



**AMWAY (MALAYSIA) HOLDINGS BERHAD
ANALYST BRIEFING
18 AUGUST 2016**



H1 2016 OPERATIONAL HIGHLIGHTS

Mike Duong, Deputy General Manager

2016 Focus



#AM40 – Celebrate 40 years of pioneer spirit



Focus on ABO experience and community program



Focus on ABO partnership and sustained growth



Improve digital and physical presence experience



Enhance service culture and talent development

Celebrating 40 years of pioneer spirit



NLC/NC/EXPO "AMLAND"

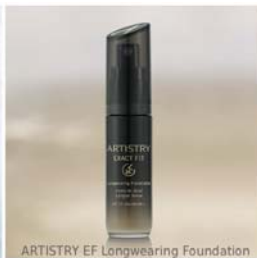


National Convention Weekend on 23 & 24 April 2016 with turnout of 20k

Focus on ABO experience and community programme



ARTISTRY IR Illuminating CC Cream



ARTISTRY EF Longwearing Foundation



ARTISTRY Spring Collection 2016



Hydrating set

Introduced 3 products and 2 bundled solutions from Beauty range



YOUTH XTEND ULTRA Superb Serum Set



Focus on ABO experience and community programme



60 events with 5k ABOs and prospects participated in the programme

Focus on ABO partnership and sustained growth



Positive response to ABOs meetings, rallies, seminars, workshops and Product Fairs held all over Malaysia with turnout more than 82k

Focus on ABO partnership and sustained growth for Bumiputera segment



53 Meetings, seminar, workshops, product supports were conducted all over Malaysia to support our Bumiputera ABOs

Focus on ABO partnership and sustained growth

Platinum Seminar-Mar



Platinum Seminar-Jun



2 Leadership Training Seminars for top business achievers

Improve digital and physical presence experience



Improve digital and physical presence experience

Old Shop



New Shop



Relocate of Batu Pahat shop to a new concept design shop

2016 Awards and Accolades

MALAYSIA'S TRUSTED BRANDS

Thank you for making eSpring™ and NUTRILITE™ your trusted brands.

10 years



12 consecutive years

eSpring **e** IS TRUE WATER

The World's No. 1 selling home water treatment system has been voted as Malaysia's Trusted Brand by consumers, winning the GOLD (Asia) and GOLD (Malaysia) Awards for the 10th time.



Water Purifier Category

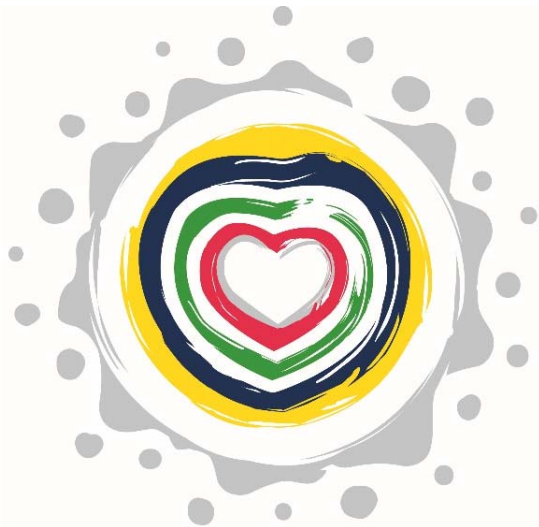
NUTRILITE™

The World's No. 1 selling vitamins and dietary supplement brand² is once again Malaysia's Trusted Brand, as voted by consumers.

²Source: Euromonitor International Limited, Vitamins and Dietary Supplements, World, GBN, Retail Value FISP, % breakdown, 2014.



Vitamin/Health Supplement Category



Amway™ ONE by ONE
campaign for children

**PROGRAM
HARAPAN**
(Hope Programme)



- ## Improving the lives of over 234 children

Project HeadSTART



2 GETTING A HEAD START IN WORKING WORLD

(From left) Bangladesh Social Work director Zuhair Osman, apprentice Nadine, Fatm, and Uddin as well as Alwaya Malik, director Fast Track at the Project Management Institute, from Turbat Haripur and Sindh. Home, the school-leavers use the six-month programme to work in five departments at for five weeks each. They are experienced mentors on the project, aims to give 78 underprivileged background to live independently and living in a multinational field. The project aims to give 78 underprivileged background to live independently and living in a multinational field. The project aims to give 78 underprivileged background to live independently and living in a multinational field.

安利HeadSTART計劃 錄取5庇護中心青年



一名以美国为基地的青少年，日前被马来西亚安南公司（Annam）企业基金会（Annam Foundation）计划招募，成为该基金会成员。

上述两名青少年来自荷兰希勒登尔文及莱文沃特村（Levensvoort）两个有着中产阶级的、经济条件优越的社区，并参加为12个月的HeadStart计划。被招募的青少年均来自这两个不同社区，为白人家庭，安南企业基金会表示，在荷兰的招募活动，将首行在荷兰进行，安南企业基金会招募是荷兰的导师和教师协助他们接触文化和活动。

马来西亚安南公司总裁林振南表示安南企业基金会，很好安南公司的发展，其中一名青少年来自利文，另两名青少年则来自希勒登尔文，安南企业基金会是安南公司全球网络的一部分。这一项目，以鼓励青少年年轻生涯和国际贸易的结构性培训计划，以帮助青少年年轻生涯和国际贸易的企业工作的发展。（Y3）

www.anannet.org

-  6-month apprenticeship programme (Jan-Jun 2016) for school leavers from foster homes/ vocational institute
-
-  Successful transition to independent working life
-
-  HeadSTART 2016 : 5 apprentices rotated through five departments in AMWAY Malaysia

Helping young adults help themselves

2H 2016 Focus



Incentive Trip for Top Leaders



New Product Pavillion at HQ



New Website for eCommerce



New Exciting Product Launches

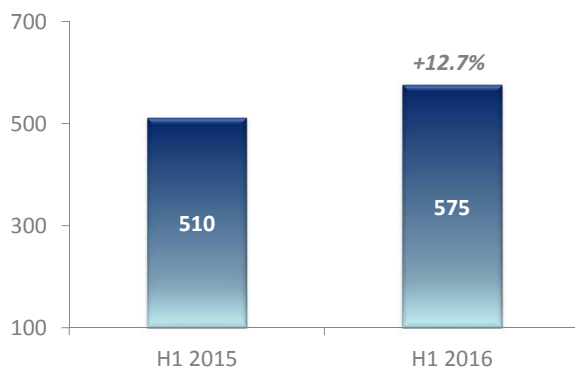


H1 2016 FINANCIAL REVIEW

Ng Ai Lee, Head of Finance

Financial Performance – Revenue

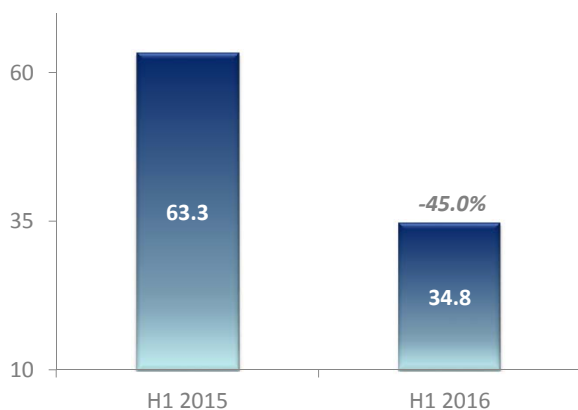
Sales (RM'mil)



- ✓ Sales revenue increased by 12.7% due mainly to:
 - higher buy up ahead of the price increases effective February and April 2016 and
 - strong Amway Business Owner (ABO) momentum & higher ABOs qualifiers in response to the 40th anniversary sales and marketing programmes.

Financial Performance – Profitability

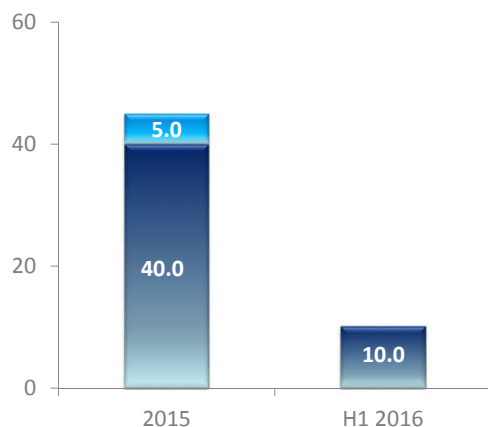
Profit Before Tax (RM'mil)



- ✓ PBT decreased by 45.0% due mainly to:
 - higher import costs (primarily caused by a weaker Ringgit and higher product price)
 - higher sales incentive provisions driven by sales and marketing programmes and
 - higher operating expenses including ABOs related events, infrastructure related spending & headcount cost (succession planning/filled position)

Dividend

Net Dividend per share (sen)



- ✓ Dividend policy: Dividend payout ratio of no less than 80% of current year net earnings.
- ✓ 2015:
 - 116% of net earnings and
 - net dividend payout of RM74.0mil.
- ✓ Net dividend payout of RM16.4mil in H1 2016.

■ Ordinary Dividend ■ Special Dividend

THANK YOU



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