification (Note 26)	(44)	-	_	_
Finance costs (Note 7)	1,309	667	_	_
Interest income (Note 6)	(9,041)	(7,838)	(2,947)	(2,529)
Dividend income (Note 4)	-	-	(98,687)	(63,898)
Net (reversal of allowance)/allowance for			, ,	, ,
expected credit loss (Note 19)	(2)	448	_	_
Net allowance for inventory obsolescence (Note 8)	312	2,289	_	_
Inventories written-off (Note 8)	1,831	3,330	_	_
Net changes in provision for assurance-type	-,	0,000		
warranties (Note 25)	(617)	1,125	_	_
Unrealised foreign exchange loss (Note 8)	398	51	_	_
	420 E77	167 527	(2.006)	(4.027)
Operating profit/(loss) before working capital changes	139,577	167,537	(2,006)	(1,937)
(Increase)/decrease in inventories	(41,127)	86,267	-	-
Decrease/(increase) in receivables and	47.040	0.440	(500)	20
contract assets	17,642	2,446	(522)	38
(Decrease)/increase in payables and	(07.004)	(40.000)	400	(07)
contract liabilities	(67,281)	(42,380)	123	(97)
Net changes in related companies balance	(19,992)	35,657	-	
Cash generated from/(used in) operations	28,819	249,527	(2,405)	(1,996)
Finance cost paid	(1,136)	(523)	-	-
Tax paid	(32,490)	(24,795)	(621)	(560)
Net cash (used in)/generated from operating activities	(4,807)	224,209	(3,026)	(2,556)

# Statements of Cash Flows for the financial year ended 31 December 2024

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Cash flows from investing activities				
Purchase of property, plant and equipment (Note 14)	(14,192)	(7,970)	_	_
Purchase of intangible assets (Note 15)	(2,297)	(189)	_	_
Proceeds from disposals of property,	(-,,	(100)		
plant and equipment	76	_	_	_
Dividend received (Note 4)	-	_	98,687	63,898
Interest received (Note 6)	9,041	7,838	2,947	2,529
Net cash (used in)/generated from investing activities	(7,372)	(321)	101,634	66,427
Cash flows from financing activities Payment of principal portion of lease liabilities (Note 26) Dividends paid (Note 13)	(4,021) (98,630)	(3,671) (62,465)	- (98,630)	- (62,465)
Net cash used in financing activities	(102,651)	(66,136)	(98,630)	(62,465)
Net (decrease)/increase in cash and				
cash equivalents	(114,830)	157,752	(22)	1,406
Effects of foreign exchange rate changes	(836)	543	-	-
Cash and cash equivalents at beginning				
of financial year	338,598	180,303	91,421	90,015
Cash and cash equivalents at				
	222,932	338,598		

### **Notes to the Financial Statements**

### for the financial year ended 31 December 2024

#### **Corporate information**

Amway (Malaysia) Holdings Berhad ("the Company") is a public limited liability company, incorporated and domiciled in Malaysia, and is listed on the Main Market of Bursa Malaysia Securities Berhad. The registered office of the Company is located at Unit 30-1, Level 30, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No.8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia. On 13 December 2024, the Company has changed its registered office to Level 7, Menara Milenium, Jalan Damanlela, Pusat Bandar Damansara, Damansara Heights, 50490 Kuala Lumpur, Wilayah Persekutuan, Malaysia. The principal place of business of the Company is located at 28, Jalan 223, 46100 Petaling Jaya, Selangor Darul Ehsan, Malaysia.

The immediate holding company is GDA B.V., a company incorporated in Netherlands. The ultimate and penultimate holding companies are Alticor Global Holdings Inc. and Alticor Inc. respectively. Both companies are incorporated in the United States of America.

The principal activity of the Company is investment holding. The principal activities of the subsidiaries consist of distribution of consumer products principally under the "Amway" trademark.

There have been no significant changes in the nature of these principal activities during the financial year.

The financial statements for the financial year ended 31 December 2024 were authorised for issue by the Board of Directors in accordance with a resolution of the directors on 11 April 2025.

#### Summary of material accounting policy information

#### 2.1 Basis of preparation

The financial statements of the Group and of the Company have been prepared in accordance with MFRS Accounting Standards, IFRS Accounting Standards and the requirements of the Companies Act 2016.

The financial statements have been prepared on the historical cost basis except as disclosed in the accounting policies below. The financial statements are presented in Ringgit Malaysia ("RM") and all values are rounded to the nearest thousand (RM'000) except when otherwise indicated.

#### 2.2 Standards and Interpretations issued and adopted

On 1 January 2024, the Group and the Company adopted the following amended MFRSs mandatory for annual financial periods beginning on or after the dates stated below:

Description	Effective for annual periods on or after
Amendments to MFRS 16 Leases - Lease liability in a Sale and Leaseback	1 January 2024
Amendments to MFRS 101 Presentation of Financial Statements - Non-Current Liabilities with 0	Covenants 1 January 2024
Amendments to MFRS 101 Presentation of Financial Statements - Classification of Liabilities as	s Current or Non-current 1 January 2024
Amendments to MFRS 107 Statement of Cash Flows and MFRS 7 Financial Instruments: Discless - Supplier Finance Arrangements	osures 1 January 2024

The adoption of the above amended MFRSs did not have any impact on the financial statements of the Group and Company.

#### 2. Summary of material accounting policy information (contd.)

#### 2.3 Standards issued but not yet effective

The standards that are issued but not yet effective up to the date of issuance of the Group and the Company's financial statements are disclosed below. The Group and the Company intend to adopt these standards, if applicable, when they become effective.

Description	Effective for annual periods on or after
Amendments to MFRS 121 The Effects of Changes in Foreign Exchange Rates - Lack of Exchangeability	1 January 2025
Amendments to MFRS 9 Financial Instruments and MFRS 7 Financial Instruments: Disclosures - Amendments to the Classification and Measurement of Financial Instruments	1 January 2026
Annual Improvements to MFRS standards:	
Amendments to MFRS 1 First-time Adoption of International Financial Reporting Standards - Hedge Accounting by a First-time Adopter	1 January 2026
Amendments to MFRS 7 Financial Instruments: Disclosures	1 January 2020
- Gain or Loss on Derecognition	1 January 2026
Amendments to MFRS 9 Financial Instruments - Derecognition of Lease Liabilities and Transaction Price	1 January 2026
Amendments to MFRS 9 Financial Instruments - Disclosures Contracts Referencing Nature-dependent Electricity	1 January 2026
Amendments to MFRS 10 Consolidated Financial Statements - Determination of a 'De Facto Agent'	1 January 2026
Amendments to MFRS 107 Statement of Cash Flows - Cost Method	1 January 2026
MFRS 18 Presentation and Disclosure in Financial Statements	1 January 2027
MFRS 19 Subsidiaries Without Public Accountability: Disclosure	1 January 2027
Amendments to MFRS 10 Consolidated Financial Statements and MFRS 128 Investment in Associates and Joint Ventures: Sale or Contribution of Assets between an Investor and its	
Associate or Joint Venture	Deferred

The Directors do not anticipate that the application of the standards will have a significant impact on the financial statements, except for the presentation and disclosure required by MFRS 18 which introduces new categories and subtotals in the statement of profit or loss. It also requires disclosure of management-defined performance measures and includes new requirements for the location, aggregation and disaggregation of financial information.

#### 2.4 Basis of consolidation

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries as at the reporting date. The financial statements of the subsidiaries used in the preparation of the consolidated financial statements are prepared for the same reporting date as the Company. Consistent accounting policies are applied for like transactions and events in similar circumstances. The Company controls an investee if and only if the Company has all the following:

- (i) Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee):
- (ii) Exposure, or rights, to variable returns from its investment with the investee; and
- (iii) The ability to use its power over the investee to affect its returns.

Subsidiaries are consolidated when the Company obtains control over the subsidiary and ceases when the Company loses control of the subsidiary. All intra-group balances, income and expenses and unrealised gains and losses resulting from intra-group transactions are eliminated in full. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

#### 2. Summary of material accounting policy information (contd.)

#### 2.4 Basis of consolidation (contd.)

#### (a) Business combinations

Acquisitions of subsidiaries are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred, measured at acquisition date fair value. Acquisition related costs incurred are expensed and included in administrative expenses.

When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date.

#### (b) Subsidiaries

A subsidiary is an entity over which the Group has all the following:

- Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee);
- (ii) Exposure, or rights, to variable returns from its investment with the investee; and
- (iii) The ability to use its power over the investee to affect its returns.

In the Company's separate financial statements, investments in subsidiaries are accounted for at cost less impairment losses. The policy for the recognition and measurement of impairment losses is in accordance with Note 2.13.

#### 2.5 Intangible assets

#### (a) Goodwill

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred over the net identifiable assets acquired and liabilities assumed. If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the gain is recognised in profit or loss.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

Where goodwill has been allocated to a cash-generating unit and part of the operation within that unit is disposed of, the goodwill associated with the disposed operation is included in the carrying amount of the operation when determining the gain or loss on disposal. Goodwill disposed in this circumstance is measured based on the relative values of the disposed operation and the portion of the cash-generating unit retained.

#### 2. Summary of material accounting policy information (contd.)

#### 2.5 Intangible assets (contd.)

#### (b) Other intangible assets

Intangible assets acquired separately are measured initially at cost. The cost of intangible assets acquired in a business combination is their fair value as at the date of acquisition. Following initial acquisition, intangible assets are measured at cost less any accumulated amortisation and accumulated impairment losses.

Intangible assets with finite useful lives are amortised over the estimated useful lives and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method are reviewed at each reporting date. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset is accounted for by changing the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in profit or loss.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in profit or loss when the asset is derecognised.

#### (i) Computer software

Computer software that does not form an integral part of the related hardware is classified as intangible assets. Software considered to have finite useful lives, are stated at cost less any impairment losses and are amortised using the straight-line basis over the commercial lives of the underlying products of 3 years. Impairment is assessed whenever there is an indication of impairment and amortisation period and the amortisation method are also reviewed at each reporting date.

#### (ii) Development cost

Development expenditures on internally developed software are recognised as an intangible asset when the Group can demonstrate:

- the technical feasibility of completing the intangible asset so that the asset will be available for use
- its intention to complete and its ability and intention to use or sell the asset;
- how the asset will generate future economic benefits;
- the availability of resources to complete the asset; and
- the ability to measure reliably the expenditure during development.

Other development expenditures which do not meet the above criteria are recognised as an expense as incurred. Development cost previously recognised as an expense are not recognised as an asset in subsequent period. Research costs are also expensed as incurred.

Following initial recognition of the development expenditure as an asset, the asset is carried at cost less any accumulated amortisation and accumulated impairment losses. Amortisation of the asset begins when development is complete and the asset is available for use. It is amortised over the period of expected future benefit on a straight line basis. During the period of development, the asset is tested for impairment annually.

The estimated useful life of capitalised development costs is 3 years.

#### 2. Summary of material accounting policy information (contd.)

#### 2.6 Property, plant and equipment and depreciation

All items of property, plant and equipment are initially recorded at cost. The cost of an item of plant and equipment is recognised as an asset if, and only if, it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably.

Subsequent to recognition, property, plant and equipment is measured at cost less accumulated depreciation and accumulated impairment losses. When significant parts of property, plant and equipment are required to be replaced in intervals, the Group recognises such parts as individual assets with specific useful lives and depreciation, respectively. Repair and maintenance costs are recognised in profit or loss as incurred.

Depreciation is calculated on a straight-line basis over the estimated useful lives of the assets as follows:

Long term leasehold land	1.54% - 1.56%
Buildings	2.50%
Building improvements	6.67%
Leasehold fixtures and improvements	33.33%
Furniture, fittings & equipment	10% - 20%
Motor vehicle	33.33%

Capital work in progress mainly comprises renovation which have not been completed. Capital work in progress is not depreciated as these assets are not yet available for use.

The carrying values of property, plant and equipment are reviewed for impairment when events or changes in circumstances indicate that the carrying values may not be recoverable.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss on derecognition of the asset is included in the profit or loss in the year the asset is derecognised.

The residual value, useful life and depreciation method are reviewed at each reporting date, and adjusted prospectively, if appropriate.

#### 2.7 Inventories

Inventories are stated at lower of cost and net realisable value.

Cost is determined using the first in, first out method. The cost comprises purchase price of inventories plus the cost of bringing the inventories to their present location and condition.

Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

#### 2. Summary of material accounting policy information (contd.)

#### 2.8 Leases

The Group assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

#### Group as a lessee

The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

#### (i) Right-of-use assets

The Group recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets, as follows:

Premises 2 to 12 years Other equipment 2 to 5 years

If ownership of the leased asset transfers to the Group at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. The right-of-use assets are also subject to impairment. The accounting policy of impairment of non-financial assets is disclosed in Note 2.13.

#### (ii) Lease liabilities

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments consist of fixed payments. Variable lease payments that do not depend on an index or a rate are recognised as expenses in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments).

#### (iii) Short-term leases and leases of low-value assets

The Group applies the short-term lease recognition exemption to its short-term leases of premises and other equipment (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

#### 2. Summary of material accounting policy information (contd.)

#### 2.9 Provisions

Provisions are recognised when the Group has a present obligation as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate of the amount can be made. Provisions are reviewed at each reporting date and adjusted to reflect the current best estimate. Where the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, where appropriate, the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognised as finance cost.

#### (a) Provision for restoration cost

The Group records a provision for restoration costs of renovation performed on rented premises. Restoration costs are provided for at the present value of expected costs to settle the obligation using estimated cash flows. The cash flows are discounted at a current pre-tax rate that reflects the risks specific to the restoration liability. The unwinding of discount is recognised as finance cost. The estimated future costs of restoration are reviewed annually and adjusted as appropriate.

#### (b) Provision for warranty

The Group provides warranties for general repairs of products sold to customers that are not functioning as intended. Provisions related to these assurance-type warranties are recognised when the product is sold. The amount of provision of warranty claims will be charged to profit or loss and any unutilised portion of the warranty provision will subsequently be reversed when the warranty period is over. Sales of products which are not under "Amway" trademark are exempted from any warranty provision as the warranties are provided by the manufacturers.

#### 2.10 Income taxes

#### (a) Current income tax

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the tax authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in the countries where the Group operates and generates taxable income.

Current taxes for the Group are recognised in profit or loss except to the extent that the tax relates to items recognised outside profit or loss, either in other comprehensive income or directly in equity.

#### (b) Deferred tax

Deferred tax is provided using the liability method on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax liabilities are recognised for all temporary differences.

Deferred tax assets are recognised for all deductible temporary differences, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realised or the liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted at the reporting date.

Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same tax authority.

#### (c) Pillar Two Rules

The Group is within the scope of the OECD's Pillar Two model rules. Based on assessment performed, the Group and the Company are not expected to have any exposure to top-up tax in Malaysia as the effective tax rate calculated for Transitional Safe Harbour purposes was above 15%. For the financial year ended 31 December 2024, the Group and the Company have applied the Amendments to MFRS 112 International Tax Reform – Pillar Two Model Rules, which provides a mandatory temporary exception from accounting for deferred taxes arising from the Pillar Two model rules in the financial statements.

#### 2. Summary of material accounting policy information (contd.)

#### 2.11 Revenue from contracts with customers and other income

Revenue from contracts with customers is recognised when control of the goods or services is transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services. The Group has generally concluded that it is the principal in its revenue arrangements, because it typically controls the goods or services before transferring them to the customers.

#### (a) Sale of consumable products

Revenue from sales of goods is recognised net of discounts and personal effort related incentives on volume purchase at the point in time when control of the asset is transferred to the customer, generally on the delivery of the goods. Revenue is not recognised to the extent where there are significant uncertainties regarding recovery of the consideration due, associated costs or the possible return of goods.

#### (i) Variable consideration

The variable consideration is estimated at contract inception and constrained until it is highly probable that a significant revenue reversal in the amount of cumulative revenue recognised will not occur when the associated uncertainty with the variable consideration is subsequently resolved. The contracts with customers provide a right of return. The Group also provides personal effort related incentives to ABOs based on volume purchase. These give rise to variable consideration.

#### Rights of return

The contract for sales of product provides customer with a right to return the products within a specified period. The Group uses the most likely amount method to estimate the goods that will be returned because this method better predicts the amount of variable consideration to which the Group will be entitled. For goods that are expected to be returned, the Group recognises a refund liability. As the Group does not anticipate the returned goods are in saleable condition and will bring any value to the Group, no value is estimated for the right of return asset.

#### Incentives to ABOs

The incentives paid or payable to the ABOs are broadly categorised into two types, i.e. group effort related incentives and personal effort related incentives on volume purchase. The Group had considered the personal effort related incentives on volume purchase to be a reduction of transaction price, whilst group effort related incentives is a consideration paid to or payable to ABOs for the provision of distinct services.

#### Summary of material accounting policy information (contd.)

#### 2.11 Revenue from contracts with customers and other income (contd.)

#### Sale of consumable products (contd.)

#### (ii) Significant financing component

#### Cash sales

For cash sales, payment of the transaction price is due immediately when the goods are delivered to the customer. Revenue from these sales is recognised based on the price specified in the contract, net of rebates and discounts.

#### Credit sales

The Group is using the practical expedient in MFRS 15 for not adjusting any financing component for the sales on credit term of less than 12 months.

#### (iii) Option to acquire future goods at discounted price

The sales and marketing plan of the Group includes offering coupons to the customers for their future acquisition of goods at discounted price. As the option provides a material right to the customers that they would not receive without entering into the contract, it is considered a separate performance obligation. As such, the Group only recognises the allocated revenue when those future goods are transferred or the option expires.

The Group also has an Amway Priviledged Customers ("APCs") loyalty points programme, which allows APCs to accumulate points that can be redeemed for future goods at a discounted price. The loyalty points give rise to a separate performance obligation as they provide a material right to the customer.

A portion of the transaction price is allocated to the loyalty points awarded to customers based on relative stand-alone price and recognised as a contract liability until the points are redeemed. Revenue is recognised upon redemption of points by the customer.

#### (b) Revenue from sign up and renewals

Revenue from component of registration fees and sales kits from the sign up package is recognised upon the transfer of control of goods and services, whilst the annual fees component is recognised over the period of subscription. The renewal fees is recognised over the period of subscription.

#### (c) Warranty obligations

The Group provides warranties for general repairs of products sold to customers that are not functioning as intended. Provisions related to these assurance-type warranties are recognised when the product is sold. The accounting policy for provision for warranty is set out in Note 2.9(b).

The Group also provides an extended warranty beyond fixing defects that existed at the time of sale. These service-type warranties are bundled together with the sale of goods. Contracts for bundled sales of goods and service-type warranty comprise two performance obligations because the promise to transfer the goods and to provide service-type warranty are capable of being distinct within the context of the contract. Using the relative stand-alone selling price method, a portion of the transaction price is allocated to the service-type warranty and recognised as a contract liability. Revenue for service-type warranties is recognised over the period in which the service is provided based on the time elapsed.

#### (d) Interest income

Interest income is recognised on an accrual basis using the effective interest method.

### **Dividend income**

Dividend income is recognised when the Group or the Company's right to receive payment is established.

#### 2. Summary of material accounting policy information (contd.)

#### 2.12 Foreign currencies

#### (a) Functional and presentation currencies

The individual financial statements of each entity in the Group are measured using the currency of the primary economic environment in which the entity operates ("the functional currency"). The Group's consolidated financial statements are presented in RM, which is also the Company's functional currency.

#### (b) Foreign operation

On consolidation, the assets and liabilities of foreign operation are translated into RM at the rate of exchange prevailing at the reporting date and their income statements are translated at exchange rates prevailing at the dates of the transactions. The exchange differences arising on translation for consolidation are recognised in other comprehensive income.

The principal exchange rates used for every unit of foreign currency ruling at the reporting date are as follows:

	2024 RM	2023 RM
United States Dollar	4.4700	4.5915
Thailand Baht	0.1305	0.1344
Singapore Dollar	3.2860	3.4822
Brunei Dollar	3.2860	3.4822

#### 2.13 Impairment of non-financial assets

The Group assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's ("CGU") fair value less costs to sell and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

Goodwill is tested for impairment annually and when circumstances indicate that the carrying value may be impaired.

Impairment test for goodwill is performed by assessing the recoverable amount of each CGU (or group of CGUs) to which the goodwill relates to. When the recoverable amount of the CGU is less than its carrying amount, an impairment loss is recognised. Impairment losses relating to goodwill cannot be reversed in future periods.

#### 2.14 Employee benefits

#### (a) Short term benefits

Wages, salaries, bonuses and social security contributions are recognised as an expense in the year in which the associated services are rendered by employees of the Group. Short term accumulating compensated absences such as paid annual leave are recognised when services are rendered by employees that increase their entitlement to future compensated absences. Short term non-accumulating compensated absences such as sick leave are recognised when the absences occur.

#### (b) Defined contribution plans

Defined contribution plans are post-employment benefit plans under which the Group pays fixed contributions into separate entities or funds and will have no legal or constructive obligation to pay further contributions if any of the fund do not hold sufficient assets to pay all employee benefits relating to employee services in the current and preceding financial years.

The Group participates in the national pension schemes as defined by the laws of the countries in which it has operations. The Malaysian companies in the Group make contributions to the Employee Provident Fund in Malaysia, a defined contribution pension scheme. The Group's foreign subsidiary company also makes contributions to their respective country's statutory pension schemes. Contributions to defined contribution pension schemes are recognised as an expense in the period in which the related service is performed.

#### 2. Summary of material accounting policy information (contd.)

#### 2.15 Financial assets

#### (a) Classification and measurement

The Group's financial assets are classified into one category and its accounting policy is financial assets at amortised cost (debt instruments).

Trade and other receivables and cash and cash equivalents are held for collection of contractual cash flows. Their contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. These financial assets are measured at fair value at inception plus transaction cost and thereafter at amortised cost less allowance for expected credit loss. Trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient are measured at the transaction price determined under MFRS 15.

Interest income from these financial assets is calculated using the effective interest rate method. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired.

#### (b) Derecognition

Financial assets are derecognised when the rights to receive cash flows from the investments have expired or have been transferred and the Group has transferred substantially all risks and rewards of ownership.

#### 2.16 Financial liabilities

#### (a) Classification and measurement

The Group's trade and other payables are classified as financial liabilities measured at amortised cost. They are measured initially at fair value net of transaction costs and thereafter, at amortised cost using the effective interest method. Amortisation is charged to profit or loss.

#### (b) Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in profit or loss.

#### (c) Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the statements of financial position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

#### 2.17 Cash and cash equivalents

Cash and cash equivalents comprise cash at bank, cash on hand and deposits at call with a maturity of three months or less that are readily convertible to known amount of cash and which are subject to an insignificant risk of changes in value.

#### 2. Summary of material accounting policy information (contd.)

#### 2.18 Contract assets and contract liabilities

A contract asset is the right of the Group to consideration in exchange for goods or services that it has transferred to the customer when that right is conditional upon future performance but not through the passage of time. If the Group has performed its obligation by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised and presented net of any amounts that has been recognised as receivables. Contract asset is presented as the excess of cumulative revenue earned or recognised in profit or loss over the billings to date to the customer. Contract assets are subject to impairment assessment in accordance of MFRS 9: Financial Instruments.

A contract liability is the obligation of the Group to transfer goods or services to a customer for which it has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Group transfers goods or services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Group performs its obligation under the contract.

#### 2.19 Impairment of financial assets

The Group recognises an allowance for expected credit losses ("ECLs") for trade and other receivables and contract assets. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months ("a 12-month ECL"). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default ("a lifetime ECL").

For trade and other receivables and contract assets, the Group applies a simplified approach in calculating ECLs. Therefore, the Group does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Group considers forward-looking factors do not have significant impact to its credit risk given the nature of its industry.

The Group considers a financial asset in default when contractual payments are past due as at month end. However, in certain cases, the Group may also consider a financial asset to be in default when internal or external information indicates that the Group is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Group.

#### Summary of material accounting policy information (contd.)

#### 2.20 Fair Value Measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- in the principal market for the asset or liability; or
- in the absence of a principal market, in the most advantageous market for the asset or liability. (ii)

The principal or the most advantageous market must be accessible to or by the Group and the Company.

The fair value of an asset or liability is measured using the assumptions that the market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participants that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- (i) Level 1 the fair value is measured using quoted prices (unadjusted) in active markets for identical assets or liabilities:
- (ii) Level 2 the fair value is measured using inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices);
- (iii) Level 3 the fair value is measured using inputs for the asset or liability that are not based on observable market data (unobservable inputs).

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Group determines whether transfers have occurred between Levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, the Group has determined classes of assets and liabilities on the basis of the nature, characteristic and risks of the asset or liability and the level of the fair value hierarchy as explained above.

#### 2.21 Share capital

An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities. Ordinary shares are equity instruments.

Ordinary shares are recorded at the proceeds received, net of directly attributable incremental transaction costs. Ordinary shares are classified as equity. Dividends on ordinary shares are recognised in equity in the period in which they are declared.

#### 3. Significant accounting judgements and estimates

The preparation of financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected.

#### (a) Critical judgements made in applying accounting policies

There is no critical judgement made by management in the process of applying the Group's accounting policies that has a significant effect on the amounts recognised in the financial statements.

#### (b) Key sources of estimation uncertainty

There are no key estimation uncertainty at the reporting date that may have a significant risk of causing a material adjustment to the carrying amount of the assets and liabilities within the next financial year.

#### 4. Revenue

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Revenue from contracts with customers Revenue from other source:	1,217,219	1,408,259	-	-
- Dividend income from a subsidiary	-	-	98,687	63,898
	1,217,219	1,408,259	98,687	63,898

Set out below is the disaggregation of the Group's revenue from contracts with customers:

	Group		
	2024	2023	
	RM'000	RM'000	
Sales of consumer products	1,198,692	1,385,765	
Sign up and renewal fees and other service fees	18,527	22,494	
	1,217,219	1,408,259	
Timing of revenue recognition:			
At point in time	1,202,487	1,390,252	
Over time	14,732	18,007	
	1,217,219	1,408,259	

#### 5. Cost of sales

Cost of sales represent cost of inventories sold and attributable costs relating to the sale of consumer products.

#### 6. Other income

Included in other income are the following:

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Interest income on deposits with licensed bank Gain on disposal of property, plant and equipment	9,041 70	7,838	2,947	2,529
Gain on lease modification	44	-	-	_
Others	306	207	-	-
	9,461	8,045	2,947	2,529

#### 7. Finance costs

	Group	
	2024 RM'000	2023 RM'000
Unwinding of discount on provisions (Note 25)	173	144
Interest on lease liabilities (Note 26)	1,136	523
	1,309	667

#### 8. Profit before tax

The following amounts have been included in arriving at profit before tax:

	Group		Coi	mpany
	2024	2023	2024	2023
	RM'000	RM'000	RM'000	RM'000
Employee benefits expense (Note 9)	50,561	45,995	-	_
Executive directors' remuneration excluding				
benefits-in-kind (Note 10)	3,280	3,192	-	-
Non-executive directors' remuneration				
excluding benefits-in-kind (Note 10)	637	611	637	611
Auditors' remuneration				
- statutory audit	371	357	53	51
- other services	16	15	16	15
Net allowance for inventory obsolescence	312	2,289	-	-
Inventories written off	1,831	3,330	-	-
Expenses relating to short term lease and				
leases of low-value assets (Note 26)	386	322	-	-
Variable lease payments (Note 26)	38	103	-	-
Net realised (gain)/loss on foreign exchange	(23)	604	-	-
Net unrealised loss on foreign exchange	398	51	-	-
Property, plant and equipment				
- depreciation (Note 14)	5,311	4,135	-	-
- gain on disposal	(70)	-	-	-
- written off	309	8	-	-
Intangible assets				
- amortisation (Note 15)	747	6,557	-	-
- written off	-	13	-	-
Depreciation of right-of-use assets (Note 26)	4,772	4,166	-	-
Net (reversal of allowance)/allowance for				
expected credit loss on receivables (Note 19)	(2)	448	-	-
Net changes in provision for assurance-type				
warranties (Note 25)	(617)	1,125	-	-

#### 9. Employee benefits expense

	Group	
	2024 RM'000	2023 RM'000
Wages, salaries and bonus	38,477	34,420
Defined contribution plan	5,786	5,049
Social security contributions	349	320
Other benefits	5,949	6,206
	50,561	45,995

Included in employee benefits expense of the Group are executive directors' remuneration (excluding benefits-in-kind) amounting to RM3,280,000 (2023: RM3,192,000) as further disclosed in Note 10.

#### 10. Directors' remuneration

The remuneration of the directors of the Company are as follows:

	Group		oup Coi	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Executive director's remuneration (Note 9) - Other emoluments	3,280	3,192	-	-
Non-executive directors' remuneration - Fees	567	542	567	542
- Other emoluments	70	69	70	69
	637	611	637	611
Total directors' remuneration Estimated monetary value of benefits-in-kind	3,917 522	3,803 499	637 28	611 26
Total directors' remuneration including benefits-in-kind	4,439	4,302	665	637

The details of remuneration receivable by directors of the Company during the year are as follows:

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Executive:				
- Salaries and other emoluments	2,126	2,123	-	-
- Bonus	1,154	1,069	-	-
- Estimated monetary value of benefits-in-kind	494	473	-	-
	3,774	3,665	-	-
Non-Executive:				
- Fees	567	542	567	542
- Allowances	70	69	70	69
- Estimated monetary value of benefits-in-kind	28	26	28	26
	665	637	665	637
Total directors' remuneration	4,439	4,302	665	637

#### 11. Income tax expense

	Group		Cor	mpany
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Current tax expense:				
- Malaysian income tax	18,938	30,703	702	600
- Foreign tax	239	520	-	-
	19,177	31,223	702	600
Under/(Over) provision in prior years				
- Malaysian income tax	189	(876)	(1)	2
- Foreign tax	3	(3)	-	-
	192	(879)	(1)	2
	19,369	30,344	701	602
Deferred tax (Note 17):				
- Relating to origination and reversal of				
temporary differences	14,827	6,127	-	-
- (Over)/Under provision in prior years	(153)	189	-	-
	14,674	6,316	-	-
Total income tax expense	34,043	36,660	701	602

Domestic income tax is calculated at the Malaysian statutory tax rate of 24% (2023: 24%) of the estimated assessable profit for the year.

Taxation for other jurisdiction is calculated at the rate prevailing in the respective jurisdiction. Company in Brunei is taxed where for the first BND100,000 of the chargeable income, only 25% is taxable, the next BND150,000 only 50% is taxable and 100% is taxable for any remaining balance. The income tax rate applicable to company in Brunei is 18.5% (2023:18.5%).

A reconciliation of income tax expense applicable to profit before tax at the statutory income tax rate to income tax expense at the effective income tax rate of the Group and of the Company is as follows:

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Profit before tax	134,362	152,586	99,628	64,490
Taxation at Malaysian statutory tax rate of 24%				
(2023: 24%)	32,247	36,621	23,911	15,478
Effect of difference in tax rate and tax structure				
in other jurisdiction	(128)	(194)	-	-
Income not subject to tax	(172)	(127)	(23,685)	(15,336)
Expenses not deductible for tax purposes Under/(Over) provision of tax expense	2,057	1,050	476	458
in prior years	192	(879)	(1)	2
(Over)/Under provision of deferred tax expense		,	. ,	
in prior years	(153)	189	-	_
Income tax expense	34,043	36,660	701	602

#### 12. Earnings per share

Basic earnings per share is calculated by dividing profit for the year attributable to ordinary equity holders of the Company by the weighted average number of ordinary shares in issue during the financial year.

	Group	
	2024	2023
Profit attributable to ordinary equity holders of the Company (RM'000)	100,319	115,926
Weighted average number of ordinary shares in issue (number '000)	164,386	164,386
Basic earnings (sen per share)	61.03	70.52

There are no shares in issuance which have a dilutive effect to the earnings per share of the Group.

#### 13. Dividends on ordinary shares

	Sen per share	Total amount RM'000	Date of payment
Recognised in the financial year ended 31 December 2024			
Interim tax exempt (single-tier):			
Fourth interim 2023	5.0	8,219	27 March 2024
Special interim 2023	40.0	65,754	27 March 2024
First interim 2024	5.0	8,219	21 June 2024
Second interim 2024	5.0	8,219	20 September 2024
Third interim 2024	5.0	8,219	18 December 2024
		98,630	-
Recognised in the financial year ended 31 December 2023			
Interim tax exempt (single-tier):			
Fourth interim 2022	5.0	8,219	29 March 2023
Special interim 2022	18.0	29,589	29 March 2023
First interim 2023	5.0	8,219	23 June 2023
Second interim 2023	5.0	8,219	22 September 2023
Third interim 2023	5.0	8,219	15 December 2023
		62,465	-

On 26 February 2025, the directors declared a fourth interim tax exempt (single-tier) dividend in respect of the financial year ended 31 December 2024, of 5.0 sen per share on 164,385,645 ordinary shares, amounting to a dividend payable of approximately RM8,219,000 and special interim tax exempt (single-tier) dividend of 40.0 sen per share on 164,385,645 ordinary shares, amounting to a dividend payable of approximately RM65,754,000.

The financial statements for the current financial year do not reflect these dividends. Such dividends will be accounted for in equity as an appropriation of retained earnings in the financial year ending 31 December 2025.

### 14. Property, plant and equipment

Group	Long term leasehold land RM'000	Buildings RM'000	Building improvements RM'000	Leasehold fixtures and improvements RM'000	Furniture, fittings and equipment RM'000	Motor vehicles RM'000	Capital work-in- progress RM'000	Total RM'000
At 31 December 2024								
Cost								
At 1 January 2024	20,074	31,667	24,616	7,605	40,699	528	4,164	129,353
Additions	-	-	4	50	5,458	-	8,680	14,192
Disposals	-	-	-	-	(427)	-	-	(427)
Write-offs	-	-	(247)	, ,	(3,891)	-	-	(4,571)
Transfer in/(out)	-	-	1,459	4,413	4,697	-	(10,569)	-
Exchange differences	-	-	-	(12)	(43)	-	-	(55)
At 31 December 2024	20,074	31,667	25,832	11,623	46,493	528	2,275	138,492
Accumulated depreciation								
At 1 January 2024	7,658	9,024	17,856	7,489	30,677	471	_	73,175
Charge for the year (Note 8)	268	631	874	644	2,892	2	_	5,311
Disposals		-	-	-	(421)	-	-	(421)
Write-offs	-	-	(127)	(433)	(3,702)	-	-	(4,262)
Exchange differences	-	-	-	(12)	(33)	-	-	(45)
At 31 December 2024	7,926	9,655	18,603	7,688	29,413	473	-	73,758
Net carrying amount	12,148	22,012	7,229	3,935	17,080	55	2,275	64,734
Group	Long term leasehold land RM'000	Buildings RM'000	Building improvements RM'000	Leasehold fixtures and improvements RM'000	Furniture, fittings and equipment RM'000	Motor vehicles RM'000	Capital work-in- progress RM'000	Total RM'000
At 31 December 2023								
Cost	20.074	31.667	22.034	8.599	39.683	528	525	123.110
	20,074	31,667	22,034 136	8,599 14	39,683 2,188	528 -	525 5,632	123,110 7,970
Cost At 1 January 2023	20,074	31,667 - -	,	,				,
Cost At 1 January 2023 Additions	20,074	31,667 - - -	136	14	2,188	-		7,970
Cost At 1 January 2023 Additions Write-offs	20,074	- -	136 (79)	14 (114)	2,188 (1,604)	-	5,632 -	7,970
Cost At 1 January 2023 Additions Write-offs Transfer in/(out)	20,074	- - -	136 (79) 1,540	14 (114) 58	2,188 (1,604)	-	5,632 -	7,970
Cost At 1 January 2023 Additions Write-offs Transfer in/(out) Reclassifications	20,074	- - - -	136 (79) 1,540	14 (114) 58 (985)	2,188 (1,604) 395	- - -	5,632 - (1,993) -	7,970 (1,797) -
Cost At 1 January 2023 Additions Write-offs Transfer in/(out) Reclassifications Exchange differences At 31 December 2023	- - -	- - - -	136 (79) 1,540 985	14 (114) 58 (985) 33	2,188 (1,604) 395 - 37	- - - -	5,632 - (1,993) - -	7,970 (1,797) - - 70
Cost At 1 January 2023 Additions Write-offs Transfer in/(out) Reclassifications Exchange differences At 31 December 2023  Accumulated depreciation	20,074	31,667	136 (79) 1,540 985 - 24,616	14 (114) 58 (985) 33 7,605	2,188 (1,604) 395 - 37 40,699	- - - - - - 528	5,632 - (1,993) - -	7,970 (1,797) - - 70 129,353
Cost At 1 January 2023 Additions Write-offs Transfer in/(out) Reclassifications Exchange differences At 31 December 2023  Accumulated depreciation At 1 January 2023	20,074	31,667	136 (79) 1,540 985 - 24,616	14 (114) 58 (985) 33 7,605	2,188 (1,604) 395 - 37 40,699	- - - - - 528	5,632 - (1,993) - -	7,970 (1,797) - - 70 129,353
Cost At 1 January 2023 Additions Write-offs Transfer in/(out) Reclassifications Exchange differences At 31 December 2023  Accumulated depreciation At 1 January 2023 Charge for the year (Note 8)	20,074	31,667	136 (79) 1,540 985 - 24,616	14 (114) 58 (985) 33 7,605	2,188 (1,604) 395 - 37 40,699	- - - - - - 528	5,632 - (1,993) - -	7,970 (1,797) - - 70 129,353 70,767 4,135
Cost At 1 January 2023 Additions Write-offs Transfer in/(out) Reclassifications Exchange differences At 31 December 2023  Accumulated depreciation At 1 January 2023 Charge for the year (Note 8) Write-offs	20,074	31,667	136 (79) 1,540 985 - 24,616 17,201 689 (78)	14 (114) 58 (985) 33 7,605 7,481 134 (114)	2,188 (1,604) 395 - 37 40,699	- - - - - 528 453 18	5,632 - (1,993) - -	7,970 (1,797) - - 70 129,353
Cost At 1 January 2023 Additions Write-offs Transfer in/(out) Reclassifications Exchange differences At 31 December 2023  Accumulated depreciation At 1 January 2023 Charge for the year (Note 8)	20,074	31,667 8,391 633	136 (79) 1,540 985 - 24,616	14 (114) 58 (985) 33 7,605	2,188 (1,604) 395 - 37 40,699	- - - - 528 453 18	5,632 - (1,993) - - - 4,164	7,970 (1,797) - - 70 129,353 70,767 4,135
Cost At 1 January 2023 Additions Write-offs Transfer in/(out) Reclassifications Exchange differences At 31 December 2023  Accumulated depreciation At 1 January 2023 Charge for the year (Note 8) Write-offs Reclassifications	20,074	31,667 8,391 633	136 (79) 1,540 985 - 24,616 17,201 689 (78)	14 (114) 58 (985) 33 7,605 7,481 134 (114) (44)	2,188 (1,604) 395 - 37 40,699 29,851 2,393 (1,597)	- - - - 528 453 18 -	5,632 - (1,993) - - - 4,164	7,970 (1,797) - - 70 129,353 70,767 4,135 (1,789)

### 15. Intangible assets

	Computer Software RM'000	Development Costs RM'000	Goodwill RM'000	Total RM'000
Group At 31 December 2024				
Cost				
At 1 January 2024	793	23,339	4,782	28,914
Additions	2,050	247	-	2,297
Write-offs	(280)	-	-	(280)
At 31 December 2024	2,563	23,586	4,782	30,931
Accumulated amortisation/impairment:				
At 1 January 2024	785	22,499	1,487	24,771
Amortisation (Note 8)	244	503	_	747
Write-offs	(280)	-	-	(280)
At 31 December 2024	749	23,002	1,487	25,238
Net carrying amount	1,814	584	3,295	5,693
At 31 December 2023				
Cost				
At 1 January 2023	788	23,171	4,782	28,741
Additions	8	181	-	189
Write-offs	(3)	(13)	-	(16)
At 31 December 2023	793	23,339	4,782	28,914
Accumulated amortisation/impairment:				
At 1 January 2023	779	15,951	1,487	18,217
Amortisation (Note 8)	21	6,536	-	6,557
Write-offs	(3)	-	-	(3)
Transfer (out)/in	(12)	12	-	-
At 31 December 2023	785	22,499	1,487	24,771
Net carrying amount	8	840	3,295	4,143

#### 15. Intangible assets (contd.)

#### (a) Goodwill

Goodwill arose from the acquisition of Amway (B) Sdn. Bhd.. For the purpose of impairment testing, goodwill is allocated to the business operations of Amway (B) Sdn. Bhd., which represent a CGU on its own.

The Group performed a review on the recoverable amount of goodwill during the financial year. The Group considers the Brunei ABOs' momentum have a direct impact on its sales performance.

The recoverable amount is determined based on its value-in-use ("VIU") calculation using cash flows projections from financial budgets approved by management covering a five-year period.

The VIU was determined by discounting the future cash flows expected to be generated from the continuing operation of CGU and was based on the following key assumptions:

- (i) Cash flows were projected based on actual operating results and the five-year financial budget which has reflected the softer sales demands.
- (ii) The CGU will continue its operation indefinitely with terminal growth rate of nil (2023: nil).
- (iii) A pre-tax discount rates of 10% (2023: 10%) was applied to the pre-tax cash flows, was determined by the Group, is in line with the CGU's primary economic and financial environment in the country it operates.

#### Sensitivity to changes in key assumptions

The management believes that there are no reasonably possible change in any of the above key assumptions which would cause the carrying amounts of the CGU's to materially exceed the recoverable amounts.

#### 16. Investment in subsidiaries

	(	Company
	2024	2023
	RM'000	RM'000
Unquoted shares, at cost	86,202	86,202

Details of the subsidiaries are as follows:

Proportion of Name of subsidiaries ownership interest		Principal activities	
	2024	2023	
	%	%	
Held by the Company:			
Amway (Malaysia) Sdn. Bhd., incorporated in Malaysia	100	100	Distribution of consumer products principally under the "AMWAY" trademark
Held by Amway (Malaysia) Sdn. Bhd.:			
Amway (B) Sdn. Bhd., incorporated in Negara Brunei Darussalam*^	100	100	Distribution of consumer products principally under the "AMWAY" trademark

Amway (Malaysia) Sdn. Bhd. and Amway (B) Sdn. Bhd.'s principal place of business is located in Malaysia and Negara Brunei Darussalam respectively.

- \* Audited by a member firm of Ernst & Young Global in Brunei Darussalam.
- ^ Michael Jonathan Duong, as a director of Amway (Malaysia) Sdn. Bhd. holds 1 ordinary share in Amway (B) Sdn. Bhd. on behalf of Amway (Malaysia) Sdn. Bhd. in order to comply with the Laws of Brunei Chapter 39 Companies Act which requires a minimum of 2 shareholders.

#### 17. Deferred tax

	Group	
	2024	2023
	RM'000	RM'000
At beginning of financial year	35,385	41,691
Recognised in profit or loss (Note 11)	(14,674)	(6,316)
Exchange differences	(4)	10
At end of financial year	20,707	35,385
Presented after appropriate offsetting as follows:		
Deferred tax assets	20,707	35,385
Deferred tax liabilities	-	-
	20,707	35,385

The components and movements of deferred tax liabilities and assets during the financial year prior to offsetting are as follows:

#### Deferred tax liabilities of the Group:

	Property, plant and equipment and intangible assets RM'000	Right-of-use assets and others RM'000	Total RM'000
At 1 January 2023	(1,972)	(1,925)	(3,897)
Recognised in profit or loss	527	(457)	70
	(1,445)	(2,382)	(3,827)
Less: Set-off of deferred tax assets			3,827
At 31 December 2023		_	-
At 1 January 2024 Recognised in profit or loss	(1,445) (549)	(2,382) (3,602)	(3,827) (4,151)
	(1,994)	(5,984)	(7,978)
Less: Set-off of deferred tax assets			7,978
At 31 December 2024		<u> </u>	-

### 17. Deferred tax (contd.)

#### Deferred tax assets of the Group:

			Accrued	
	Lease	Contract	expenses	
	liabilities	liabilities	and others	Total
	RM'000	RM'000	RM'000	RM'000
At 1 January 2023	2,008	6,348	37,232	45,588
Recognised in profit or loss	469	(615)	(6,240)	(6,386)
Exchange differences	-	-	10	10
	2,477	5,733	31,002	39,212
Less: Set-off of deferred tax liabilities				(3,827)
At 31 December 2023			_	35,385
At 1 January 2024	2,477	5,733	31,002	39,212
Recognised in profit or loss	3,705	(2,489)	(11,739)	(10,523)
Exchange differences	-	-	(4)	(4)
	6,182	3,244	19,259	28,685
Less: Set-off of deferred tax liabilities				(7,978)
At 31 December 2024				20,707

#### 18. Inventories

Group	
2024 RM'000	2023 RM'000
159,878	120,599
375	670
160,253	121,269
	2024 RM'0000 159,878 375

During the financial year, inventories recognised as cost of sales amounted to RM548,945,000 (2023: RM604,569,000).

#### 19. Trade and other receivables

	Group		Company	
	2024	2023	2024	2023
	RM'000	RM'000	RM'000	RM'000
Trade receivables				
Third parties	22,350	37,084	-	_
Due from related companies	-	3	-	-
	22,350	37,087	-	-
Less : Allowance for expected credit loss	(1,213)	(1,316)	-	-
Trade receivables, net	21,137	35,771	-	-
Other receivables				
Due from related companies	259	241	-	-
Sundry receivables	839	6,208	529	14
Deposits	1,807	1,750	4	4
Prepayments	3,060	1,234	43	36
	5,965	9,433	576	54
Total trade and other receivables	27,102	45,204	576	54
Add: Cash and cash equivalents (Note 21)	222,932	338,598	91,399	91,421
Less: Prepayments	(3,060)	(1,234)	(43)	(36)
Total financial assets, carried at amortised cost	246,974	382,568	91,932	91,439

#### (a) Trade receivables

Trade receivables are non-interest bearing and a significant amount of the outstanding balance is repayable by way of monthly instalment plans from 90 to 150 (2023: 90 to 150) days. The Group has no significant concentration of credit risk that may arise from exposures to a single debtor or to groups of debtors.

The Group monitors the instalment payments from ABOs and any amounts which are due and not settled will be offset against the ABOs' bonuses.

#### Ageing analysis of trade receivables

The ageing analysis of the Group's trade receivables is as follows:

	G	Group	
	2024 RM'000	2023 RM'000	
Neither past due nor impaired Impaired	21,137 1,213	35,771 1,316	
	22,350	37,087	

#### 19. Trade and other receivables (contd.)

#### (a) Trade receivables (contd.)

#### Receivables that are neither past due nor impaired

Trade receivables that are neither past due nor impaired are creditworthy debtors with good payment records with the Group. Based on past experience, the Board believes that no allowance for expected credit loss is necessary in respect of those balances.

None of the Group's trade receivables that are neither past due nor impaired have been renegotiated during the financial year.

#### Receivables that are impaired

The Group's trade receivables that are impaired at the reporting date and the movement of the allowance accounts used to record the allowance for expected credit losses are as follows:

	Group Individually impaired	
	2024 RM'000	2023 RM'000
At beginning of financial year	1,316	862
Net change for the year (Note 8) Write-offs	(2) (96)	448
Exchange difference	(5)	6
At end of financial year	1,213	1,316

Trade receivables that are individually determined to be impaired at the reporting date relate to debtors that are in significant financial difficulties and have defaulted on payments. These receivables are not secured by any collateral or credit enhancements.

#### (b) Due from related companies (trade and non-trade)

Related companies are companies within the Alticor Global Holdings Inc. group of companies. Amounts due from certain related parties are unsecured and bear interest equal to the Standardised Base Rate set by the Central Bank of Malaysia plus 0.5% per annum, compounded on a monthly basis on overdue balances exceeding 30 (2023: 30) days from the date of invoice. These amounts are to be settled in cash.

Further details on related party transactions are disclosed in Note 29.

Other information on credit risks are disclosed in Note 30(d).

#### 20. Contract balances

		Group	
	2024 RM'000	2023 RM'000	
Contract assets	1,440	958	
Contract liabilities	(13,667)	(23,936)	

#### (a) Contract assets

Contract assets primarily relate to consideration for goods and services transferred to along with expenses paid on behalf of related companies but not billed at reporting date. Contract assets are transferred to receivables when the rights become unconditional.

#### (b) Contract liabilities

	Group	
	2024	2023
	RM'000	RM'000
Deferred annual and renewal fees (Note (i))	6,072	8,157
Deferred product sales (Note (ii))	4,751	11,218
Others (Note (iii))	2,844	4,561
	13,667	23,936
Current	12,979	23,118
Non-current	688	818

#### (i) Deferred annual and renewal fees

Contract liabilities of deferred annual and renewal fees relate to the consideration received from the customers for a twelve (12) months period of services, which revenue is recognised overtime over the service period on a straight line basis. The amount of revenue recognised in the financial year that was included in the contract liabilities of the Group at the beginning of the year was RM8,157,000 (2023: RM9,882,000).

Group	
2024 RM'000	2023 RM'000
12,647	16,282
(14,732)	(18,007)
6,072	8,157
	2024 RM'000 8,157 12,647 (14,732)

#### (ii) Deferred product sales

Contract liabilities of deferred product sales mainly relate to the consideration received from the customers for online products sales and the delivery of such products have not been completed during the financial year. The revenue is recognised upon delivery. The amount of revenue recognised in the financial year that was included in the contract liabilities of the Group at the beginning of the year was RM11,218,000 (2023: RM11,211,000).

#### 20. Contract balances (contd.)

#### (b) Contract liabilities (contd.)

#### (iii) Others

The sales and marketing plan of the Group includes offering coupons to the customers for their future acquisition of goods at discounted price. The option provides a material right to the customer. The Group recognises the allocated revenue when those future goods are transferred or when the option expires. The Group also offers a loyalty programme where accumulated points can be redeemed for future goods at a discounted price. The amount allocated to the loyalty programme is recognised as revenue when the points are redeemed.

The Group also provides extended warranty beyond fixing the defects that existed at the time of sale to customers. The service-type warranty is accounted for as a separate performance obligation and a portion of the transaction price is allocated. The Group recognises the allocated revenue when the performance obligation for the service-type warranty is satisfied over the coverage period based on time elapsed. The amount of revenue recognised in the financial year that was included in the contract liabilities of the Group at the beginning of the year was RM2,238,000 (2023: RM3,435,000).

	Group	
	2024	2023
	RM'000	RM'000
At 1 January	4,561	5,374
Deferred during the year	521	2,622
Recognised as revenue during the year	(2,238)	(3,435)
At 31 December	2,844	4,561
Current	2,156	3,743
Non-current	688	818

#### 21. Cash and cash equivalents

	Group		Company	
	2024	2023	2024	2023
	RM'000	RM'000	RM'000	RM'000
Cash on hand and at banks Deposits with licensed banks	68,322	178,759	899	89,421
	154,610	159,839	90,500	2,000
Total cash and cash equivalents	222,932	338,598	91,399	91,421

The weighted average effective interest rates of deposits at the reporting date were as follows:

		Group		Company	
	2024 %	<b>2023</b> %	<b>2024</b> %	2023 %	
Licensed banks	3.25%	3.14%	3.30%	3.30%	

#### 21. Cash and cash equivalents (contd.)

The average maturities of deposits as at the end of the financial year were as follows:

	Group		Company	
	2024 Days	2023 Days	2024 Days	2023 Days
Licensed banks	74	49	91	88

#### 22. Share capital

	Group/Company			
	Nur	mber of		
	ordinary shares		Amount	
	2024	2023	2024	2023
	'000	'000	RM'000	RM'000
Issued and fully paid				
Share capital at beginning and				
end of financial year	164,386	164,386	166,436	166,436

The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the Company. All ordinary shares have no par value and rank equally with regard to the Company's residual assets.

#### 23. Foreign currency translation reserve

		Group	
	2024	2023	
	RM'000	RM'000	
Foreign currency translation reserve	1,072	1,591	

The foreign currency translation reserve represents the foreign translation differences arising from the translation of the financial statements of a foreign operation whose functional currency is different from the Group's presentation currency.

#### 24. Retained earnings

The Company may distribute dividends on a single-tier basis out of its entire retained earnings as at 31 December 2024 without any restrictions.

#### 25. Trade and other payables

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
	TAIN OOO	1411 000	11111 000	11111 000
Trade payables				
Third parties	14,872	12,659	-	-
Due to related companies	44,316	64,191	-	-
	59,188	76,850	-	-
Other payables				
Due to related companies	1,570	1,672	-	-
Sundry payables	10,002	12,634	66	107
Accruals	103,390	159,102	475	311
Refund liabilities	628	451	-	-
Provisions	7,336	8,485	-	
	122,926	182,344	541	418
Total trade and other payables	182,114	259,194	541	418
Less : Provision	(7,336)	(8,485)	-	-
Total financial liabilities carried at				
amortised cost	174,778	250,709	541	418
Trade and other payables				
Current	179,353	257,313	541	418
Non-current	2,761	1,881	-	-

#### (a) Trade payables

Amounts due to third parties are non-interest bearing and the normal credit term granted to the Group and Company range from 30 to 90 (2023: 30 to 90) days.

#### (b) Due to related companies (trade and non-trade)

The amounts due to related companies are unsecured and bear interest at the federal rate as defined by the United States Treasury Regulation and Internal Revenue Code on overdue balances exceeding 30 to 90 (2023: 30 to 90) days from the date of invoice. The non-trade amounts due to related companies are mainly in respect of payments made on behalf. These amounts are to be settled in cash.

### (c) Accruals

Included in the accruals of the Group is an amount of RM83,593,000 (2023: RM138,948,000) for distributors' bonuses, seminars and other expenses.

### (d) Refund liabilities

Refund liability is the obligation to refund some or all of the consideration received (or receivable) from the customer and is measured at the amount the Group ultimately expects it will have to return to the customer.

#### 25. Trade and other payables (contd.)

#### (e) Provisions

#### Provisions for assurance-type warranties

The Group provides warranties for durable products sold to customers that are not functioning as intended. Provisions related to these assurance-type warranties are recognised when the product is sold. The amount of provision of warranty claims will be charged to profit or loss and any unutilised portion of the warranty provision will subsequently be reversed when the warranty period is over. Sales of products with manufacturer's warranty which are not under "Amway" trademark are exempted from any warranty provision as the warranties are provided by the manufacturers.

#### Provisions for restoration costs

The Group records a provision for restoration costs of renovation performed on rented premises. Restoration costs are provided for at the present value of expected costs to settle the obligation using estimated cash flows. The cash flows are discounted at a current pre-tax rate that reflects the risks specific to the restoration liability. The unwinding of the discount is expensed as incurred and recognised in profit or loss as a finance cost. The estimated future costs of restoration are reviewed annually and adjusted as appropriate.

Movements of provision are as follows:

	Restoration	type	
	cost	warranties	Total
Group	RM'000	RM'000	RM'000
At 1 January 2024	2,718	5,767	8,485
Net change for the year	279	(617)	(338)
Utilisation during the year	(409)	(575)	(984)
Unwinding of discount (Note 7)	173	-	173
At 31 December 2024	2,761	4,575	7,336
Current	-	4,575	4,575
Non-current	2,761	<u> </u>	2,761
At 1 January 2023	1,951	5,567	7,518
Net change for the year	623	1,125	1,748
Utilisation during the year	-	(925)	(925)
Unwinding of discount (Note 7)	144	-	144
At 31 December 2023	2,718	5,767	8,485
Current	837	5,767	6,604
Non-current	1,881	, -	1,881

Further details on related parties transactions are disclosed in Note 29. Other information on liquidity risks are disclosed in Note 30(c).

#### 26. Leases

#### The Group as lessee

The Group has lease contracts for premises and various items of equipment used in its operations. Leases of assets generally have lease terms between 2 and 12 years. The Group's obligations under its leases are secured by the lessor's title to the leased assets. Generally, the Group is restricted from assigning and subleasing the leased assets. There are several lease contracts that include extension and termination options.

The Group also has certain leases of premises and equipment with lease terms of 12 months or less and leases of office equipment with low value. The Group applies the 'short-term lease' and 'lease of low-value assets' recognition exemptions for these leases.

Set out below are the carrying amounts of right-of-use assets recognised and the movements during the period:

		Other	
	Premises	Equipment	Total
	RM'000	RM'000	RM'000
At 1 January 2024	9,446	483	9,929
Additions	14,549	486	15,035
Depreciation expenses (Note 8)	(4,620)	(152)	(4,772)
Modification	4,756	16	4,772
Exchange differences	(26)	-	(26)
At 31 December 2024	24,105	833	24,938
At 1 January 2023	7,691	155	7,846
Additions	2,704	524	3,228
Depreciation expenses (Note 8)	(3,970)	(196)	(4,166)
Modification	3,009	-	3,009
Exchange differences	12	-	12
At 31 December 2023	9,446	483	9,929

Set out below are the carrying amounts of lease liabilities and the movements during the period:

	2024 RM'000	2023 RM'000
	Kill 000	1111 000
At 1 January	10,323	8,367
Additions	14,777	3,086
Accretion of interest	1,136	523
Payments	(5,157)	(4,194)
Modification	4,707	2,528
Exchange differences	(26)	13
At 31 December	25,760	10,323
Current	4,948	3,021
Non-current	20,812	7,302

## 26. Leases (contd.)

## The Group as lessee (contd.)

The following are the amounts recognised in profit or loss:

	2024 RM'000	2023 RM'000
Depreciation expense of right-of-use assets (Note 8)	4,772	4,166
Interest on lease liabilities (Note 7)	1,136	523
Expenses relating to short term lease and leases of low-value assets (Note 8)	386	322
Variable lease payments not included in lease liabilities (Note 8)	38	103
Gain on lease modification (Note 6)	(44)	-
Total amount recognised in profit or loss	6,288	5,114

The Group has certain lease contracts for equipment that contains variable payments based on the number of outputs. The Group's variable lease payments, including the magnitude in relation to the fixed payments are not material. The Group also has several lease contracts that include extension options. These options are negotiated by management to provide flexibility in managing the leased-asset portfolio and align with the Group's business needs. Management exercises judgement in determining whether these extension options are reasonably certain to be exercised.

Set out below are the undiscounted potential future rental payments relating to periods following the exercise date of extension options that are not included in the lease term:

2024	2023
RM'000	RM'000
Extension options expected not to be exercised within 5 years 432	144

Total cash outflows for all leases including lease liabilities, short-term leases, leases of low-value assets and variable lease payments in the financial year ended 31 December 2024 for the Group amounted to RM5,581,000 (2023: RM4,619,000), in which RM4,021,000 (2023: RM3,671,000) represents payment of principal portion of lease liabilities.

## 27. Segment reporting

Although the Group has an operation in Negara Brunei Darussalam, there is no disclosure of this operation as a separate geographical segment as the revenue contributed by this foreign incorporated company is not material to constitute an independent geographical segment as stipulated under MFRS 8: Operating Segments.

No details relating to the Group's business segment was disclosed as the Group has only one business segment which is the distribution of consumer products.

Accordingly, information on geographical and business segments of the Group's operations are not presented.

## 28. Capital commitments

	Group	
	2024 RM'000	2023 RM'000
Capital expenditure in respect of		
Development costs and property, plant and equipment:		
- Approved and contracted for	1,595	265
- Approved and not contracted for	16,330	19,829
	17,925	20,094

## 29. Significant related party transactions

(a) In addition to the transactions detailed elsewhere in the financial statements, the Group had the following transactions with related parties during the financial year.

	Group	
	2024 RM'000	2023 RM'000
Sales of goods:		
Amway (Singapore) Pte. Ltd.	(27)	(85)
Amway Hong Kong Limited	-	(64)
Amway Vietnam Co. Ltd.	-	(7)
ABG North Asia Ltd.	-	(1)
Purchases:		
Access Business Group International L.L.C.	490,178	344,505
Amway International Inc.	-	177
Guangzhou Access Business Co. Ltd.	-	236
Royalties paid/payable:		
Access Business Group International L.L.C.	2,869	3,961

(b) The transactions with related parties are at rates mutually agreed by the parties concerned.

Information regarding outstanding balances arising from related party transactions as at 31 December 2024 are disclosed in Notes 19 and 25.

The nature of the related party relationships are entities within the Alticor Global Holdings Inc..

(c) The remuneration of directors of the Company and other members of key management during the year was as follows:

	Group	
	2024	2023
	RM'000	RM'000
Short-term employee benefits	8,049	6,384
Post-employment benefits:		
- Defined contribution plan	661	431
Non-executive directors' remuneration:		
- Directors' fees and others	665	637
	9,375	7,452

## 30. Financial risk management objectives and policies

The Group and the Company are exposed to financial risks arising from their operations and the use of financial instruments. The key financial risks include interest rate risk (both fair value and cash flow), foreign currency risk, liquidity risk and credit risk.

The Board of Directors reviews and agrees policies and procedures for the management of these risks, which are executed by the Chief Financial Officer. The Audit Committee provides independent oversight to the effectiveness of the risk management process.

It is, and has been throughout the year under review, the Group's policy that no derivatives shall be undertaken except for the use as hedging instruments where appropriate and it's cost-efficient. The Group and the Company do not apply hedge accounting.

## (a) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

At the reporting date, the interest rate profile of the interest-bearing financial instruments is as follows:

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Fixed rate instruments Deposits with licensed banks	154,610	159,839	90,500	2,000

## (b) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates.

The Group is exposed to transactional currency risk primarily through sales to related companies, purchases and payments on behalf that are denominated in a currency other than the functional currency to which they relate. The currencies giving rise to this risk are primarily United States Dollar ("USD"), Singapore Dollar ("SGD") and Thailand Baht ("THB").

The net unhedged financial assets and financial liabilities of the Group that are not denominated in their functional currencies are as follows:

		Group
	2024 RM'000	2023 RM'000
Due from related companies Singapore Dollar	-	3
Due from related companies United States Dollar	65	69
Due to related companies Thailand Baht	(3)	(4)
Cash and bank balances United States Dollar	686	1,320

Sensitivity analysis for foreign currency risk

The Group's exposure to currency risk is not significant in the context of the financial statements and accordingly the sensitivity analysis is not presented.

## 30. Financial risk management objectives and policies (contd.)

## (c) Liquidity risk

Liquidity risk is the risk that the Group or the Company will encounter difficulty in meeting financial obligations due to the shortage of funds.

Analysis of financial instruments by remaining contractual maturities

The table below summarises the maturity profile of the Group's and the Company's liabilities at the reporting date based on contractual undiscounted repayment obligations.

On demand		
	More than	
•	•	Total
RIVITUUU	RIVITUUU	RM'000
174,778	-	174,778
6,540	24,901	31,441
181,318	24,901	206,219
541	-	541
On demand		
	More than	
		Total
RM'000	RM'000	RM'000
250,709	-	250,709
3,574	8,342	11,916
254,283	8,342	262,625
	or within one year RM'000  174,778 6,540 181,318  541  On demand or within one year RM'000  250,709 3,574	or within one year RM'000  174,778 - 6,540 24,901  181,318 24,901  541 - On demand or within one year RM'000 RM'000  250,709 - 3,574 8,342

## 30. Financial risk management objectives and policies (contd.)

## (d) Credit risk

Credit risk is the risk of loss that may arise on outstanding financial instruments should a counterparty default on its obligations. The Group's and the Company's exposure to credit risk arises primarily from trade and other receivables. For other financial assets (including cash and bank balances), the Group and the Company minimise credit risk by dealing exclusively with high credit rating counterparties.

The Group's credit risk is primarily attributable to trade receivables. The Group trades only with recognised and creditworthy third parties. It is the Group's policy that all customers who wish to trade on credit terms are subject to credit verification procedures. In addition, receivable balances are monitored on an ongoing basis and the Group's exposure to bad debts is not significant. Since the Group trades only with recognised and creditworthy third parties, there is no requirement for collateral.

The credit risk of the Group's other financial assets, which comprises of cash and cash equivalents, arises from default of the counterparty, with a maximum exposure equal to the carrying amount of these financial assets.

The Group does not have any significant exposure to any individual customer or counterparty nor does it have any major concentration of credit risk related to any financial assets. The analysis of the quality of credit risk are disclosed in Note 19 and the accounting policy on the impairment of financial asset (ECL) is disclosed in Note 2.19.

### 31. Fair values on financial instruments

The Group and the Company measures fair values using the fair value hierarchy that reflects the significance of the inputs as disclosed in Note 2.20.

The following are classes of financial instruments that are not carried at fair value and whose carrying amounts are reasonable approximation of fair value:

	Note
Trade and other receivables	19
Amounts due from related companies	19
Amounts due to related companies	25
Trade and other payables	25

The carrying amounts of these financial assets and liabilities are reasonable approximation of fair values due to their short-term nature.

## 32. Capital management

The primary objective of the Group's capital management is to ensure that it maintains a healthy cashflow in order to support its business and maximise shareholders' value.

The Group does not have any external borrowings as at reporting date. The Group manages its capital structure and makes adjustments to it, in light of changes in economic conditions. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders and return capital to shareholders. No significant changes were made in the objectives, policies or processes during the years ended 31 December 2024 and 31 December 2023. The Group is not subjected to any externally imposed capital requirements.

# Particulars of Properties as at 31 December 2024

## PROPERTIES OWNED BY THE GROUP

Location	Land Area (Sq Metres)	Existing Use	Tenure	Approximate Age of Building (Years)	Net Book Value RM'000	Date of Acquisition
28, Jalan 223, 46100 Petaling Jaya, Selangor Darul Ehsan.	10,007	Office	Leasehold expiring 2 May 2071	14	22,517	9 March 2006
26 & 26A, Jalan 223, 46100 Petaling Jaya, Selangor Darul Ehsan.	7,934	Office and Shop	Leasehold expiring 26 March 2069	14	19,209	19 November 2004

## **Group's Physical Presence**

## as at 31 December 2024

## CORPORATE HEADQUARTERS

- Van Andel & DeVos Training Centre
- · Product Pavilion

- One-Stop Customer Service Centre
- **Brand Experience Centre**
- · Office Block

28, Jalan 223, 46100 Petaling Jaya, Selangor Darul Ehsan. Tel: 03-7946 2800

## **AMWAY SHOPS**

### ALOR SETAR

35, Taman Bandar Baru Mergong, Lebuhraya Sultanah Bahyah, 06250 Alor Setar, Kedah Darul Aman.

### **BATU PAHAT**

Versis Business Park 11 & 12, Jalan Lingkaran Bentara 1, Pusat Komersial Bentara, 83000 Batu Pahat, Johor Darul Takzim.

### **BINTULU**

Lot no. 4075, 4076, 4077, Parkcity Commercial Square Phase 5, Jalan Tun Ahmad Zaidi, 97000 Bintulu. Sarawak.

55 & 57, Pusat Perdagangan Canning II, KUCHING 30350 Ipoh. Perak Darul Ridzuan.

## **JOHOR BAHRU**

57, Jalan Ponderosa 2/2, Taman Ponderosa, 81100 Johor Bahru, Johor Darul Takzim.

### KI ANG

4 & 6 (Ground Floor), Jalan Kasuarina 11, Bandar Botanic. 41200 Klang, Selangor Darul Ehsan.

### **KOTA BHARU**

10 & 11, Bangunan Yakin, Jalan Raja Perempuan Zainab 2, Bandar Baru Kubang Kerian, 16150 Kota Bharu, Kelantan Darul Naim.

## **KOTA KINABALU**

Lot 6 (1st Floor) & Lot 7 (Ground & 1st Floor), Block F, Sri Kepayan Commercial Centre, 88200 Kota Kinabalu, Sabah.

### **KUALA TERENGGANU**

Lot 60654, Tingkat Bawah, Kg Dalam Bata, Jalan Dato' Isaacs, 20100 Kuala Terengganu, Terengganu Darul Iman.

## **KUANTAN**

A255, Ground Floor, Jalan Air Putih. 25300 Kuantan. Pahang Darul Makmur.

40 & 41, Jalan Tun Ahmad Zaidi Adruce, 93200 Kuchina. Sarawak.

## **MELAKA**

108A, Jalan Berkat 15, Taman Malim Jaya, Malim Jaya, 75250 Melaka.

Lot 1740, Block 9, MCLD Rice Mill Road. Kampung Bahru, 98000 Miri, Sarawak.

## **NUSA BESTARI**

26G, Jalan Bestari 7/2, Taman Nusa Bestari, 79150 Nusajaya, Johor Darul Takzim.

## **PULAU PINANG**

9 & 10, Persiaran Karpal Singh 2, 11600 Jelutong, Pulau Pinang.

#### PFRAI

1797-G-07 & 08. Kompleks Auto World, Jalan Perusahaan, Juru Interchange, 13600 Perai, Pulau Pinang.

#### **SANDAKAN**

Block A, Lot SO198-SO201, Ground Floor, One Avenue 8 Bandar Utama, Mile 6, North Road, 90000 Sandakan, Sabah.

## **SEREMBAN**

255 & 256, Ground Floor, Jalan S2 B12, Uptown Avenue Seremban 2, 70300 Seremban. Negeri Sembilan Darul Khusus.

## **SIBU**

25 Ground Floor, Lorong Wong King Huo 1B, Pekan Sibu. 96000 Sibu. Sarawak

### **TAIPING**

13, 15 & 17, Tingkat Bawah, Jalan Medan Saujana Kamunting, Taman Medan Saujana Kamunting, 34600 Kamunting, Taiping, Perak Darul Ridzuan.

## **WANGSA MAJU**

34N-0-3, Jalan Wangsa Delima 6, (1/27F) KLSC Section 5, Pusat Bandar Wangsa Maju, 53300 Kuala Lumpur.

## BRUNEI

6 & 7, Block A, Kompleks Shakirin, Kampong Kiulap, Bandar Seri Begawan, BE1518 Brunei Darussalam.

# AMWAY (MALAYSIA) HOLDINGS BERHAD Registration No: 199501011153 (340354-U) (Incorporated in Malaysia)

## **NOTICE OF ANNUAL GENERAL MEETING**

NOTICE IS HEREBY GIVEN THAT the Thirtieth ("30"") Annual General Meeting ("AGM") of AMWAY (MALAYSIA) HOLDINGS BERHAD ("the Company") will be held at the Van Andel & DeVos Training Centre, Amway (Malaysia) Sdn. Bhd., 28, Jalan 223, 46100 Petaling Jaya, Selangor Darul Ehsan, Malaysia on Wednesday, 21 May 2025 at 9:30 a.m. to transact the following businesses:

## **AGENDA**

## **As Ordinary Business**

A3 (	runary Business	
1.	To receive the Audited Financial Statements for the financial year ended 31 December 2024 together with the Directors' and the Auditors' Reports thereon.	(Please refer to Note 1 of the Explanatory Notes)
2.	To re-elect Mr. Low Han Kee, who is retiring pursuant to Clause 76(3) of the Constitution of the Company ("the Constitution").	Ordinary Resolution 1
3.	To re-elect Mr. Scott Russell Balfour, who is retiring pursuant to Clause 76(3) of the Constitution.	Ordinary Resolution 2
4.	To re-elect Datin Seri Azreen Binti Abu Noh, who is retiring pursuant to Clause 76(3) of the Constitution.	Ordinary Resolution 3
5.	To approve the Director's fee of up to RM132,000 payable to Encik Abd Malik Bin A Rahman, the Chairman and the Senior Independent Non-Executive Director, for the financial year ending 31 December 2025.	Ordinary Resolution 4
6.	To approve the Director's fee of up to RM94,300 payable to Ms. Ho Kim Poi, the Audit Committee Chairperson and the Independent Non-Executive Director, for the financial year ending 31 December 2025.	Ordinary Resolution 5
7.	To approve the Director's fee of up to RM82,100 payable to Mr. Low Han Kee, the Non-Independent Non-Executive Director, for the financial year ending 31 December 2025.	Ordinary Resolution 6
8.	To approve the Director's fee of up to RM95,800 payable to Datin Seri Azreen Binti Abu Noh, the Nominating Committee Chairperson and the Independent Non-Executive Director, for the financial year ending 31 December 2025.	Ordinary Resolution 7
9.	To approve the Director's fee of up to RM75,100 payable to Puan Norhanifah Binti A.Jalil, the Non-Independent Non-Executive Director, for the financial year ending 31 December 2025.	Ordinary Resolution 8
10.	To approve the Director's fee of up to RM87,600 payable to Dato' Sri Harjeet Singh A/L Hardev Singh, the Independent Non-Executive Director, for the financial year ending 31 December 2025.	Ordinary Resolution 9
11.	To approve the Directors' benefits of up to RM132,600 for the financial year ending 31 December 2025.	Ordinary Resolution 10
12.	To re-appoint Ernst & Young PLT as Auditors of the Company and to authorise the Directors to fix their remuneration.	Ordinary Resolution 11

## As Special Business

To consider and, if thought fit, to pass with or without modifications, the following Ordinary Resolution:

13. Proposed Renewal of Shareholders' Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature with Access Business Group International LLC ("ABGIL") and Amway (Singapore) Pte. Ltd. ("Amway (S)") ("Proposed Renewal of Shareholders' Mandate")

**Ordinary Resolution 12** 

"THAT approval be and is hereby given for the Company and/or its subsidiaries ("Group") to enter into recurrent transactions of a revenue or trading nature with ABGIL and Amway (S) as set out in Section 2.4 of the Circular to Shareholders dated 21 April 2025, which are subject to the approval of the Proposed Renewal of Shareholders' Mandate, provided that such recurrent transactions are necessary for the day-to-day operations and are carried out in the ordinary course of business and at arms-length basis on normal commercial terms which are consistent with the Group's normal business practices and policies and on terms not more favourable to the related parties than those generally available to the public and on terms not to the detriment of the minority shareholders;

AND THAT such approval shall be in force until:

- the conclusion of the next Annual General Meeting of the Company ("AGM") at which time it will lapse unless by a resolution passed at that meeting, the authority is renewed;
- (ii) the expiration of the period within which the next AGM is required to be held under Section 340(2) of the Companies Act 2016 (but must not extend to such extension as may be allowed under Section 340(4) of the Companies Act 2016); or
- revoked or varied by ordinary resolution passed by the shareholders in a general meeting.

whichever is the earlier;

AND THAT the Directors of the Company be and are hereby authorised to do all such acts and things (including, without limitation, to execute all such documents and to assent to any conditions, variations, and/or amendments) in the interest of the Company to give effect to the aforesaid shareholders' mandate."

14. To transact any other business of which due notice is given in accordance with the Companies Act 2016 and the Constitution.

BY ORDER OF THE BOARD

CHIN MUN YEE (MAICSA 7019243) SSM PC No.: 201908002785

YEOW SZE MIN (MAICSA 7065735) SSM PC No.: 201908003120

Company Secretaries

Kuala Lumpur Dated this 21 April 2025

### Notes:

- A member of the Company entitled to attend, speak, and vote at the meeting is entitled to appoint not more than two (2) proxies to attend, speak, and vote in his/her stead. A proxy may, but need not, be a member of the Company, and there shall be no restriction on the qualification of the proxy.
- Where a member of the Company appoints two (2) proxies, the appointments shall be invalid unless he/she specifies 2. the proportion of his/her shareholdings to be represented by each proxy.
- 3 Where a member of the Company is an authorised nominee as defined in the Securities Industry (Central Depositories) Act 1991 ("Central Depositories Act"), such member may appoint not more than two (2) proxies in respect of each securities account it holds in ordinary shares of the Company standing to the credit of the said securities account.
- Where a member of the Company is an exempt authorised nominee who holds ordinary shares in the Company for multiple beneficial owners in one (1) securities account ("omnibus account") as defined under the Central Depositories Act ("Exempt Authorised Nominee"), there is no limit to the number of proxies that the Exempt Authorised Nominee may appoint in respect of each omnibus account it holds.
- The instrument appointing a proxy shall be in writing under the hand of the appointor or of his attorney duly authorised in writing or, if the appointor is a corporation, either under its common seal or signed by an officer or attorney so authorised. The Directors may, but shall not be bound to require evidence of the authority of any such attorney or
- The appointment of a proxy may be made in a hard copy form or by electronic means in the following manner and must be received by the Company not less than forty-eight (48) hours before the time appointed for holding the meeting or adjourned general meeting at which the person named in the appointment proposes to vote:
  - In hard copy form

In the case of an appointment made in hard copy form, the proxy form must be deposited with the Share Registrar of the Company at Tricor Investor & Issuing House Services Sdn. Bhd., Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia or alternatively, in the drop-in box provided at Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia.

## By electronic means

The proxy form can be electronically lodged with the Share Registrar of the Company via TIIH Online at https://tiih.online. Kindly refer to the Information for Shareholders on the procedures for electronic lodgement of proxy form via TIIH Online.

- 7. Please ensure ALL the particulars as required in the proxy form are completed, signed and dated accordingly.
- 8. Last date and time for lodging the proxy form is Monday, 19 May 2025 at 9:30 a.m.
- 9. For the purpose of determining who shall be entitled to attend this meeting, the Company shall request Bursa Malaysia Depository Sdn. Bhd. to make available to the Company, pursuant to the Constitution, a Record of Depositors as of 13 May 2025 ("General Meeting Record of Depositors"), and only a depositor whose name appears on such General Meeting Record of Depositors shall be entitled to attend this meeting.
- Pursuant to Paragraph 8.29A(1) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, all resolutions set out in this Notice will be put to vote by way of poll.
- 11. It is important that you read the Information for Shareholders on 30th AGM.

## **Explanatory Notes on Ordinary Business:**

### Agenda item 1

This agenda item is meant for discussion only as the provision of Section 340(1)(a) of the Companies Act 2016 does not require a formal approval of shareholders for the Audited Financial Statements. Hence, this item on the Agenda is **not put forward for voting**.

## 2. Ordinary Resolutions 1 to 3

Please refer to the Statement Accompanying the Notice of AGM for information.

## 3. Ordinary Resolutions 4 to 9

Pursuant to Section 230(1) of the Companies Act 2016, the fees of the directors and any benefits payable to the directors of a listed company and its subsidiaries shall be approved at a general meeting.

The fee structure for the Board Chairman, Non-Executive Board members, Chairmen/Chairperson of the Board Committees, and Board Committee members for the financial year ending 31 December 2025 remains the same as the preceding financial year.

In the event the new Director(s) is/are appointed after the AGM on 21 May 2025, the Company will seek approval for the payment of fees to the new Director(s) at the next AGM.

## 4. Ordinary Resolution 10

The proposed Directors' benefits under Ordinary Resolution 10 are based on the current number of Directors on the Board and Scheduled Board and Board Committee Meetings for the financial year ending 31 December 2025. In the event the proposed amount is insufficient, approval will be sought at the next AGM for the shortfall.

## 5. Ordinary Resolution 11

The Board, through the Audit Committee, has considered the re-appointment of Ernst & Young PLT as Auditors of the Company. The factors considered by the Audit Committee in recommending to the Board to table their re-appointment at the 30<sup>th</sup> AGM are disclosed in the Corporate Governance Overview Statement of the Annual Report 2024.

## **Explanatory Note on Special Business:**

## 1. Ordinary Resolution 12

This resolution, if passed, will allow the Group to renew its existing mandate obtained at the Twenty-Ninth ("29th") AGM held on 23 May 2024 to enter into recurrent related party transactions of a revenue or trading nature with ABGIL and Amway (S) in the ordinary course of business, and the necessity to convene separate general meetings from time to time to seek shareholders' approval as and when such recurrent related party transactions occur would not arise. Besides facilitating a smoother and more efficient conduct of business, this would substantially reduce administrative time, inconvenience, and expenses associated with the convening of such meetings and would place the Group in a better position to leverage and take advantage of business opportunities as and when they may arise, without compromising the corporate objectives of the Group. The shareholders' mandate is subject to renewal on an annual basis

Please refer to the Circular to Shareholders dated 21 April 2025 for further details.

### ...

# Statement Accompanying the Notice of Annual General Meeting

Pursuant to Paragraph 8.27(2) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad

## Individuals who are standing for election/appointment

No individuals stand for election/appointment as Directors at the Company's 30th Annual General Meeting ("AGM").

## Directors who are standing for re-election

Mr. Low Han Kee, Mr. Scott Russell Balfour, and Datin Seri Azreen Binti Abu Noh ("Retiring Directors") are standing for re-election as Directors of the Company and being eligible, have offered themselves for re-election at the 30<sup>th</sup> AGM of the Company. Their profiles can be found on pages 84, 85, and 87 of the Annual Report 2024.

The Nominating Committee ("NC") conducts a Board Effectiveness Evaluation ("BEE") annually to determine whether the Board of Directors ("Board"), Board Committees, and Directors are performing and discharging their duties effectively. The Board is satisfied with the overall results of the BEE conducted for the financial year ended 31 December 2024.

The Retiring Directors meet the criteria prescribed under Paragraph 2.20A of the Main Market Listing Requirements ("MMLR") of Bursa Malaysia Securities Berhad ("Bursa Securities") on character, experience, integrity, competence and time to discharge their roles as Directors effectively. None of the Retiring Directors has any conflict of interest or potential conflict of interest, including interest in any business that competes with the Company or its subsidiaries.

The NC has conducted a review and assessment of the Retiring Directors in accordance with the Directors' Fit and Proper Policy and is satisfied that they have met the criteria prescribed by the said Policy.

Datin Seri Azreen Binti Abu Noh, who is the Independent Non-Executive Director of the Company, fulfilled the criteria of an independent director under the MMLR of Bursa Securities, which include being independent of management, free from any business or other relationship which could interfere with the exercise of independent judgement, objectivity or the ability to act in the best interests of the Company.

Contributions and reasons for the Retiring Directors' re-election are as follows:-

## Mr. Low Han Kee

Mr. Low Han Kee was appointed a Director of the Company on 6 June 1996. On 1 September 1998, he took over the helm as Managing Director ("MD"), a position he held until his retirement on 31 January 2016. He was then re-designated as a Non-Independent Non-Executive Director on 1 February 2016. He is also a member of the Audit Committee.

With over 30 years of financial and leadership experience, primarily in the consumer and direct selling industries, Mr. Low played a pivotal role in driving Amway's growth, financial performance, and operational efficiency during his tenure as MD. He brings deep expertise in financial management, corporate governance, and strategic planning to the table

Mr. Low's past senior leadership role, combined with his sharp and incisive thinking, enables him to bring essential insights to the Board and Audit Committee discussions, reinforcing his continued value as a Director.

## 2. Mr. Scott Russell Balfour

Mr. Scott Russell Balfour was appointed as a Non-Independent Non-Executive Director of the Company on 15 January 2004. He is the Chairman of the Remuneration Committee and a member of the Audit Committee and Nominating Committee.

Mr. Balfour has over 30 years of legal and regulatory experience, predominantly in the direct selling industry. He spent 23 years at Alticor Inc., where he served as Vice President and Deputy General Counsel, overseeing legal and regulatory affairs across Asia. Now, as a consultant for Alticor Inc., he continues to provide strategic legal insights to Amway, bringing extensive expertise in risk management, regulatory compliance, and corporate governance that strengthens the Board's oversight.

Mr. Balfour's wide range of experience, skills and insights complement Amway's strategy and remain integral and relevant to the Company's long-term sustainable growth and success.

## Statement Accompanying the Notice of Annual General Meeting Pursuant to Paragraph 8.27(2) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad

### 3. <u>Datin Seri Azreen Binti Abu Noh</u>

Datin Seri Azreen Binti Abu Noh was appointed as an Independent Non-Executive Director of the Company on 26 February 2019. She is the Chairperson of the Nominating Committee and a member of the Audit Committee and Remuneration Committee.

Datin Seri Azreen's diverse portfolio spans law, business, and social advocacy. She has extensive experience in corporate, commercial, and conveyancing matters, along with expertise in business leadership, strategic growth, and entrepreneurship.

Datin Seri Azreen's legal acumen and entrepreneurial insights continue to add depth to Board discussions, ensuring diverse perspectives that support Amway's strategic direction and long-term sustainability.

The Board (save for the Retiring Directors who have abstained from deliberation on discussions relating to their own re-election), believes that the contribution, commitment, and performance of the Retiring Directors continue to be invaluable and relevant to the long-term sustainable goals and success of the Company and strongly supports their re-election as Directors.

## **Analysis of Shareholdings**

## As at 14 March 2025

No. of Issued Shares : 164,385,645 Ordinary Shares

Class of Shares : Ordinary Shares Voting Rights : One vote per share

## **ANALYSIS OF SHAREHOLDINGS**

Distribution of shareholdings according to size:

Size of Holdings	No. of Shareholders/			
	Depositors	%	No. of Shares Held	%
1 - 99	468	7.98	8,961	0.01
100 – 1,000	2,411	41.13	1,548,597	0.94
1,001 - 10,000	2,576	43.95	8,791,011	5.35
10,001 - 100,000	376	6.41	8,907,860	5.42
100,001 - 8,219,281	28	0.48	25,547,133	15.54
8,219,282 and above	3	0.05	119,582,083	72.74
Total	5,862	100.00	164,385,645	100.00

## SUBSTANTIAL SHAREHOLDERS

(As per Register of Substantial Shareholders)

	< Direct	>	< Indirect-	>
Size of Shareholders	No. of Shares held	%	No. of Shares held	%
GDA B.V. ("GDA")	84,990,283	51.70	-	-
Amway Nederland Ltd. ("Amway Nederland")	-	-	84,990,283*i	51.70
Amway International Inc. ("Amway International")	-	-	84,990,283*ii	51.70
Alticor Inc. ("Alticor")	-	-	84,990,283***	51.70
Solstice Holdings Inc. ("SHI")	-	-	84,990,283*iv	51.70
Alticor Global Holdings Inc. ("AGH")*vi	-	-	84,990,283*v	51.70
AmanahRaya Trustees Berhad				
<ul> <li>Skim Amanah Saham Bumiputera</li> </ul>	20,379,000	12.40	-	-
Kumpulan Wang Persaraan (Diperbadankan)	14,212,800	8.65	408,800	0.25
Employees Provident Fund Board	9,873,233	6.01	-	-

### Notes:

- Deemed interest by virtue of its interest in GDA pursuant to Section 8 of the Companies Act 2016.
- Deemed interest by virtue of its interest in Amway Nederland pursuant to Section 8 of the Companies Act 2016.
- Deemed interest by virtue of its interest in Amway International pursuant to Section 8 of the Companies Act 2016.
- <sup>\*iv</sup> Deemed interest by virtue of its interest in Alticor pursuant to Section 8 of the Companies Act 2016.
- Deemed interest by virtue of its interest in SHI pursuant to Section 8 of the Companies Act 2016.
- The equity interests in AGH are wholly held by certain trusts established by Jay Van Andel and Richard M. DeVos, the co-founders of the AGH group of companies or members of their immediate families.

## Analysis of Shareholdings As at 14 March 2025

## **SHAREHOLDINGS OF DIRECTORS**

(As per Register of Directors' Shareholdings)

	< Direct	>	< Indirect	>
Name of Directors	No. of Shares held	%	No. of Shares held	%
Abd Malik Bin A Rahman	1,000	Neg.	-	_
Michael Jonathan Duong	-	-	-	-
Scott Russell Balfour	-	-	-	-
Low Han Kee	-	_	-	_
Ho Kim Poi	-	-	-	-
Datin Seri Azreen Binti Abu Noh	-	_	-	_
Dato' Sri Harjeet Singh A/L Hardev Singh	-	_	-	_
Norhanifah Binti A.Jalil	_	_	-	_

## THIRTY LARGEST SHAREHOLDERS

Nan	ne	No. of Shares Held	%
1.	GDA B.V.	84,990,283	51.70
2.	AmanahRaya Trustees Berhad  – Amanah Saham Bumiputera	20,379,000	12.40
3.	Kumpulan Wang Persaraan (Diperbadankan)	14,212,800	8.65
4.	AmanahRaya Trustees Berhad  – Amanah Saham Malaysia	8,000,000	4.87
5.	Citigroup Nominees (Tempatan) Sdn. Bhd.  – Employees Provident Fund Board	6,708,259	4.08
6.	Citigroup Nominees (Tempatan) Sdn. Bhd.  – Employees Provident Fund Board (Islamic)	3,164,974	1.93
7.	AmanahRaya Trustees Berhad  – Amanah Saham Bumiputera 2	2,175,300	1.32
8.	Kong Goon Khing	991,500	0.60
9	Public Nominees (Tempatan) Sdn. Bhd.  – Pledged Securities Account for Chew Er Hong (E-KPG)	460,000	0.28
10.	Citigroup Nominees (Tempatan) Sdn. Bhd.  – Kumpulan Wang Persaraan (Diperbadankan) (Kenanga)	408,800	0.25
11.	IFast Nominees (Tempatan) Sdn. Bhd.  – Global Success Network Sdn. Bhd.	367,800	0.22
12.	Public Nominees (Tempatan) Sdn. Bhd.  – Pledged Securities Account for Lee Sey Liang (KLC/KEN)	291,100	0.18
13.	Hong Weng Hwa	265,500	0.16
14.	Chua Soon Gin	202,000	0.12
15.	Kalsom Binti Ahmad	200,000	0.12

## Analysis of Shareholdings As at 14 March 2025

## THIRTY LARGEST SHAREHOLDERS

Nan	ne	No. of Shares Held	%
16.	Public Nominees (Tempatan) Sdn. Bhd.  – Pledged Securities Account for Skyture Capital Sdn. Bhd. (KL C/PIV)	200,000	0.12
17.	Teo Chiang Hong	195,000	0.12
18.	Ang Lay Pheng	187,700	0.11
19.	Harinder Kaur Gill A/P Mehar Singh Gill	181,000	0.11
20.	Public Nominees (Tempatan) Sdn. Bhd.  – Pledged Securities Account for Ng Thong Kook (E-SS2)	165,400	0.10
21.	Maisarah Binti Ramli	164,000	0.10
22.	Alliancegroup Nominees (Tempatan) Sdn. Bhd.  – Pledged Securities Account For Tan Kian Chuan (8059299)	150,000	0.09
23.	CGS International Nominees Malaysia (Tempatan) Sdn. Bhd.  – Pledged Securities Account For Tan Kian Chuan (MY2204)	150,000	0.09
24.	Ajeet Kaur A/P Inder Singh	128,700	0.08
25.	Boh Plantations Sdn. Berhad	122,500	0.08
26.	HLIB Nominees (Tempatan) Sdn. Bhd.  – Pledged Securities Account for Ooi Chen Seng	122,200	0.08
27.	New Tong Fong Plywood Sdn. Bhd.	120,000	0.07
28.	Yeoh Saik Khoo Sendirian Berhad	114,500	0.07
29.	Maybank Nominees (Tempatan) Sdn. Bhd.  – Chua Eng Ho Wa'a @ Chua Eng Wah	105,200	0.06
30.	Tan Sing Hoe	104,700	0.06
		145,028,216	88.22

# Information for Shareholders on 30<sup>th</sup> Annual General Meeting

Date: Wednesday, 21 May 2025

Time : 9:30 a.m.

Venue : Van Andel & DeVos Training Centre (1st Floor)

Amway (Malaysia) Sdn. Bhd. 28, Jalan 223, 46100 Petaling Jaya Selangor Darul Ehsan, Malaysia

Meeting Mode: Physical

## A. BEFORE THE 30<sup>TH</sup> AGM DAY

## **Entitlement to Participate and Appointment of Proxy**

Only members whose names appear on the Record of Depositors as at 13 May 2025 shall be eligible to attend, speak, and vote at the 30<sup>th</sup> AGM or appoint a proxy(s) and/or the Chairman of the Meeting to attend, and vote on his/her behalf.

If you wish to participate in the 30<sup>th</sup> AGM yourself, please do not submit any Proxy Form for the 30<sup>th</sup> AGM. You will not be allowed to participate in the 30<sup>th</sup> AGM together with a proxy appointed by you.

Accordingly, proxy forms and/or documents relating to the appointment of proxy/corporate representative/attorney for the 30<sup>th</sup> AGM whether in hard copy or by electronic means, shall be deposited or submitted in the following manner not later than **Monday**, **19 May 2025 at 9:30 a.m.:** 

## (i) In hard copy form:

By hand or post to the office of the Share Registrar, Tricor Investor & Issuing House Services Sdn. Bhd. ("Tricor") at Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur or alternatively, in the drop-in box provided at Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur; or

## (ii) By electronic means:

All shareholders can have the option to submit proxy forms electronically via TIIH Online at <a href="https://tiih.online">https://tiih.online</a> and the steps to submit are summarised below:

Procedure	Action
(i) Steps for Individual Shareho	lders
Register as a user with TIIH Online	<ul> <li>Using your computer, please access the website at <a href="https://tiih.online">https://tiih.online</a>. Register as a user under the "e-Services" and select "Create Account by Individual Holder". Please refer to the tutorial guide posted on the homepage for assistance.</li> </ul>
	Registration as a user will be approved within one (1) working day and you will be notified via e-mail.
	If you are already a user with TIIH Online, you are not required to register as a user again.

## Information for Shareholders on 30<sup>th</sup> Annual General Meeting

Procedure	Action
(i) Steps for Individual Shareho	olders
Proceed with submission of Proxy Form	<ul> <li>After the release of the Notice of Meeting by the Company on Monday, 21 April 2025, login with your username (i.e. e-mail address) and password.</li> <li>Select the corporate event: Amway (Malaysia) Holdings Berhad 30<sup>th</sup> AGM – "Submission of Proxy Form".</li> <li>Read and agree to the Terms and Conditions and confirm the</li> </ul>
	<ul> <li>Declaration.</li> <li>Insert your CDS account number and indicate the number of shares for your proxy(s) to vote on your behalf.</li> </ul>
	<ul> <li>Appoint your proxy(s) and insert the required details of your proxy(s) or appoint Chairman as your proxy.</li> </ul>
	Indicate your voting instructions – FOR or AGAINST, otherwise your proxy will decide on your votes.
	Review and confirm your proxy(s) appointment.
	Print the Proxy Form for your record.
(ii) Steps for corporation or inst	itutional shareholders
Register as a User with	Access TIIH Online at <a href="https://tiih.online.">https://tiih.online.</a>
TIIH Online	<ul> <li>Under e-Services, the authorised or nominated representative of the corporation or institutional shareholder selects "Create Account by Representative of Corporate Holder".</li> </ul>
	Complete the registration form and upload the required documents.
	• Registration will be verified, and you will be notified by e-mail within one (1) to two (2) working days.
	Proceed to activate your account with the temporary password given in the e-mail and re-set your own password.
	<b>Note:</b> The representative of a corporation or institutional shareholder must register as a user in accordance with the above steps before he/she can subscribe to this corporate holder electronic proxy submission. Please contact our Share Registrar if you need clarifications on the user registration.
Proceed with submission of	Login to TIIH Online at <a href="https://tiih.online">https://tiih.online</a> .
Proxy Form	<ul> <li>Select the corporate exercise name: Amway (Malaysia) Holdings Berhad 30<sup>th</sup> AGM – "Submission of Proxy Form".</li> </ul>
	Agree to the Terms & Conditions and Declaration.
	<ul> <li>Proceed to download the file format for "Submission of Proxy Form" in accordance with the Guidance Note set therein.</li> </ul>
	Prepare the file for the appointment of proxy(s) by inserting the required data.
	Submit the proxy appointment file.
	Proceed to upload the duly completed proxy appointment file.
	Select "Submit" to complete your submission.
	Print the confirmation report of your submission for your record.

## Information for Shareholders on 30<sup>th</sup> Annual General Meeting

## B. ON THE 30<sup>TH</sup> AGM DAY

## Registration

- Registration will start at 8:30 a.m. at the Van Andel & DeVos Training Centre (1st Floor), Amway (Malaysia)
   Sdn. Bhd., 28, Jalan 223, 46100 Petaling Jaya, Selangor Darul Ehsan.
- 2. Please produce your original Identity Card (IC) or Passport (applicable for foreigners) for verification. No photocopy of IC or Passport will be accepted.
- 3. You are not allowed to register on behalf of another person, even with the original IC or Passport of that other person.
- 4. Upon verification, kindly sign on the Attendance List.
- 5. Upon registration, you will be given one (1) wristband to enter the meeting venue.
- 6. You will only be allowed to enter the meeting venue if you are wearing the wristband.
- 7. If you are attending the meeting as a Shareholder as well as Proxy, you will be registered once and will be given only one (1) wristband.
- 8. There will be no replacement in the event that you lose or misplace the wristband.
- Kindly proceed to the Help Desk for any clarification or queries. Help Desk will also handle the revocation of Proxy's appointment.

## **Voting At Meeting**

The voting at the 30th AGM will be conducted on a poll pursuant to Paragraph 8.29A of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities"). The Company has appointed Tricor to conduct the poll voting electronically ("e-voting") and Coopers Professional Scrutineers Sdn. Bhd. as Independent Scrutineers to verify the poll results.

Shareholders and proxies may submit your votes at the polling kiosk provided by Tricor. Upon completion of the voting session for the 30<sup>th</sup> AGM of the Company, the scrutineers will verify the poll results followed by the Chairman's declaration of whether the resolutions are duly passed.

The resolutions proposed at the 30<sup>th</sup> AGM and the results of the voting will be announced at the 30<sup>th</sup> AGM and subsequently via an announcement made by the Company through Bursa Securities at <u>www.bursamalaysia.com</u>.

## **Annual Report**

In consideration of the environment, we have printed limited copies of the Annual Report. We strongly encourage you to refer to the softcopy version of the Annual Report.

The Annual Report is available on:

- The Company's website at <a href="https://www.amway.my/about-amway/investor-relations/annual-reports-announcements">https://www.amway.my/about-amway/investor-relations/annual-reports-announcements</a>; and
- Bursa Securities's website at <a href="www.bursamalaysia.com">www.bursamalaysia.com</a> under Company's announcements.

If you do require a printed copy, you may request for a printed copy before the AGM at <a href="https://tiih.online">https://tiih.online</a> by selecting "Request for Annual Report" under the "Investor Services". Kindly consider the environment before you decide to request for a printed copy of the Annual Report. The environmental concerns like global warming, deforestation, climate change and many more affect every human, animal and nation on this planet.

## Information for Shareholders on 30th Annual General Meeting

## **Door Gift**

One (1) door gift will be provided to one (1) shareholder/proxy.

## No Recording or Photography

Any visual or audio recording whilst the 30th AGM is conducted is strictly prohibited unless our written consent has been obtained before this meeting.

#### Refreshment

Only beverages will be provided at the refreshment area.

## No Smoking Zone

In accordance with the Ministry of Health's Control of Smoking Products for Public Health (Declaration of Non-Smoking Area of Place) Order 2024 (Act 852), please note that smoking is strictly prohibited in all indoor and outdoor areas of our premises, including entrances, exits, stairwells, parking lots, and common areas.

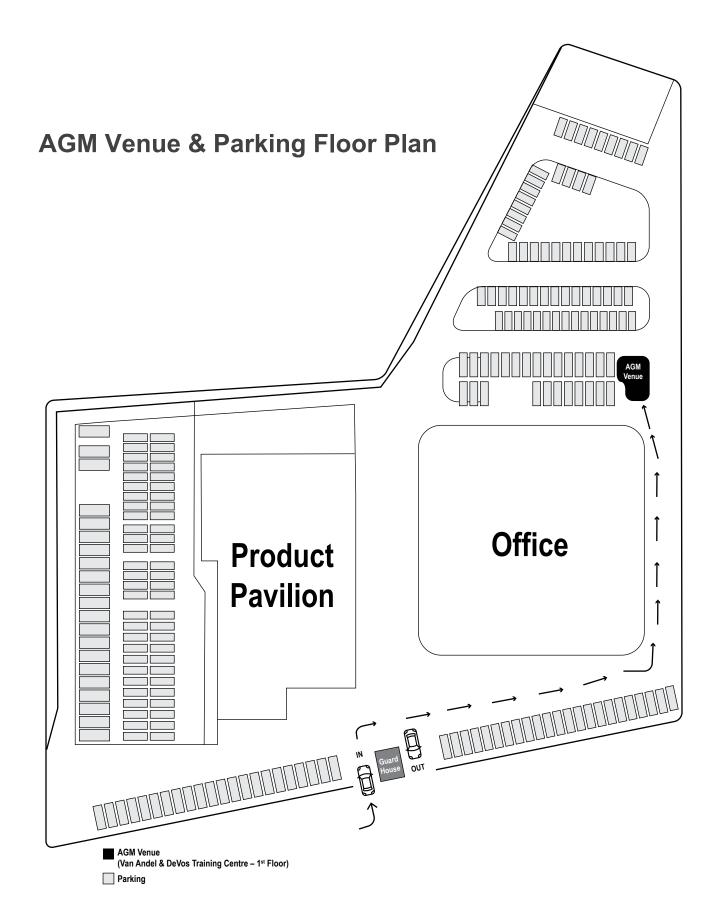
## Parking & AGM Venue

You are encouraged to use public transportation to go to the AGM venue as parking spaces are limited. Parking is complimentary and you may park at the parking lots shaded in GREY.

Take the staircase to the Van Andel & DeVos Training Centre (AGM Venue) located on the 1st floor.

### **Enquiry**

If you have any enquiry prior to the meeting, please call our Share Registrar, Tricor at +603-2783 9299 during office hours i.e. from 8:30 a.m. to 5:30 p.m. (Monday to Friday, except on public holidays).





## **Proxy Form**

CDS Account No.

No. of shares held



Signature\* Member

AMWAY (MALAYSIA) HOLDINGS BERHAD Registration No: 199501011153 (340354-U) (Incorporated in Malaysia)

	[Full name in block and as per NRIC/passport/certificate					
Tel/	HP No.: of	(Fu	II Address)			
 peind	member(s) of Amway (Malaysia) Holdings Berhad, here	by appoint:				
Fu	I Name (in Block and as per NRIC/Passport)	NRIC/Passport No.		Propo	rtion of S	hareholdings
				No. of S	Shares	%
Ad	dress					
and	/or					
Fu	I Name (in Block and as per NRIC/Passport)	NRIC/Passport No.		Propo	rtion of S	hareholdings
				No. of S	Shares	%
Ad	dress	'				
	al General Meeting ("AGM") of the Company which will					
	cription of Resolution	dnesday, 21 May 2025 at 9:30 a.m. or any ad		f, and to v		
Des		dnesday, 21 May 2025 at 9:30 a.m. or any ad	journment thereof	f, and to v	ote as inc	licated below:
<b>Des</b>	scription of Resolution	dnesday, 21 May 2025 at 9:30 a.m. or any ad	journment thereof	f, and to v	ote as inc	licated below:
<b>Des</b> 1. 2.	ccription of Resolution  Re-election of Mr. Low Han Kee as Director.		Resolution Ordinary Resolu	on ution 1 ution 2	ote as inc	licated below:
<b>Des</b> 1. 2. 3.	Re-election of Mr. Scott Russell Balfour as Director.	ctor. able to Encik Abd Malik Bin A Rahman,	Resolution Ordinary Resolution Ordinary Resolution	on ution 1 ution 2 ution 3	ote as inc	licated below:
1. 2. 3. 4.	Re-election of Mr. Low Han Kee as Director.  Re-election of Mr. Scott Russell Balfour as Director.  Re-election of Datin Seri Azreen Binti Abu Noh as Director.  Approval of the Director's fee of up to RM132,000 paya the Chairman and the Senior Independent Non-Executi	ctor.  able to Encik Abd Malik Bin A Rahman, ive Director for the financial year ending one to Ms. Ho Kim Poi, the Audit Committee	Resolution Ordinary Resolution Ordinary Resolution Ordinary Resolution Ordinary Resolution	on ution 1 ution 2 ution 3 ution 4	ote as inc	licated below:
	Re-election of Mr. Low Han Kee as Director.  Re-election of Mr. Scott Russell Balfour as Director.  Re-election of Datin Seri Azreen Binti Abu Noh as Director.  Approval of the Director's fee of up to RM132,000 paya the Chairman and the Senior Independent Non-Executi 31 December 2025.  Approval of the Director's fee of up to RM94,300 payab Chairperson and the Independent Non-Executive Director's received in the RM94,300 payable Chairperson and the Independent Non-Executive Director's received in the RM94,300 payable Chairperson and the Independent Non-Executive Director's received in the RM94,300 payable Chairperson and the Independent Non-Executive Director's received in the RM94,300 payable Chairperson and the Independent Non-Executive Director's received in the RM94,300 payable Chairperson and the Independent Non-Executive Director's received in the RM94,300 payable Chairperson and the Independent Non-Executive Director's received in the RM94,300 payable Chairperson and the Independent Non-Executive Director's received in the RM94,300 payable Chairperson and the Independent Non-Executive Director's received in the RM94,300 payable Chairperson and Chairperson and Chairperson and Chairperson and Chairperson and	ctor.  able to Encik Abd Malik Bin A Rahman, ive Director for the financial year ending on the tom Ms. Ho Kim Poi, the Audit Committee other for the financial year ending on the tom Mr. Low Han Kee, the	Resolution Ordinary Resolution Ordinary Resolution Ordinary Resolution Ordinary Resolution Ordinary Resolution	on ution 1 ution 2 ution 3 ution 4 ution 5	ote as inc	licated below:
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^ Delete whichever is inapplicable

- \* Manner of execution:

Signed this \_\_\_\_\_\_ day of \_\_\_\_\_\_\_, 2025.

- (a) If you are an individual member, please sign where indicated.
  (b) If you are a corporate member with a common seal, this proxy form should be executed under seal in accordance with the constitution of your corporation.
- (c) If you are a corporate member that does not have a common seal, this proxy form should be affixed with the rubber stamp of your company (if any) and executed by:

  - (ii) at least two (2) authorised officers, of whom one shall be a director; or (ii) any director and/or authorised officers in accordance with the laws of the country under which your corporation is incorporated.

#### Notes:

- A member of the Company entitled to attend, speak, and vote at the meeting is entitled to appoint not more than two (2) proxies to attend, speak, and vote in his/her stead. A proxy may, but need not, be a member of the Company, and there shall be no restriction on the qualification of the proxy.
- Where a member of the Company appoints two (2) proxies, the appointments shall be invalid unless he/she specifies the proportion of his/her shareholdings to be represented by each proxy.
- 3. Where a member of the Company is an authorised nominee as defined in the Securities Industry (Central Depositories) Act 1991 ("Central Depositories Act"), such member may appoint not more than two (2) proxies in respect of each securities account it holds in ordinary shares of the Company standing to the credit of the said securities account
- 4. Where a member of the Company is an exempt authorised nominee who holds ordinary shares in the Company for multiple beneficial owners in one (1) securities account ("omnibus account") as defined under the Central Depositories Act ("Exempt Authorised Nominee"), there is no limit to the number of proxies that the Exempt Authorised Nominee may appoint in respect of each omnibus account it holds.
- 5. The instrument appointing a proxy shall be in writing under the hand of the appointor or of his attorney duly authorised in writing or, if the appointor is a corporation, either under its common seal or signed by an officer or attorney so authorised. The Directors may, but shall not be bound to require evidence of the authority of any such attorney or officer.
- 6. The appointment of a proxy may be made in a hard copy form or by electronic means in the following manner and must be received by the Company not less than forty-eight (48) hours before the time appointed for holding the meeting or adjourned general meeting at which the person named in the appointment proposes to vote:
  - a. In hard copy form

In the case of an appointment made in hard copy form, the proxy form must be deposited with the Share Registrar of the Company at Tricor Investor & Issuing House Services Sdn. Bhd., Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia or alternatively, in the drop-in box provided at Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia.

b. By electronic means

The proxy form can be electronically lodged with the Share Registrar of the Company via TIIH Online at <a href="https://tiih.online">https://tiih.online</a>. Kindly refer to the Information for Shareholders on the procedures for electronic lodgement of proxy form via TIIH Online.

- Please ensure ALL the particulars as required in the proxy form are completed, signed, and dated accordingly.
- 8. Last date and time for lodging the proxy form is Monday, 19 May 2025 at 9:30 a.m.
- 9. For the purpose of determining who shall be entitled to attend this meeting, the Company shall request Bursa Malaysia Depository Sdn. Bhd. to make available to the Company, pursuant to the Constitution, a Record of Depositors as of 13 May 2025 ("General Meeting Record of Depositors"), and only a depositor whose name appears on such General Meeting Record of Depositors shall be entitled to attend this meeting.

fold here along dotted line

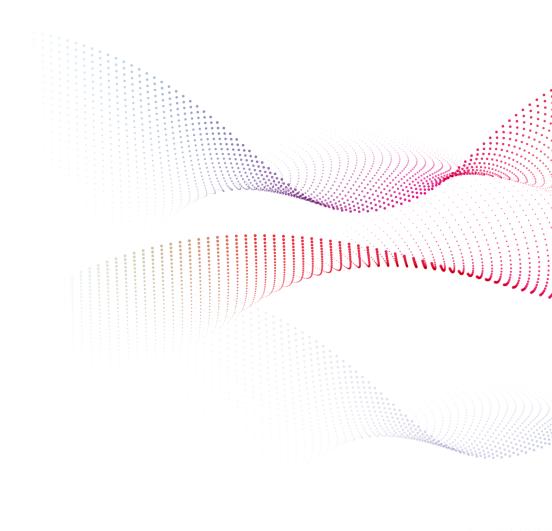
**AFFIX STAMP** 

The Share Registrar

TRICOR INVESTOR & ISSUING HOUSE SERVICES SDN. BHD.

(Registration No.: 197101000970 (11324-H)

Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi 59200, Kuala Lumpur



www.amway.my

**AMWAY (MALAYSIA) HOLDINGS BERHAD** 199501011153 (340354-U)

28, Jalan 223, 46100 Petaling Jaya, Selangor Darul Ehsan **Tel: 03-7946 2800**