



**AMWAY (MALAYSIA) HOLDINGS BERHAD**  
**ANALYST BRIEFING**  
**26 FEBRUARY 2021**

# 2020 Year in Review



## 2020 BUSINESS HIGHLIGHTS

**Mike Duong, Managing Director**



## EXTRAORDINARY TIMES (COVID-19 PANDEMIC)

- Closure of retail, restaurants, religious events
- No travel, social gatherings, entertainment, nor sporting event
- 100% online for everything (social connection, social commerce)
- Internet traffic increase, demand on bandwidth, servers
- Demand for essentials (immunity boosting, groceries, sanitizers)
- Logistic and delivery delays





# 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
- Supplier closed – MCO
- **Packed ~154K orders in April**





## *Against the backdrop of COVID-19, we pulled off miraculous achievements*

- *Unprecedented Level of ABO Support & Community Outreach*
- *Record new ABO Signup*
- *Strong Sales Growth*
- *100% Online Order & Delivery (April/May)*
- *100% Virtual Meetings, Training, Events*
- *Launched New Order Management System (website & shop)*



# HEBAT, 加油 jiā yóu, Vetri Nichiayam

**+19.4%**

SALES

FY2020  
VS  
FY2019

**320K+**

NEW  
ABOs

**Double**

Online Sales  
53% vs. 27%

**1.1M+**

Online  
Orders  
Shipped





## RM2.6M in SUPPORT to Hospitals, Patients, & Families...

- **RM2M** donated in air purifiers to MoH hospitals
- **RM300K** for purchase of COVID test kits
- **RM260K** to Sabah hospitals to purchase PPE
- **RM77K** food aid & Nutrilite to impacted communities/families



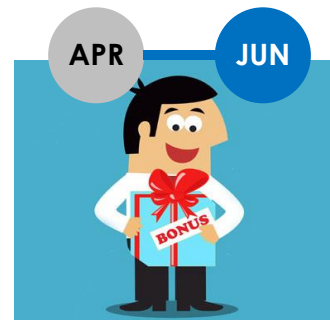
# ABO Business – SUPPORT INITIATIVES



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



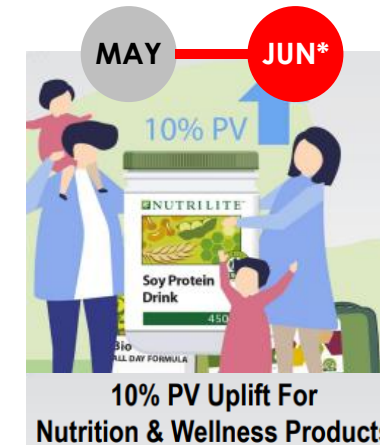
Extended Call Centre Hours



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

# SUPPORTING OUR **ABOS**

During MCO, CMCO, RMCO  
(April – Dec 2020)



**eLearning & Live Training**

**TOTAL VIEW**

**195,080**

95 Virtual Training, 7 Business Line Rally, 2 HEBAT Rally  
10 Leaders Engagement Meeting  
(5 Diamond + 5 Platinum)



# ABO LEADERS GROWTH & ACHIEVEMENT

## Amway PY 2020 NEW ACHIEVERS RECOGNITION VIRTUAL EVENT

12<sup>th</sup> Dec 2020 (Saturday)  
8:00pm

#AmwayAchievers2020



AMWAY MALAYSIA



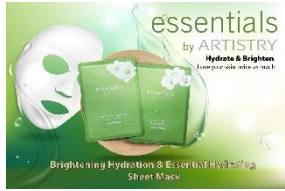
AMWAY MALAYSIA

**Congratulate the New Achievers or share your excitement by posting your wishes and messages!**





# 2020 New Products



essentials by ARTISTRY  
sheet masks- Jan



GLISTER White Tea  
toothpaste - March



ARTISTRY Studio  
Tokyo Edition - April



Nutralite Shaker - April



ARTISTRY Exact Fit  
Cushion Foundation -  
June



ARTISTRY Beauty  
Pack - June



BodyKey Organic Chia  
Seed to go - June



ARTISTRY Exact Fit  
Cushion Foundation Puff  
EX - July



XS Pink Grapefruit  
Fiery Blaze - July



ARTISTRY INTENSIVE  
SKINCARE Collagen+HA  
Capsule 97 - Aug



HEBAT Bundle – Aug



Overnight Repair Set -  
Aug



Youth Reset Pack -  
Aug



ARTISTRY SIGNATURE  
Select Body Care - Sept



Nutralite Mixed Collagen  
Peptide drink - Sept



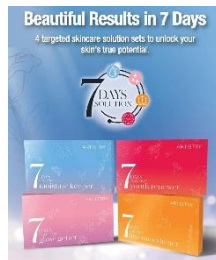
PURSUE Hand  
Sanitizer – Sept



GLISTER Smile a Mile pack  
– Sept



ARTISTRY Studio  
Shanghai Edition - Oct



7 Days Solution -  
Nov



ARTISTRY Dermasonic  
Ultimate Eye – Nov



G&H PROTECT+  
Deodorant & Anti-  
Perspirant Spray – Nov



Nutralite Mixed Fiber  
Powder - Nov



HEBAT MAMA pack - Nov



essentials by  
ARTISTRY Vitamin  
sheet masks- Dec

Introduced 17 products and 7 bundles

# 2020 Awards and Accolades



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



2020 - GOLD AWARD FOR  
MALAYSIA UNDER VITAMINS  
HEALTH SUPPLEMENTS  
CATEGORY



**4<sup>th</sup> Consecutive Year**

Top Employer 2020 for Malaysia &  
Asia Pacific



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



2020 - GOLD AWARD FOR  
MALAYSIA & ASIA UNDER WATER  
PURIFIER CATEGORY



ASIA PACIFIC HOME  
WATER TREATMENT  
COMPANY OF THE YEAR

## Amway Ponderosa Shop



**The A' Design Awards**

**International Design Awards**



IRON AWARD UNDER THE  
SPATIAL CATEGORY



BRONZE AWARD IN THE  
CATEGORY OF INTERIOR DESIGN  
– RETAILS, SHOPS,  
DEPARTMENTAL STORES, MALLS.





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*The same conditions created by COVID in 2020... still exists in 2021*

- *high demand for our immunity-boosting, cleaning, cooking, homecare products*
- *desire for income/business opportunity from a home/mobile devices*
- *less travel, physical events & meetings*
- *more online shopping & contactless delivery*

*During the pandemic crisis, we focused & prioritized on what matters the most... **get things DONE to support our ABOs/customers & take care of our staff***

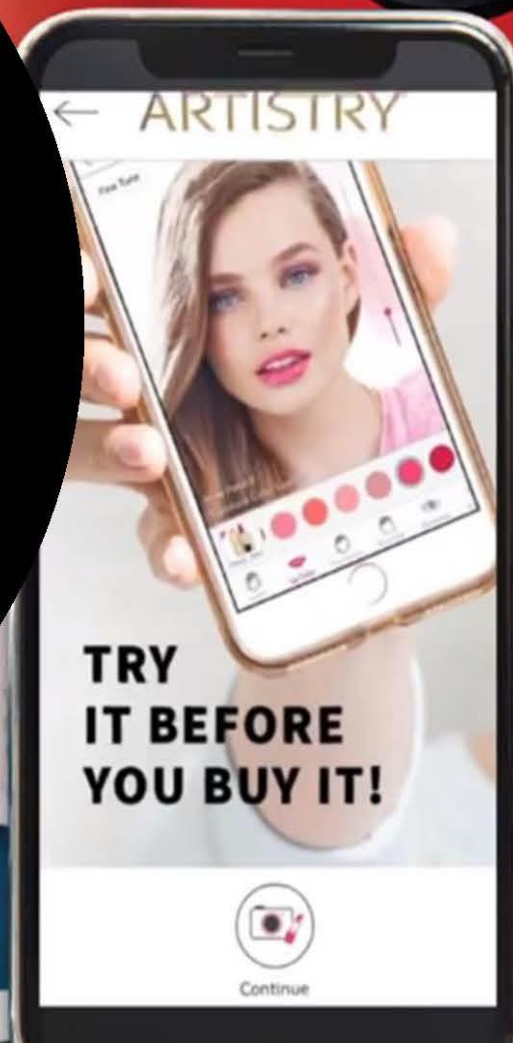


A

# Our Focus

Make it 10x easier for  
ABOs to acquire and  
retain a *community of  
engaged customers*

A





## ABO & CUSTOMER SUCCESS

### PRODUCT



- Help ABO Grow Customers
- LEAD with Nutrilite
- Artistry Healthy Beauty

### PLATFORM



- Frictionless ABO & Customer Experience
- Delivery, Returns, After Service, Customer Care

### PLAN



- Launch Early Incentives and Recognition
- Help ABOs earn CSI, Bronze, and Retail Profit

**HYBRIS CORE (website & retail shop)**

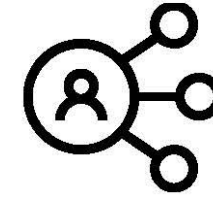
# Launch HybrisCORE (Nov 2020)

It's just the beginning...

- Mobile first
- Fresh and modern design
- Faster and Optimized user experience
- Foundational Omni-channel capabilities
- Foundational for Social Commerce



Multi-channel  
Virtual Assistant



**Amway  
Privileged  
Customers**

**Customer  
Sales &  
Bronze  
Incentive**

**Retail Margin  
& Retail Profit**



Mobile  
Delivery  
Tracking



Mobile App, and  
Social Selling

Nov 2020

2021 >





**17,407**   
ABOs enjoying Core Plus+  
Early Incentives

 **752** ABOs awarded  
Bronze

  
First Year ABOs  
**295% INCREASE**  
in the number of First Year ABOs who  
actively sponsored in Jan 2021 vs Jan 2020



**Amway** PRIVILEGED  
CUSTOMERS

## We Did It With The Amway Privileged Customer Programme!

Despite the challenges brought about  
by the pandemic, our ABOs have  
outdone themselves. Here's proof that  
the APC Programme helped our ABOs  
grow their Amway businesses.

Thanks to your effort, we have achieved



**34,418**  
**New APCs**

signed up as of 31 Jan 2021

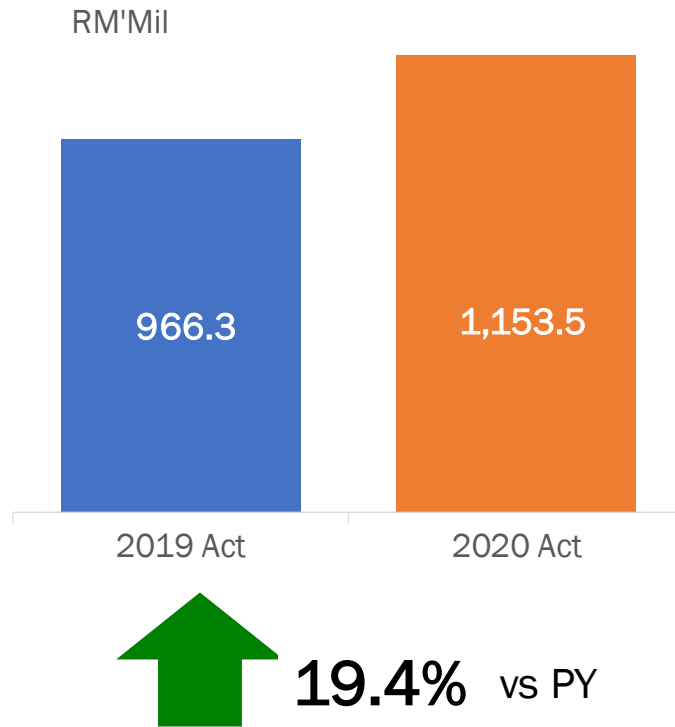




## 2020 FINANCIAL REVIEW

**Ng Ai Lee, Chief Financial Officer**

# Sales Performance Review

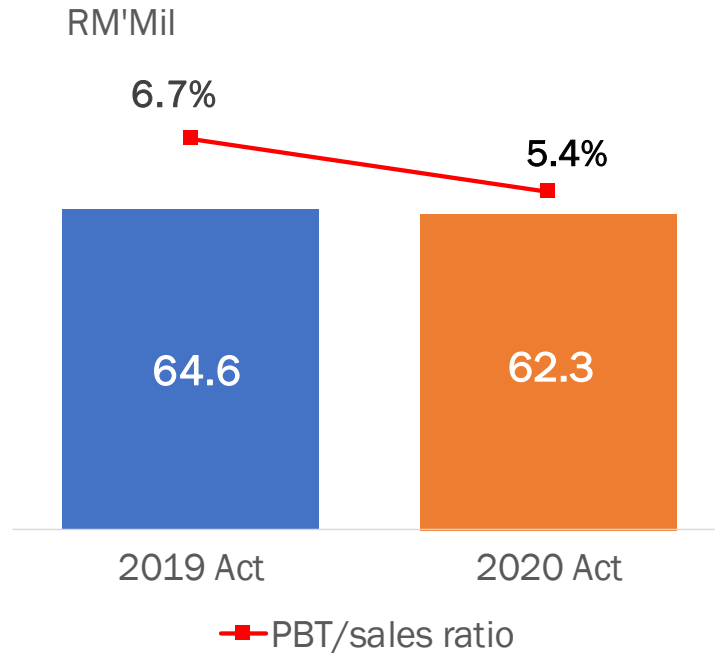


Higher sales driven by:

- ✓ Higher demand for immunity boosting supplements, new product launches and home appliances amid COVID-19; and
- ✓ Favourable response towards marketing promotions and various initiatives to support ABOs.



# PBT Performance Review



**-3.4%** vs PY

-1.3% profitability

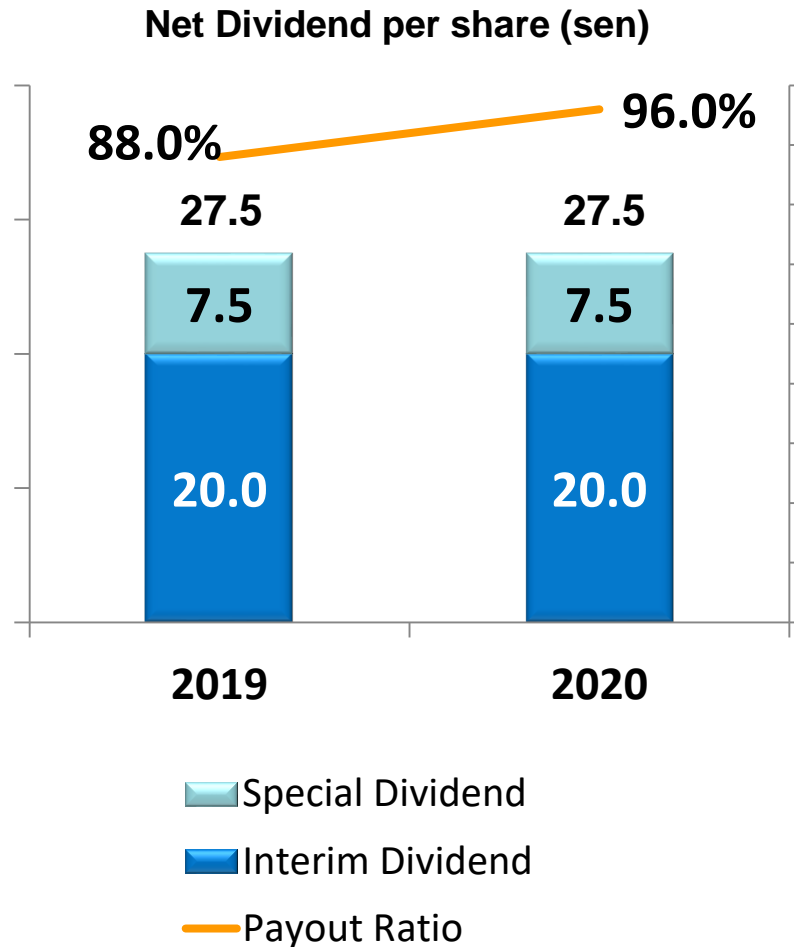
PBT is lower by 3.4%

✓ New incentives plan resulted in higher ABO incentives

which partially mitigated by :

- ✓ Higher sales and
- ✓ one off gain on disposal of properties (RM5.7mil)

# Dividend



- ✓ Dividend policy: Dividend payout ratio of no less than 80% of current year net earnings.
- ✓ The Group has a higher dividend payout in 2020
  - Total dividend : 27.5 sen (2019: 27.5 sen)
  - Dividend payout : RM45.2mil (2019: RM45.2mil)



**THANK YOU**

***Amway***



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