



## 25TH ANNUAL GENERAL MEETING

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23 JUNE 2020



## 25TH ANNUAL GENERAL MEETING

### Presentation by Management

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23 JUNE 2020



AMWAY (MALAYSIA) HOLDINGS BERHAD  
**25TH ANNUAL GENERAL MEETING**  
23 JUNE 2020

*REVIEWING THE YEAR 2019*

**Mike Duong - Managing Director**



# 2019 New Products



Signature Select Masks - Jan



Nutrilite Soy Protein Drink  
(Family size) - March



Artistry Hydra V set -  
March



ARTISTRY Studio (NYC &  
Paris) - April



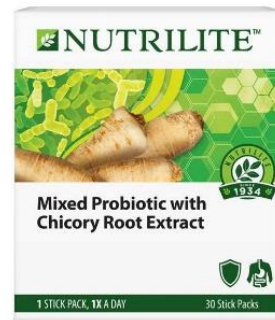
ARTISTRY Studio  
Parisian Style Edition  
Bodylicious Bébè - April



essentials by Artistry 3  
step Skin Care - May



ARTISTRY Phyto UV Protect -  
July



Mixed Probiotic with Chicory  
Root Extract - July



Glister duo -  
July



ARTISTRY Studio (Bangkok) - August



XS Whey Protein Chocolate  
Flavour - October



XS Mango Pineapple  
Guava - October



BodyKey Snack Bar On-The-Go  
Seaweed Flavour - November



Artistry Intensive Skincare - December

Introduced 10 products and 4 bundles





COMPANY ORGANISED PRODUCT RALLIES



# SUPPORTING & EMPOWERING ABO ORGANISED COMMUNITIES



ABO-support activities were conducted all over Malaysia with turnout of more than 30k

# 2019 Awards and Accolades



Reader's digest –  
15<sup>th</sup> Consecutive Year



2019 - GOLD AWARD FOR  
MALAYSIA UNDER VITAMINS  
HEALTH SUPPLEMENTS  
CATEGORY



2019 - GOLD AWARD FOR  
MALAYSIA & ASIA UNDER  
WATER PURIFIER CATEGORY



ASIA



Frost & Sullivan –  
10<sup>th</sup> Consecutive Year



ASIA PACIFIC HOME  
WATER TREATMENT  
COMPANY OF THE  
YEAR



3<sup>rd</sup> Consecutive Year

Top Employer 2018 & 2019  
for Malaysia & Asia Pacific



# Build Loyal ABOs & Buyers



Total  
Buyer



2%



Repeat  
Buyer



2%

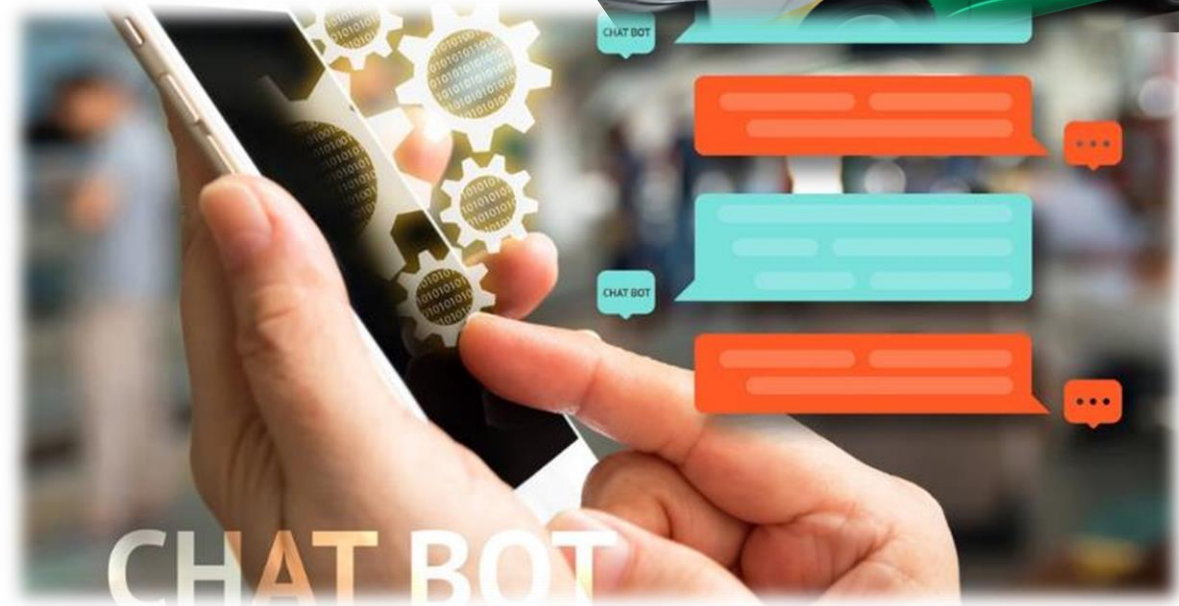


# Enhancement of Services & Infrastructure

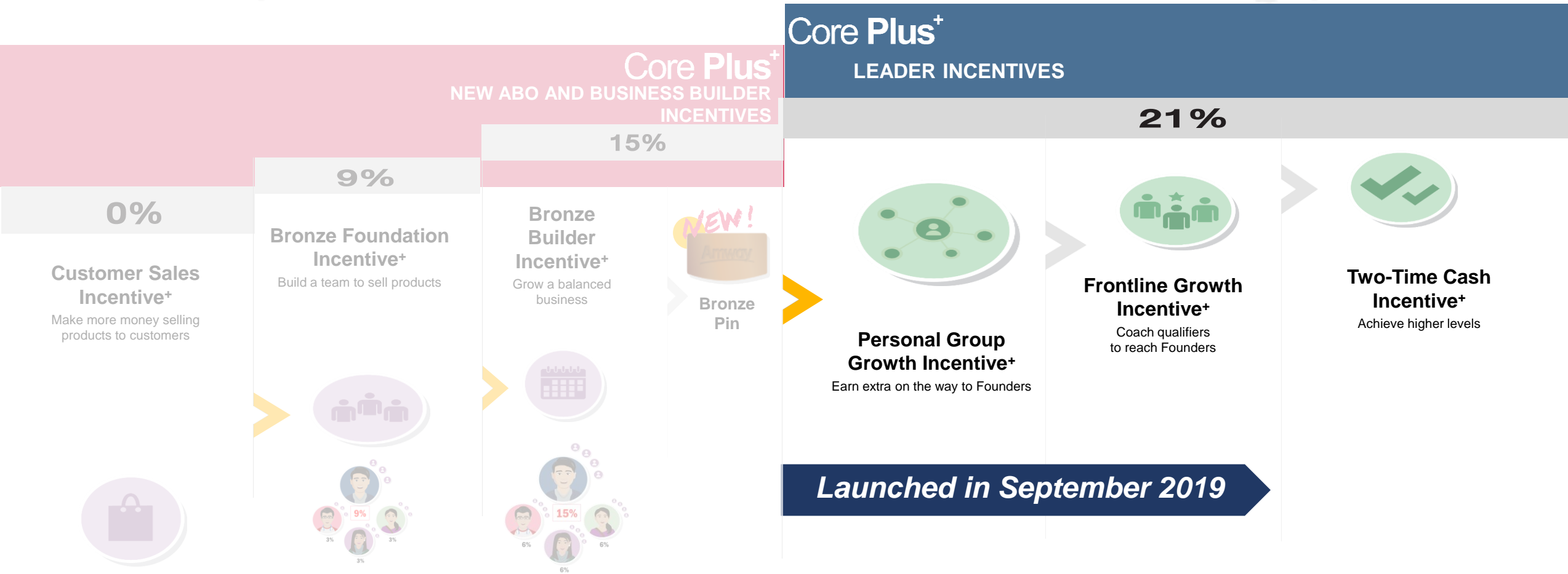
## Centralized warehouse



## CUSTOMER SERVICE



# Reward ABOs for Building Strong, Sustainable Business





# Readiness for Core Plus<sup>+</sup> Launch

## Staff Training



## Instructor-Led Live Workshops



## ABO Rallies



## ABO Center Training





# ABO Tools Readiness

## Core Plus<sup>+</sup> Support Materials

Brochure  
In 3  
Languages

Frequently  
Asked  
Question



Core Plus<sup>+</sup>

Workshop  
workbook

Core Plus<sup>+</sup>  
Digital  
Business  
Tools

Communication  
and Training  
Assets

Core Plus Planner

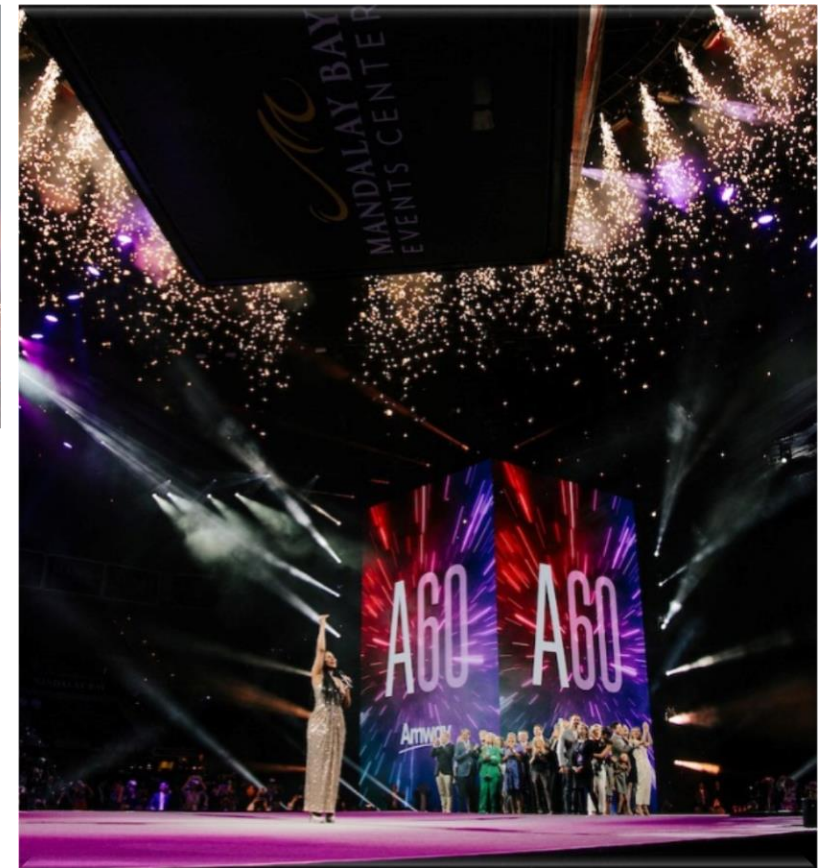






# ABO LEADERS GROWTH & ACHIEVEMENT





Create emotional connection and opportunity  
to share **WOW Experiences & Programs**

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# Partnership with ABO Leader



Amway NATIONAL LEADERSHIP CONFERENCE & DINNER 2019  
**nex**together



Amway **NEW**  
**PLATINUM**  
**SEMINAR**



EVENTS & ACTIVITIES

**PLATINUM FORUM MARCH 2019**

	Time	Team	Venue
<b>CENTRAL</b> Monday, 11 March, 2019	8.00pm-10.00pm	Petaling Jaya	New World Petaling Jaya Hotel
<b>NORTHERN</b> Wednesday, 13 March, 2019	8.00pm-10.00pm	Penang	Equatorial Hotel
Thursday, 14 March, 2019	8.00pm-10.00pm	Igoh	Symphony Suites
<b>SOUTHERN</b> Wednesday, 13 March, 2019	8.00pm-10.00pm	Malaka	Ramada Plaza
Thursday, 14 March, 2019	8.00pm-10.00pm	Johor Bahru	Muliana Hotel
<b>EAST MIA</b> Tuesday, 12 March, 2019	8.00pm-10.00pm	Sibu	Bin Hotel
Wednesday, 13 March, 2019	8.00pm-10.00pm	Kuching	Pullman Hotel
Thursday, 14 March, 2019	8.00pm-10.00pm	Miri	Pullman Hotel
Friday, 15 March, 2019	8.00pm-10.00pm	Kuala Kinabalu	Ming Garden Hotel
<b>EAST COAST</b> Wednesday, 13 March, 2019	8.00pm-10.00pm	Kuantan	Zenith Hotel
Thursday, 14 March, 2019	8.00pm-10.00pm	Kuta Bharu	Pandora Hotel
<b>BRUNEI</b> Monday, 18 March, 2019	8.00pm-10.00pm	Brunei	Razvan Hotel

Kindly register at [www.amway.my/en/knowledge/TrainingEvents](http://www.amway.my/en/knowledge/TrainingEvents) by 8th March 2019.

**PLATINUM FORUM OCTOBER 2019**

	Time	Team	Venue
<b>CENTRAL</b> Monday, 7 October, 2019	8.00pm-10.00pm	Petaling Jaya	New World Petaling Jaya Hotel
<b>NORTHERN</b> Wednesday, 9 October, 2019	8.00pm-10.00pm	Selangor Jaya	Sunway Hotel
Thursday, 10 October, 2019	8.00pm-10.00pm	Ipoh	West Hotel
<b>SOUTHERN</b> Wednesday, 9 October, 2019	8.00pm-10.00pm	Malaka	Ramada Plaza
Thursday, 10 October, 2019	8.00pm-10.00pm	Johor Bahru	Southern Sunway Hotel
<b>EAST MIA</b> Tuesday, 8 October, 2019	8.00pm-10.00pm	Kuching	Sunway Grand Hotel
Wednesday, 9 October, 2019	8.00pm-10.00pm	Sibu	Ritz Hotel
Thursday, 10 October, 2019	8.00pm-10.00pm	Kuala Kinabalu	Pullman Hotel
Friday, 11 October, 2019	8.00pm-10.00pm	Kuala Kinabalu	Wilton Hotel
<b>EAST COAST</b> Wednesday, 9 October, 2019	8.00pm-10.00pm	Kuantan	Zenith Hotel
Thursday, 10 October, 2019	8.00pm-10.00pm	Kuala Terengganu	Primula Hotel
<b>BRUNEI</b> Monday, 18 October, 2019	10.00am-12.00pm	Brunei	Amway Business Training Hub

Kindly register at [www.amway.my/en/knowledge/TrainingEvents](http://www.amway.my/en/knowledge/TrainingEvents) by 4th October 2019.





the  
power of 5

NUTRILITE™ Power of 5 Campaign is designed to **build awareness** of childhood malnutrition, address the critical need for **proper nutrition during the first 5 years of life** and offer a way that **everyone can help.**

**Amway**



## NUTRILITE POWER OF 5 CAMPAIGN (2017-2019)

JOIN THE FIGHT AGAINST CHILDHOOD MALNUTRITION

Over **RM1,500,000**

- Donations via Power of 5 Website: **RM262,910+**
- Donations from ABOs: **RM1,068,977+**
- Nutrilite™ FAV Gift Set Bundle: **RM200,780**
- Handprint Wall Campaign: **RM44,200 (@85)**

*1 Month Supply of Nutrilite™ LITTLE BITS: 150,000 children*



# Other CSR (2019 - 2020)

## ATMOSPHERE™ DONATION

**RM1,980,504 (346 units)**



Ministry of Health Malaysia



**MAKNA**

— Majlis Kanser Nasional —  
National Cancer Council

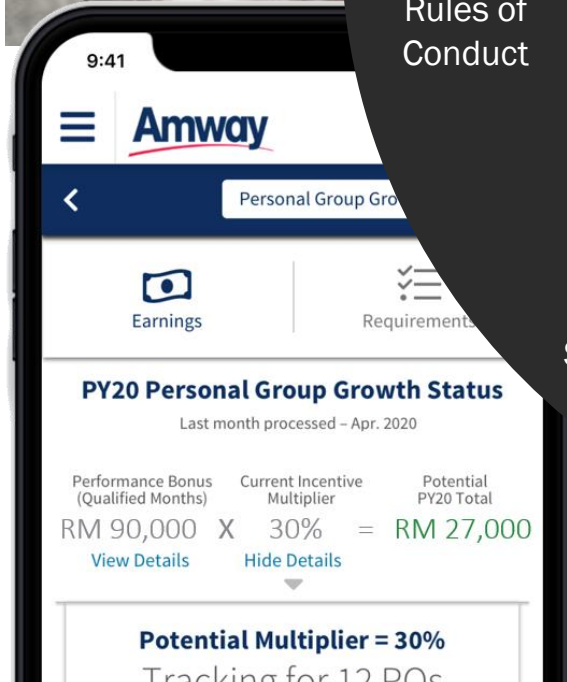
Jabatan  
**KEBAJIKAN**  
Masyarakat





A person's hands are visible holding a white rectangular sign. The sign has bold, dark red text. The background is a soft-focus bokeh of warm, golden-yellow and orange lights, suggesting an indoor setting with festive or warm lighting. The person holding the sign is wearing a yellow garment, visible at the bottom.

**TODAY'S  
PREPARATION...  
TOMORROW'S  
SUCCESS**



Staff Growth  
Mindset



Partnership



eCommerce  
Platform



Rules of  
Conduct



Better  
Service



Products  
(win with  
Nutralite)



Launch  
Privileged  
Customer



HEBAT  
Community

## 2020 FOCUS

Get **BETTER**...  
in order to Grow

# BIGGER

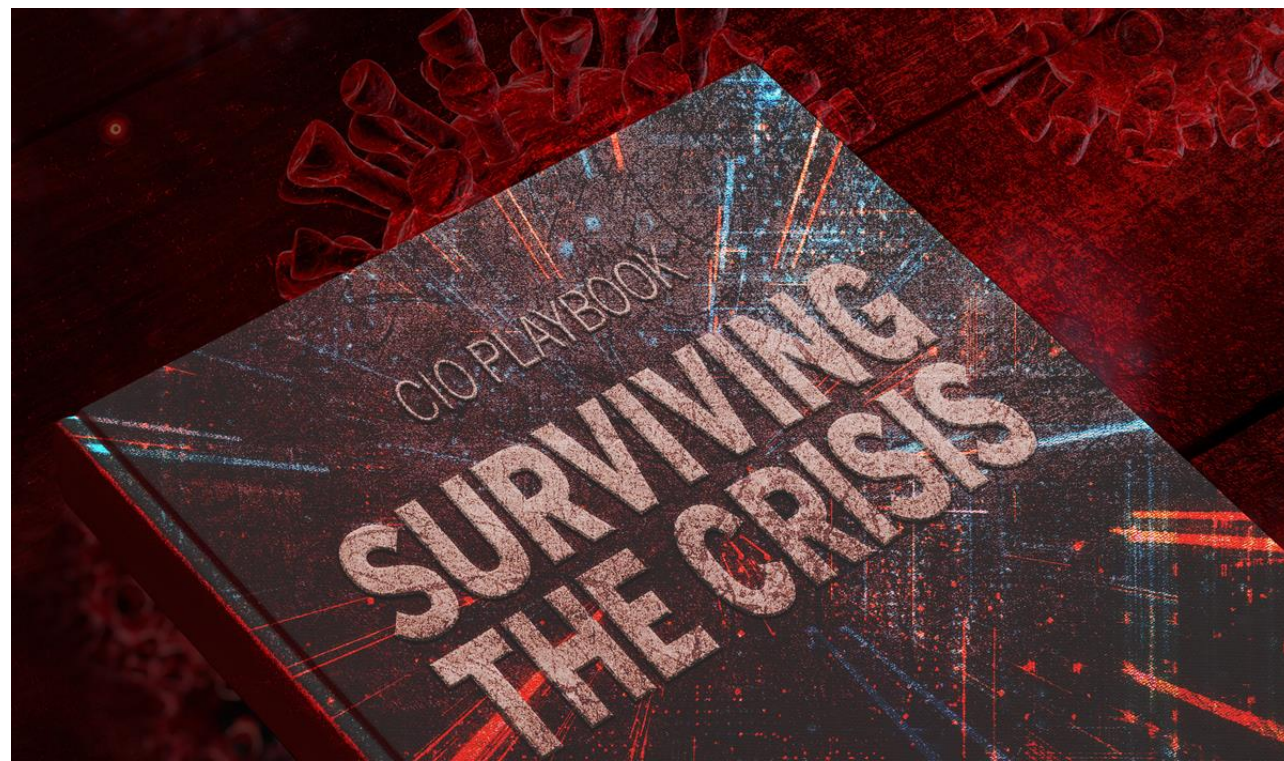


**SPEED  
&  
VALUE**

**POINTS**

**RETURNS**









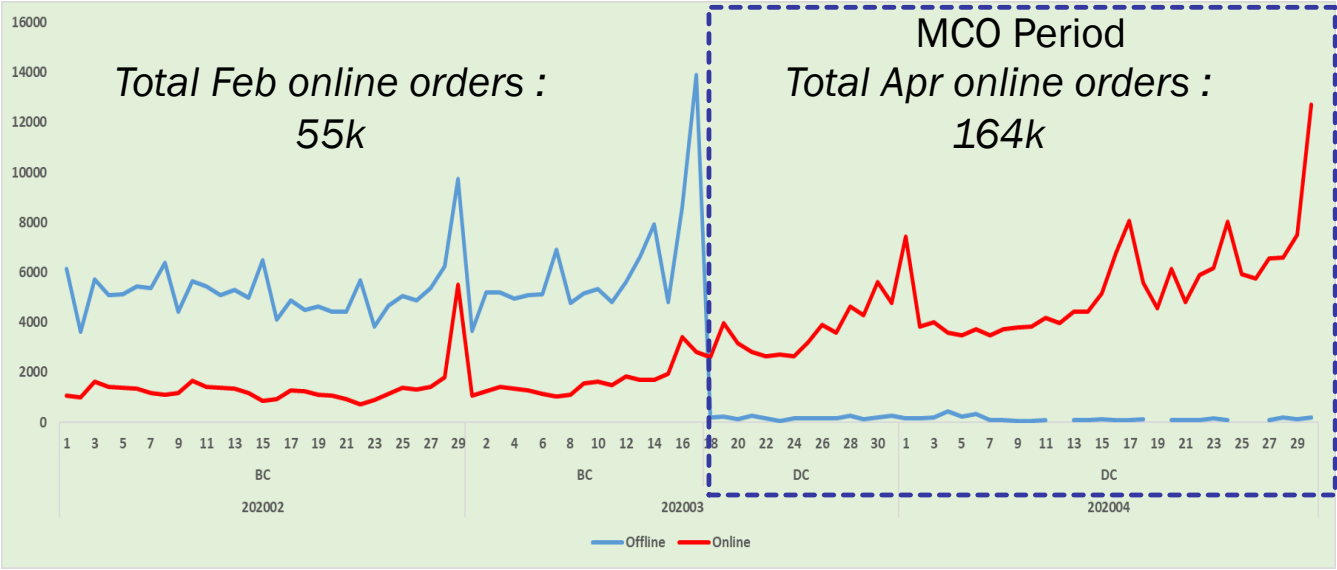
## EXTRAORDINARY TIMES (COVID-19 PANDEMIC)

- Closure of retail, restaurants, religious events
- No travel, no social gatherings, no entertainment or sporting event
- 100% online for everything (social connection, social commerce)
- Internet traffic increase, demand on bandwidth, servers
- Demand for essentials (immunity, groceries, toilet paper)
- Logistic and delivery delays



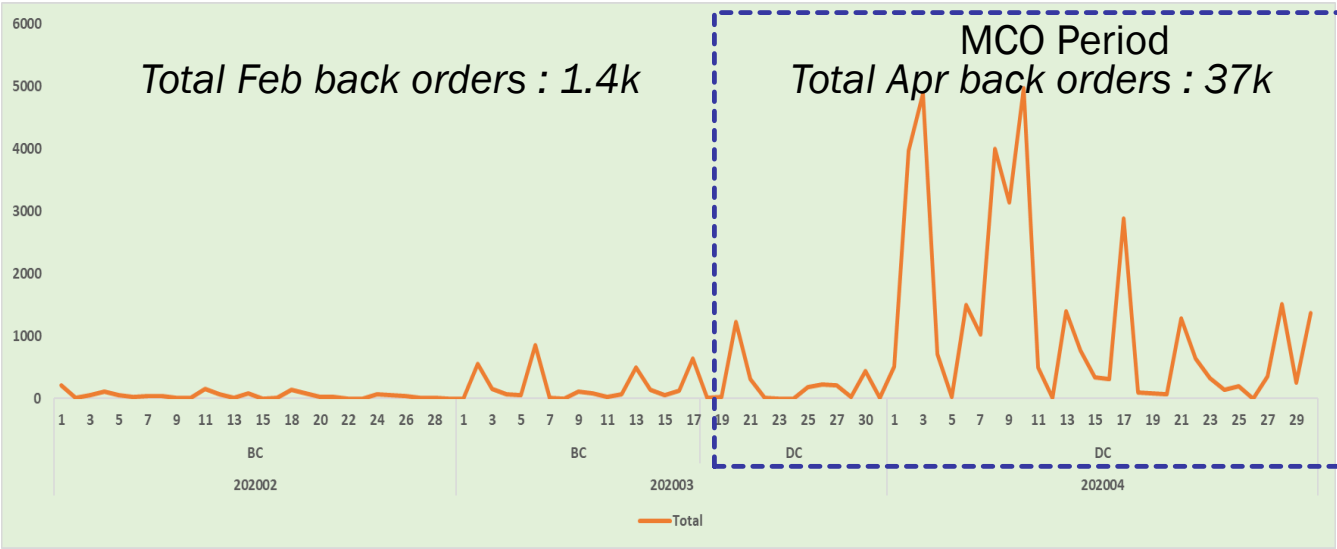
# IMPACT OF 100% ONLINE SHOPPING

Online (Red) vs Offline (Blue) Orders (Feb – Apr 2020)



Online Order Count	
Pre MCO (Feb)	MCO (Apr)
55k (Daily average : 1377)	164k (3x ↑) (Daily average : 5467)

Back Orders (Feb – Apr 2020)



Back Order Count	
Pre MCO (Feb)	MCO (Apr)
1.4k (Daily average : 50)	37k (26x ↑) (Daily Average : 1242)

# IMPACT OF COVID-19 MCO RESTRICTIONS



## IMPACT TO DELIVERY

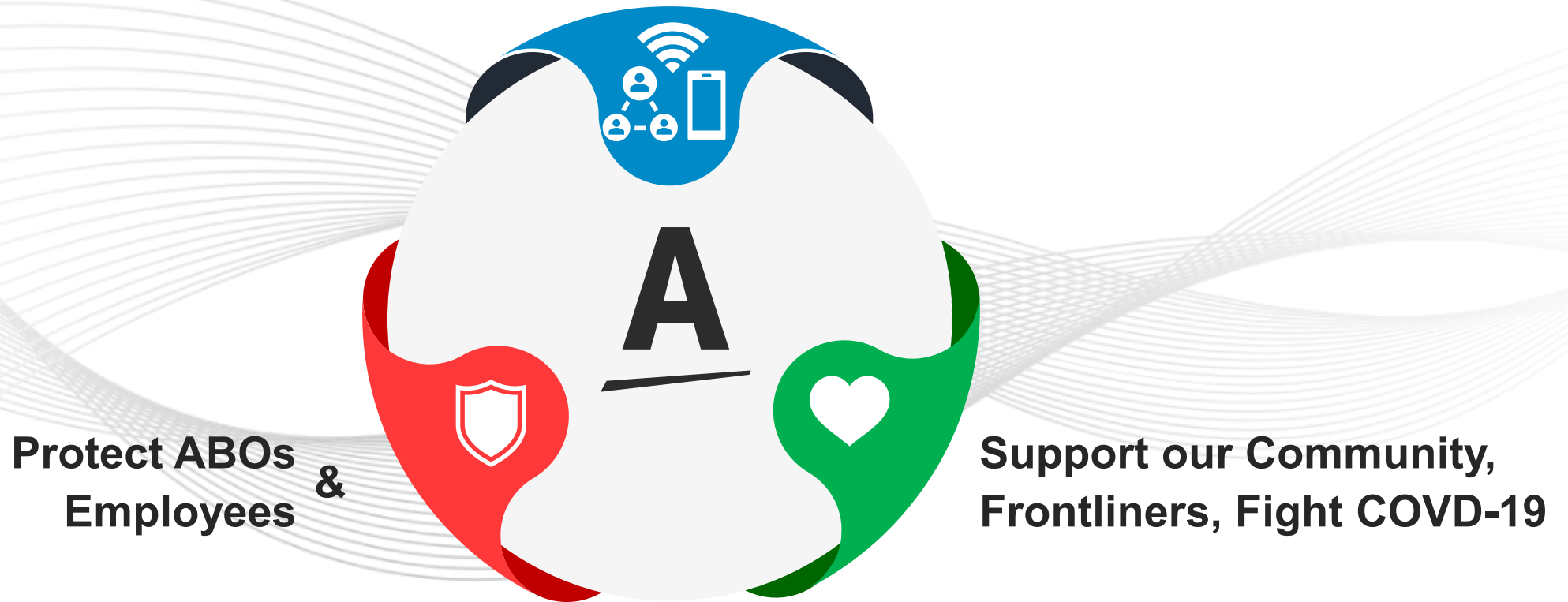
- Inventory not available
  - Limitations on staff headcount, travel, and social distancing
  - No space at warehouse => setup CityLINK & PP to pickNpack order
  - Carton box supplier closed – MCO
- **Packed ~154K orders in April**





# TURNING CHALLENGES INTO OPPORTUNITY IN PARTNERSHIP WITH ABOs and EMPLOYEES

Embrace Digital for Social  
Connection, Commerce, Business





WHY AMWAY WAS IMMUNE?



AMWAY TRANSITIONED FROM DIRECT SELLING TO SOCIAL COMMERCE



ECOMMERCE+SOCIAL MEDIA, SIGN UP ONLINE, PURCHASE ONLINE.





**LET'S FIGHT COVID-19 TOGETHER**

## Amway donates RM156,000 towards purchasing test kits

**Towards a good cause:** Duong (right) presenting a mock cheque to Prof Tunku Kamarul Zaman at the donation presentation ceremony.

vi...  Firms shift mission to help re... x

[udios](#) [CNN Films](#) [HLN](#) [TV Schedule](#) [TV Shows A-Z](#) [CNNVR](#)

• LIVE TV Edition

## Firms shift mission to help relief efforts

Bahrain's Bank ABC donates \$10 million to support medical workers and volunteers across the Middle East and North Africa, the Malaysian Health Ministry receives 250 air purifiers from wellbeing company Amway and restaurants in Barcelona are sending free food to hospitals. Source: CNN

**Health Ministry receives 250 air purifiers from wellbeing company AMWAY**

**Highlight**

</p>

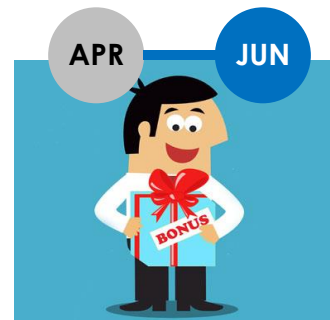
# ABO Business – SUPPORT INITIATIVES



Lowering of Minimum Order Value for free home delivery



24-HOUR WAREHOUSE OPERATIONS



Early Bonus Payment



Lowering of ABO Sign Up Fee



ABO Centre Online Meeting Annual Subscription



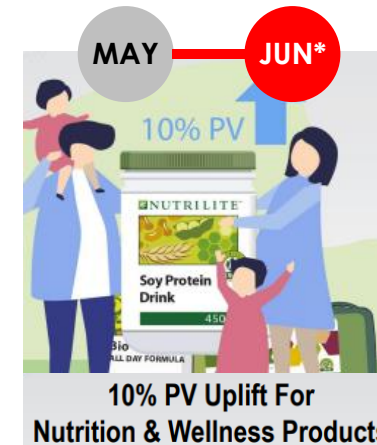
Extended Call Centre Hours



ONLINE TECHNICAL SUPPORT



eLearning & Live Training



10% PV Uplift For Nutrition & Wellness Products



Race to Sydney Incentive Programme



Delay The Instalments For Existing/ New Easy Payment Plans (EPP)



Manual Award Month (MQ)



Auto Top Up Limit Increased From 5% to 10%



Credit Facility For Leaders



PY2020 NCA Events Cancellation & Payment



Amway

# CONGRATULATIONS!

# 106,009

Total NEW Sign-up in the past 66 days  
[27 March 2020– 31 May 2020]

**NEW  
SIGN UP  
PROGRAMME 2.0**

FROM 1 JANUARY 2020

**ONLINE REGISTRATION**

Sign up as a new ABO online and enjoy

eCoupon  
**RM10/B\$5  
SAVINGS!**

The savings will automatically apply on the first online purchase starting from the 15<sup>th</sup> of the following month after the sign up month.

**GO GREEN**

Opt for the eAchieve & eAmagram when you sign up and enjoy

eCoupon  
**RM20/B\$10  
SAVINGS!**

Redeemable with a minimum purchase of RM20/B\$10. Valid for 90 days from your sign up date.

**REDEEM**

1st eCoupon

**RM30/  
B\$15  
SAVINGS**

**REDEEM**

2nd eCoupon

**RM30/  
B\$15  
SAVINGS**

**REDEEM**

3rd eCoupon

**RM30/  
B\$15  
SAVINGS**

**NEW**

**GET**

4th eCoupon

**10% OFF**

Nutriline  
Mixed  
Probiotic  
with Chicory  
Root Extract  
(120571)

**NEW**

**GET**

5th eCoupon

**10% OFF**

Nutriline  
Mixed  
Probiotic  
with Chicory  
Root Extract  
(120571)

**NEW**

**GET**

6th eCoupon

**10% OFF**

Nutriline  
Mixed  
Probiotic  
with Chicory  
Root Extract  
(120571)



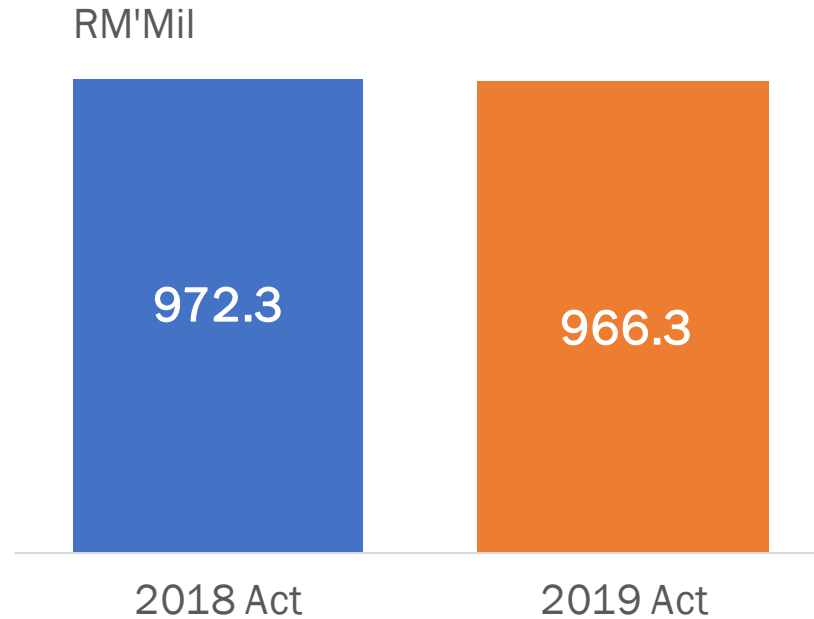
AMWAY (MALAYSIA) HOLDINGS BERHAD  
**25TH ANNUAL GENERAL MEETING**  
23 JUNE 2020

*FINANCIAL PERFORMANCE YEAR 2019*

**Ng Ai Lee – Chief Financial Officer**



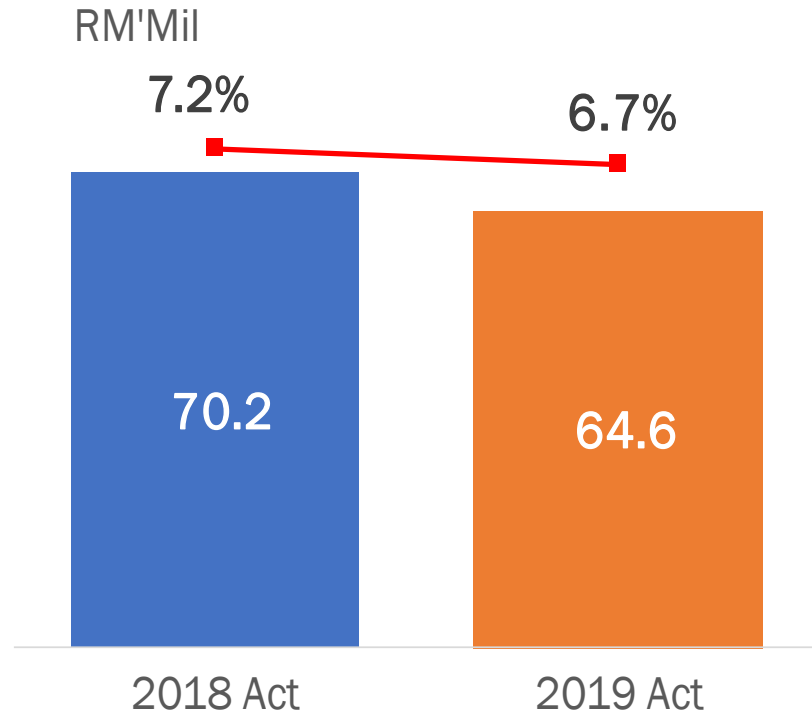
# Sales Performance Review



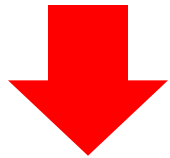
**-0.6%** vs PY

- ✓ Group revenue for the twelve months ended 31 December 2019 declined by 0.6% compared with the same period last year due to softer response to sales and marketing programs in the third quarter of 2019.

# PBT Performance Review



—■ PBT/sales ratio

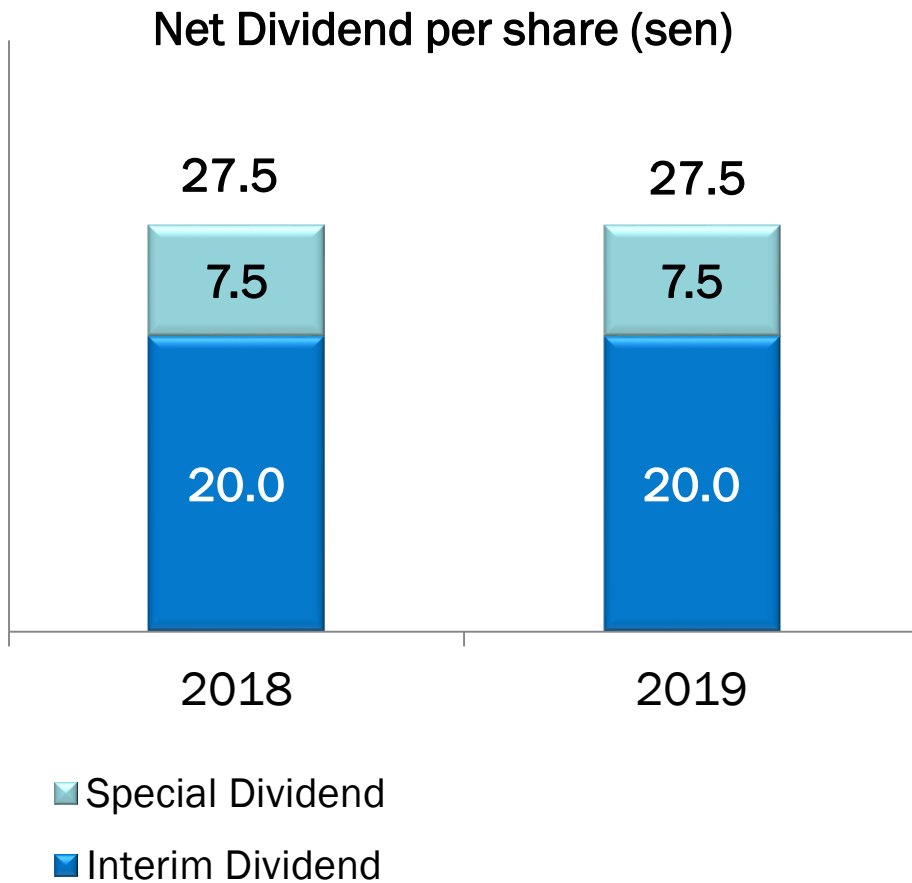


**-8.0%** vs PY

- ✓ PBT declined by 8.0% mainly due to higher selling and administrative and distribution expenses; these were partially offset by lower import cost arising primarily from full year favorable forex impact.



# Dividend



✓ Dividend policy: Dividend payout ratio of no less than 80% of current year net earnings.

✓ 2019:

- 88% of net earnings
- Net dividend payout of RM45.2 mil

**THANK YOU**







## 25TH ANNUAL GENERAL MEETING

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23 JUNE 2020

# Agenda 1

Receive the Audited  
Financial Statements for  
the financial year ended 31  
December 2019 together  
with the Directors' and the  
Auditors' Reports thereon





# Agenda 2 (Resolution 1)

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Re-election of Mr Scott  
Russell Balfour as  
Director



# Agenda 3 (Resolution 2)

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Re-election of Tan Sri  
Faizah Binti Mohd Tahir  
as Director





# Agenda 4 (Resolution 3)

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Re-election of Mr Michael  
Jonathan Duong as  
Director



# Agenda 5 (Resolution 4)

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Re-election of Pn Aida  
Binti Md Daud as  
Director





## Agenda 6 (Resolution 5)

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Approval of Directors' fees and benefits for the financial year ending 31 December 2020

## Agenda 7 (Resolution 6)

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Re-appointment of Ernst & Young PLT as Auditors of the Company and authorise the Directors to fix their remuneration



## Agenda 8 (Resolution 7)

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Proposed Renewal of Shareholders' Mandate  
for Recurrent Related Party Transactions of a  
Revenue or Trading Nature

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Q&A



# Questions received in advance

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Q1.

What actions will Amway take to protect ABO's benefit due to the unauthorised selling of Amway products on online platform?

# Questions received in advance

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Q2.

The strengthening of the US dollar against the ringgit will lead to increase in product cost. Will Amway set-up production in Malaysia? What is the impact of the weakening of ringgit against the US Dollar to Amway?

# Questions received in advance

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Q3.

Will Amway revise the dividend policy of distributing gross dividend of no less than 80% of the Group's annual net earnings? Will the dividend payout for FY2020 be the same or better than FY2019?



# Questions received in advance

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Q4.

The disclosure in Note 32(i) of the 2019 audited financial statements on page 143 of the annual report state that the Group plan to dispose 2 properties. What is the estimated profit from this transaction? Will Amway declare special dividend from this transaction?

# Questions received in advance

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Q5.

Does the Group plan to expand to Singapore by acquiring Amway (Singapore) Pte Ltd?

# Questions received in advance

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Q6.

What is the impact of COVID-19 on Amway's sales? How is Amway's financial results impacted for the first half of 2020 and whether the full year financial results can be maintained? How is Amway's future business progressing in Malaysia?



# Questions received in advance

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Q7.

At this unprecedented time, can the Company provide e-vouchers to shareholders who attend the virtual meeting?



## 25TH ANNUAL GENERAL MEETING

### Poll Voting

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23 JUNE 2020



## 25TH ANNUAL GENERAL MEETING

### Poll Results

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23 JUNE 2020



**AMWAY (MALAYSIA) HOLDINGS BERHAD**

(340354-U)

**25th Annual General Meeting**

Tricor Business Center, Manuka 2 &amp; 3 Meeting Room Unit 29-01, Level 29, Tower A Vertical Business Suite, Avenue 3,

Bangsar South No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia

On 23-June-2020 at 10:30AM

**Result On Voting By Poll**

Resolution(s)	Vote For		Vote Against		Total Votes	
	No of Units	%	No of Units	%	No of Units	%
Ordinary Resolution 1	144,617,563	99.997	4,306	0.003	144,621,869	100.000
Ordinary Resolution 2	111,597,563	99.996	4,906	0.004	111,602,469	100.000
Ordinary Resolution 3	144,622,363	99.997	4,506	0.003	144,626,869	100.000
Ordinary Resolution 4	144,621,963	99.997	4,906	0.003	144,626,869	100.000
Ordinary Resolution 5	144,620,163	99.995	6,706	0.005	144,626,869	100.000
Ordinary Resolution 6	144,633,843	99.997	4,026	0.003	144,637,869	100.000
Ordinary Resolution 7	59,643,380	99.993	4,206	0.007	59,647,586	100.000



## 25TH ANNUAL GENERAL MEETING

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23 JUNE 2020

THANK YOU