



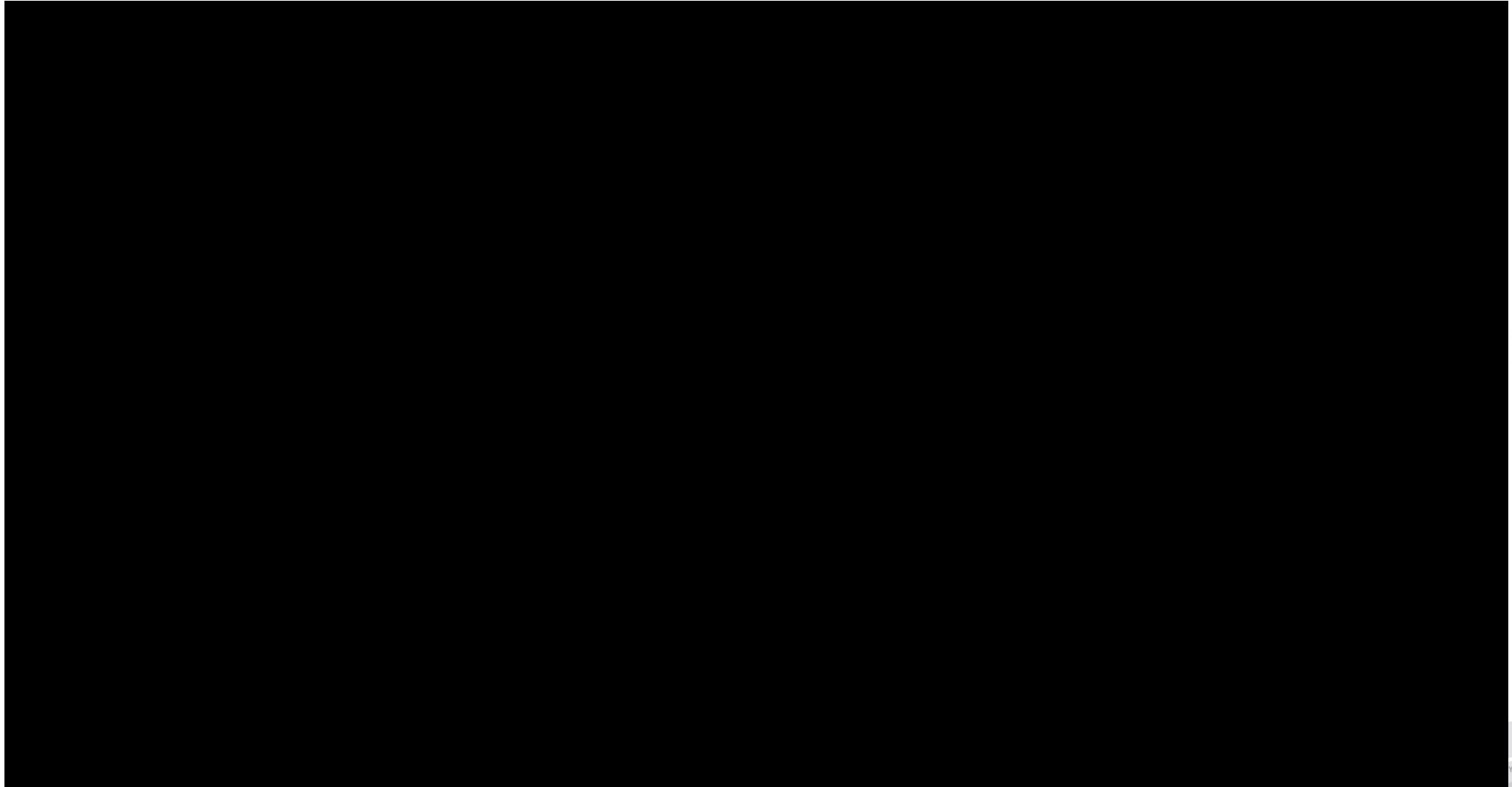
AMWAY (MALAYSIA) HOLDINGS BERHAD
ANALYST BRIEFING
27 FEBRUARY 2019



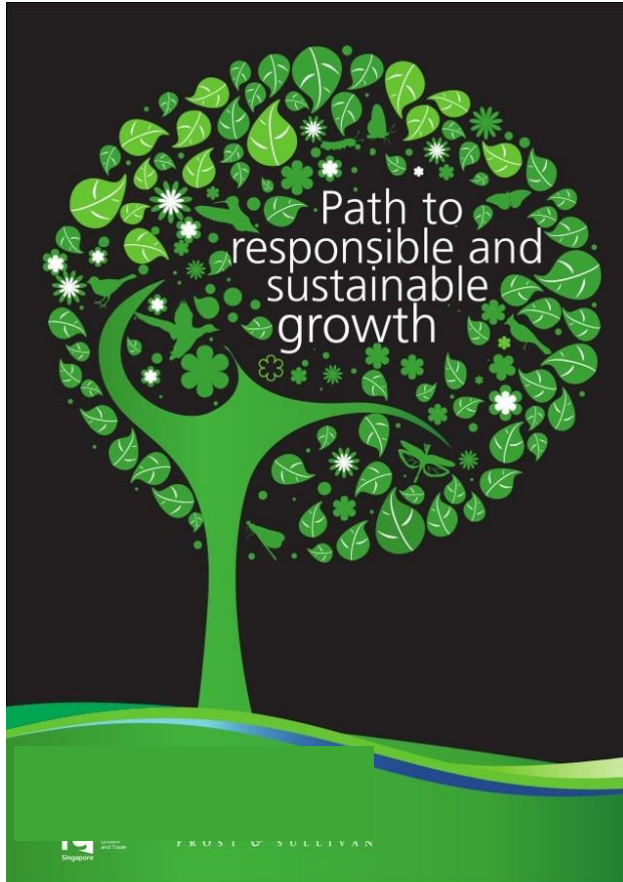
2018 BUSINESS HIGHLIGHTS

Ng Ai Lee, Chief Financial Officer

Amway Year in Review 2018 video link:
https://www.youtube.com/watch?v=ssavV_tXBPI



2018 Business Review



Sales – RM996mil (Before MFRS 15), RM972mil (After MFRS 15)



PBT – 7.2% as % of sales



Healthy ABO indicators

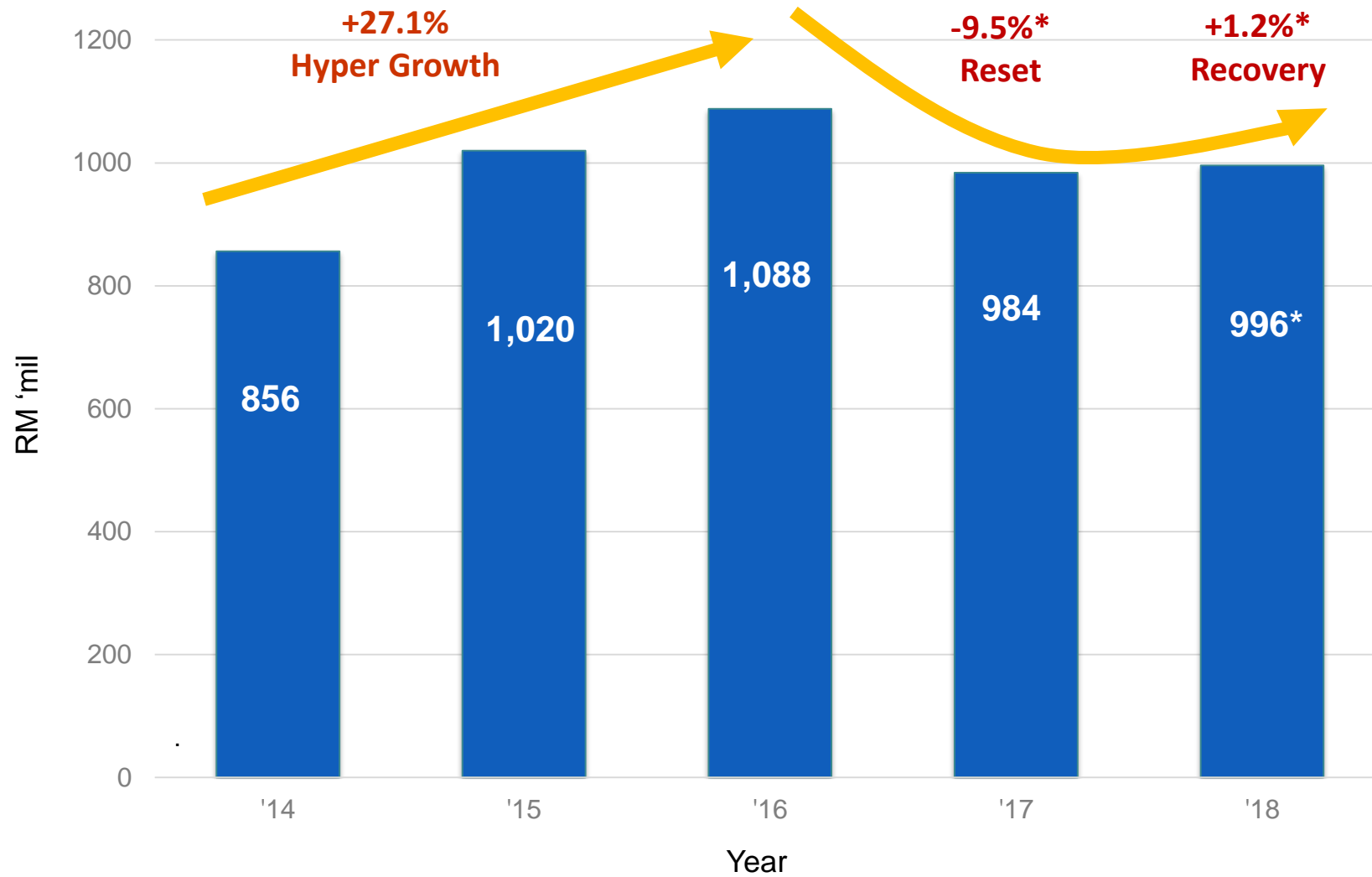


Continuous ABO support & enhanced service culture



Improved digital & physical presence experience/investment

SALES PERFORMANCE



* Sales before MFRS 15

ABO INDICATORS



**New
sign up**



**ABO
under 35**



**90 days
activation**

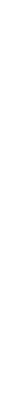


**Renewal
rate**

ABO RECOGNITION AS **MOTIVATOR** FOR ACHIEVEMENT

2H2018

1H2018



1st ALS FAMILY PROGRAM



Create emotional connection with **WOW Experience/Program** &
Create opportunity to share **a WOW Story a day**

SUPPORTING & EMPOWERING ABO ORGANISED EVENTS



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

SUPPORTING & EMPOWERING ABO ORGANISED EVENTS



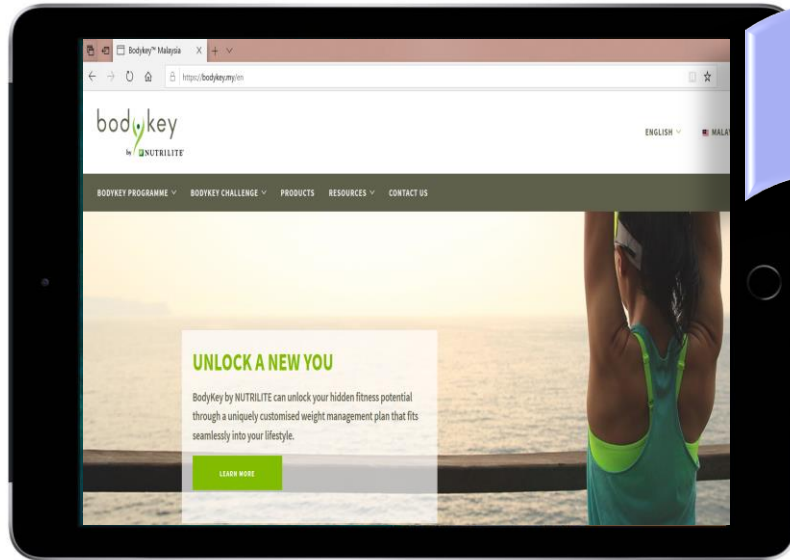
XS SUPPORTED EVENTS

NEW PLATINUM SEMINARS

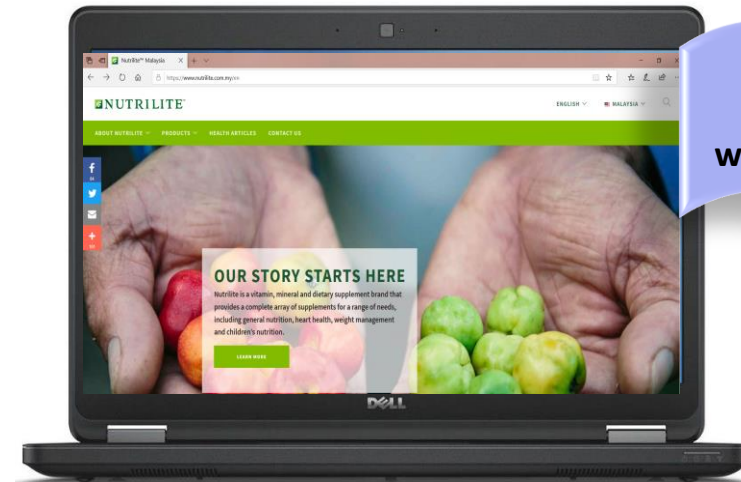


2 leadership training seminars for > 200 new business achievers

Digital Transformation



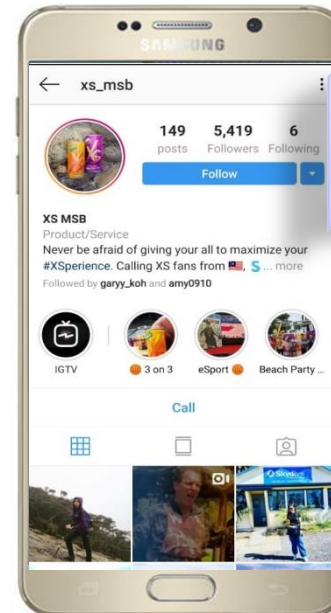
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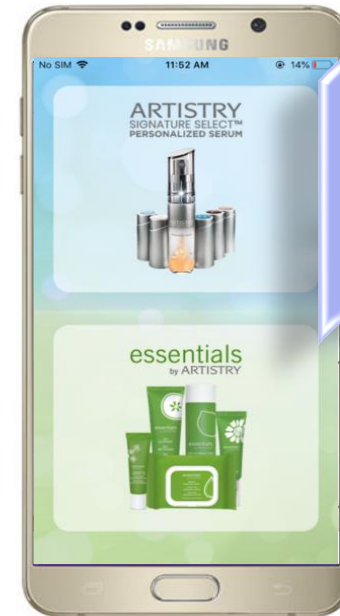
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**ATMOSPHERE SKY
APP**



**XS_MSB
Instagram**



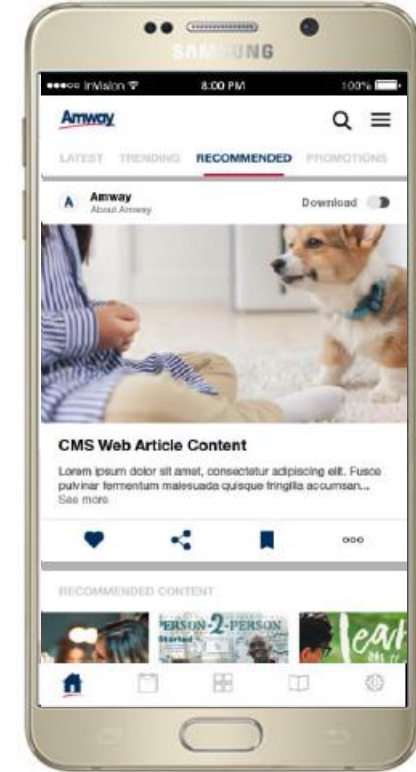
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& Artistry Signature
Select**

Digital Transformation – Amway Central

ALL NEW!



Amway Central 3.0



eNewsgram, eAmagram, eAchieve, promotions & events etc.

2018 New Products

1H2018



XS Energy Drink- Sept

2H2018



Signature Select Personalised Serum - Nov



Bundle – Signature solution - Nov



Bundle - Nutrilite FAV gift set - Dec

Introduced 7 products, 1 product revision and 3 bundled solutions

Enhanced service culture

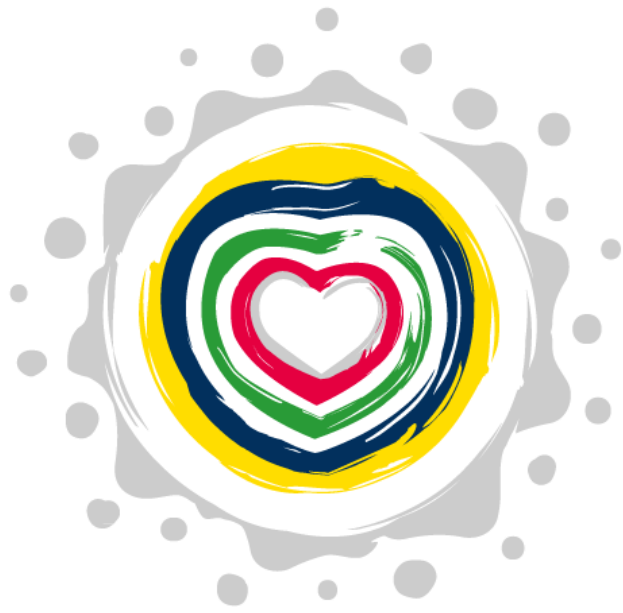


IMPROVED PRODUCT RETURN
PROCESS



HOME DELIVERY EXPERIENCE
BECOME **BETTER**

Projek HeadSTART



Amway™ ONE by ONE
campaign for children



- Collaboration with the Ministry of Women, Family & Community Development
- Empower foster-home leavers transition to working life/achieve ambitions
- 6-months apprenticeship program with mentors
- 2018: 2 Participants employed for full time positions

Power of 5

Brazil 2018



15 Countries (to date):

- Indonesia: >400 children
- Vietnam: 2,000 children
- China: >32,000 children



NUTRILITE™ LITTLE BITS™ INCLUDES 15 ESSENTIAL VITAMINS AND MINERALS:

- | | |
|--------------|---------------|
| • Vitamin A | • Folic Acid |
| • Vitamin C | • Vitamin B12 |
| • Vitamin D | • Iron |
| • Vitamin E | • Zinc |
| • Vitamin B1 | • Copper |
| • Vitamin B2 | • Selenium |
| • Vitamin B3 | • Iodine |
| • Vitamin B6 | |



Virtual Run 2018 – October



Nutrilite FAV Gift Set - December

2018 Awards and Accolades



**Reader's digest –
14th Consecutive Year**



2018 - GOLD AWARD FOR MALAYSIA
UNDER VITAMINS HEALTH
SUPPLEMENTS CATEGORY



**Reader's digest –
12th Consecutive Year**



2018 - GOLD AWARD FOR MALAYSIA &
ASIA UNDER WATER PURIFIER CATEGORY

**Frost Sullivan -
9th Consecutive Year**



ASIA PACIFIC HOME WATER TREATMENT
COMPANY OF THE YEAR



2018 – INSTITUTE OF
PACKAGING PROFESSIONAL
("IOPP") AMERISTAR DESIGN
EXCELLENCE AWARD



2nd Consecutive Year

Top Employer 2018 & 2019 for
Malaysia & Asia Pacific



40th year with DSAM

2019 Business Focus



Continue to support ABO towards building sustainable business:



Invest in ABO growth and success



Digital transformation



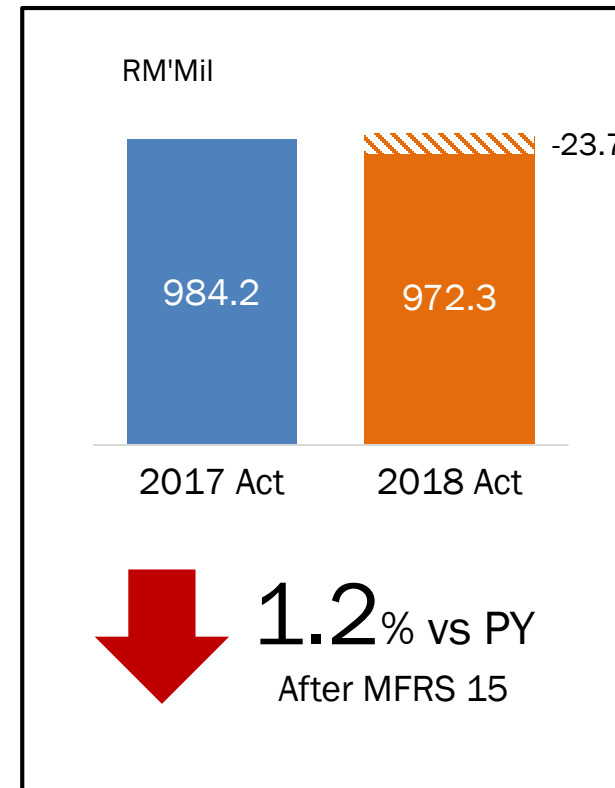
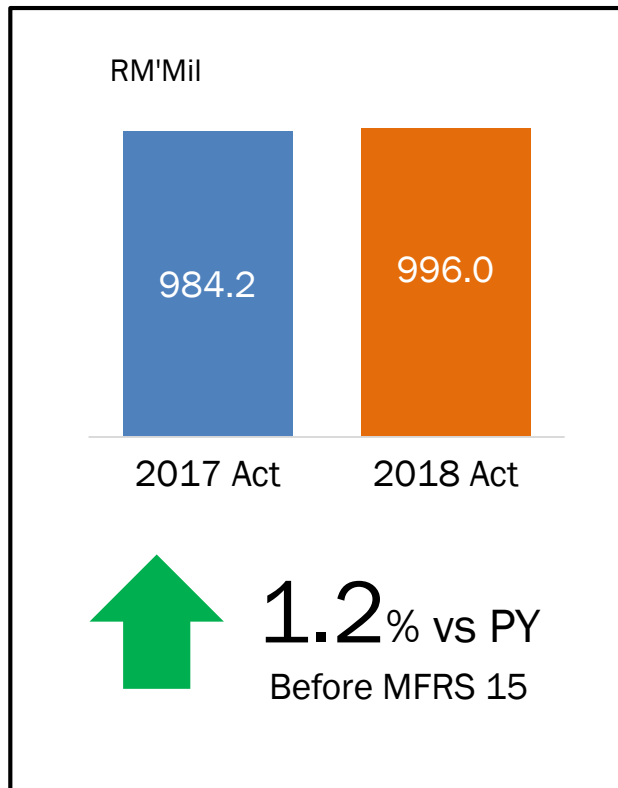
Invest in systems and infrastructure



2018 FINANCIAL REVIEW

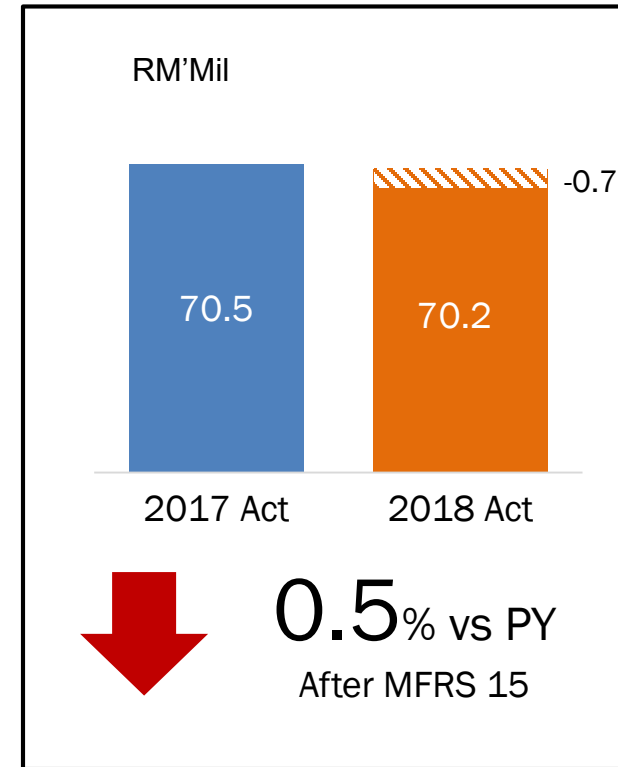
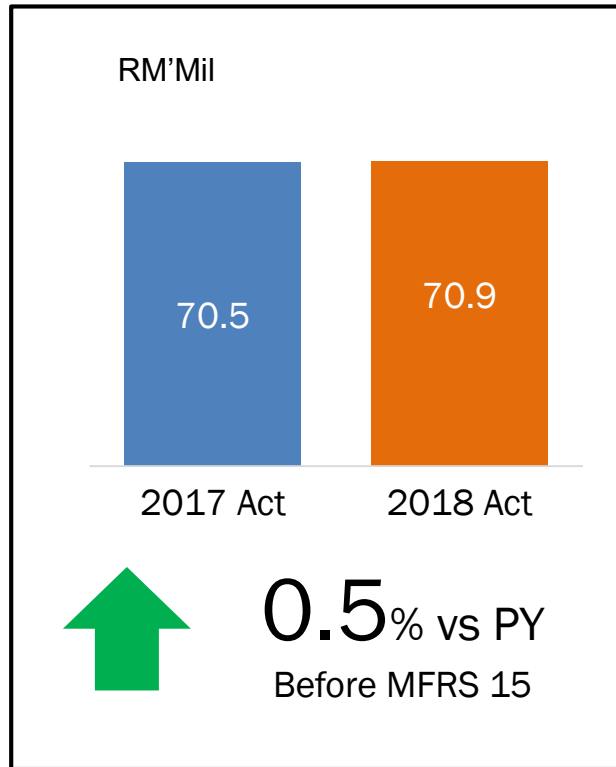
James Chew, Financial Planning & Analysis Manager

Sales Performance Review



- FY2018 performance (before MFRS 15) was driven by :
 - i) Positive ABO momentum towards the sale and marketing plan; and
 - ii) Various growth initiatives implemented to support the ABO growing their business.
- MFRS 15 adjustment -RM23.7m as the comparative is not adjusted for the initial adoption of the new accounting standard.

PBT Performance Review

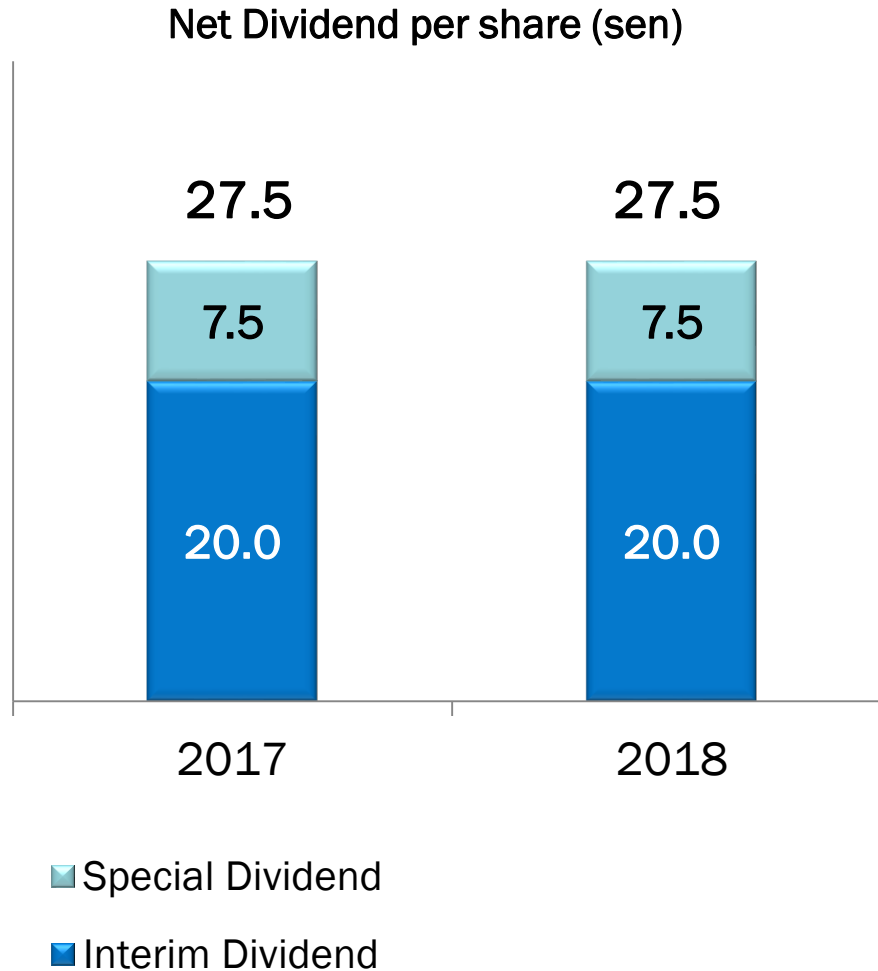


- Marginal increase in PBT mainly due to:
 - Lower import cost;
 - Higher interest income and forex gain.

Partially offset by:

- Higher ABO incentives in line with higher sales;
 - Higher OPEX for growth initiatives to support ABOs.
- MFRS 15 adjustment -RM0.7m

Dividend



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

✓ 2018:

- 83% of net earnings
- Net dividend payout of RM45.2 mil

THANK YOU



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