



# 1QFY2021 Results Update

30 September 2020



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Review by Segment

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# 1QFY2021 vs. 1QFY2020

For the 1st quarter under review, the Group recorded higher revenue of RM71.2 million, an increase of 7.8% or RM5.2 million as compared to the previous year corresponding quarter of RM66.1 million.

- ✓ The increase in revenue was mainly attributable to higher sales contribution from the Multi-Level Marketing (“MLM”) division.
- ✓ The Group’s gross profit margin fell by 1.5% as a result of higher promotion costs and rebates offered to customers during the period under review.
- ✓ Operating profit margin improved to 19.0% as compared to previous years’ corresponding period of 15.1% as a result of effective cost optimisation initiatives and a favourable change of sales mix.

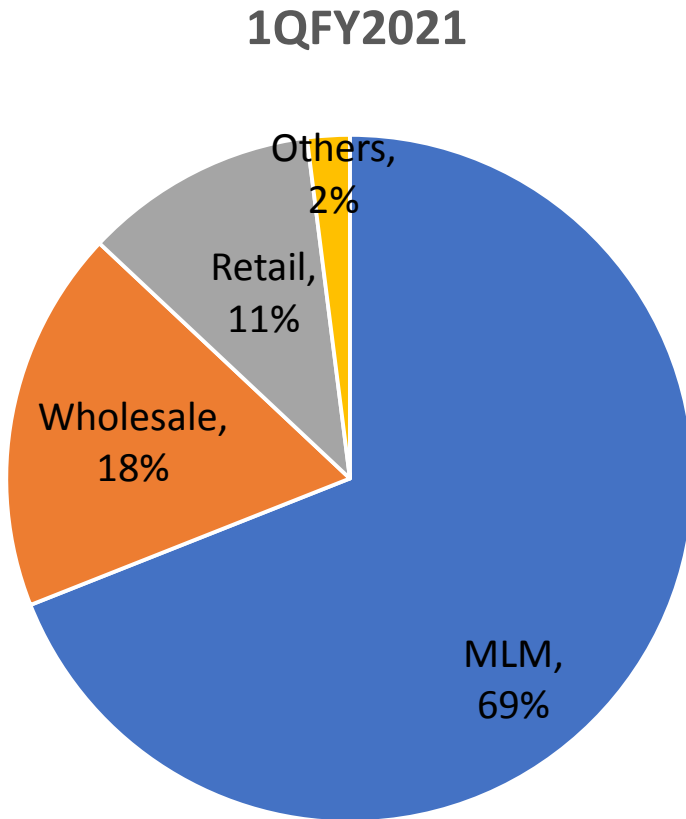
# 1QFY2021 vs. 1QFY2020

	<b>1QFY2021 31 July 2020  (RM'mil)</b>	<b>1QFY2020 31 July 2019  (RM'mil)</b>	<b>Variance +/-</b>
Revenue	71.25	66.06	<b>7.8%</b>
Pre-tax Profit	13.65	10.20	<b>33.8%</b>
Profit attributable to owners	10.26	7.74	<b>32.6%</b>
Net Margin (%)	14.4%	11.7%	<b>2.7%</b>
EPS (sen)	3.53	2.67	<b>0.86 sen</b>

# Statement of Financial Position

	<b>1QFY2021 31 July 2020  (RM'mil)</b>	<b>FYE2020 30 Apr 2020 (audited) (RM'mil)</b>
Net Cash + Short Term Investment	105.75	95.88
Total Assets	364.02	361.72
Total Liabilities	43.33	51.53
Shareholders' Equity	310.19	299.59
Net Assets per Share (RM)	1.07	1.03

# Segment Revenue



Segment	1QFY2021 31 July 2020		1QFY2020 31 July 2019	
	(RM'mil)	(%)	(RM'mil)	(%)
<b>MLM</b>	49.34	69%	42.06	64%
<b>Wholesale</b>	13.17	18%	14.81	22%
<b>Retail</b>	7.87	11%	8.13	12%
<b>Others</b>	0.87	2%	1.06	2%
<b>Total</b>	<b>71.25</b>	<b>100%</b>	<b>66.06</b>	<b>100%</b>



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Review by  
Segment

Multi Level Marketing (“MLM”)

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Wholesale

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Retail

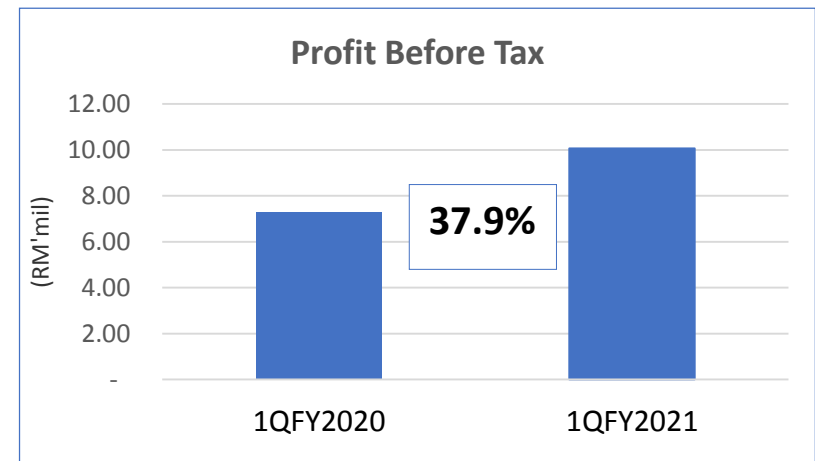
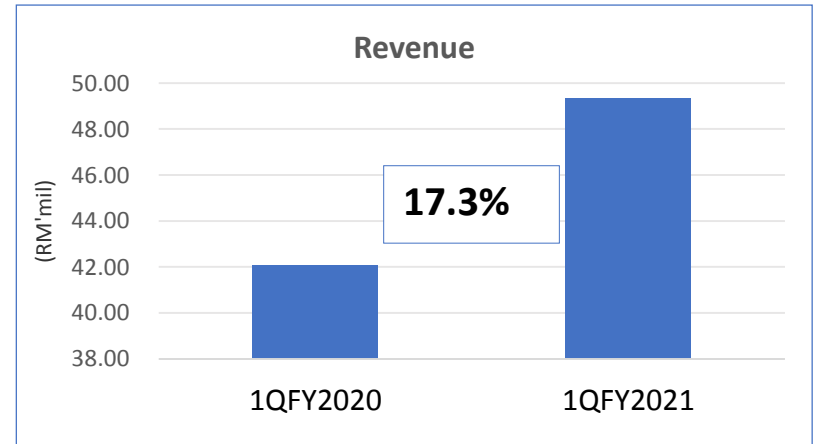
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Others

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# MLM

MLM Segment	1QFY2021 31 July 2020  (RM'mil)	1QFY2020 31 July 2019  (RM'mil)	Changes  (%)
External Revenue	49.34	42.06	17.3%
Profit Before Tax	10.07	7.30	37.9%





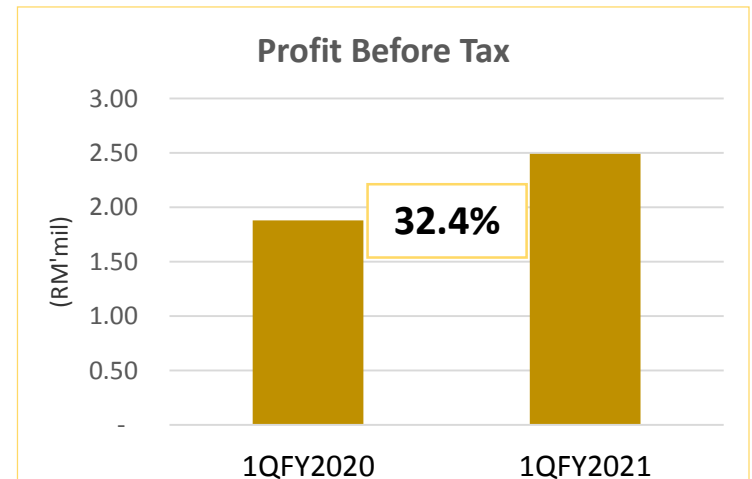
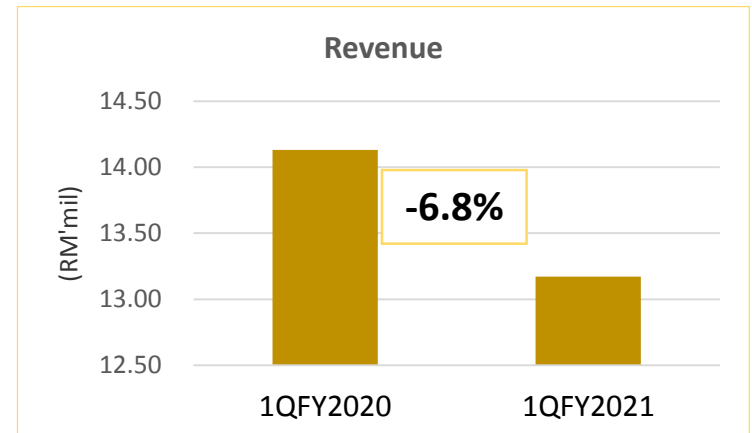
# MLM

The division recorded higher revenue and pre-tax profit of RM49.3 million and RM10.1 million for the period under review as compared to the preceding year's corresponding quarter of RM42.1 million and RM7.3 million respectively.

- ✓ The division is constantly devising, reviewing and adjusting various strategies to improve members' productivity, which includes leveraging on e-commerce and social media platforms to reach out to a wider group of members.
- ✓ The success of the "Duit Raya" sales campaign and the overwhelming response for one of its newly launched lady wear items had boosted sales.

# Wholesale

Wholesale Segment	1QFY2021 31 July 2020 (RM'mil)	1QFY2020 31 July 2019 (RM'mil)	Changes (%)
External Revenue	13.17	14.13	-6.8%
Profit Before Tax	2.49	1.88	32.4%



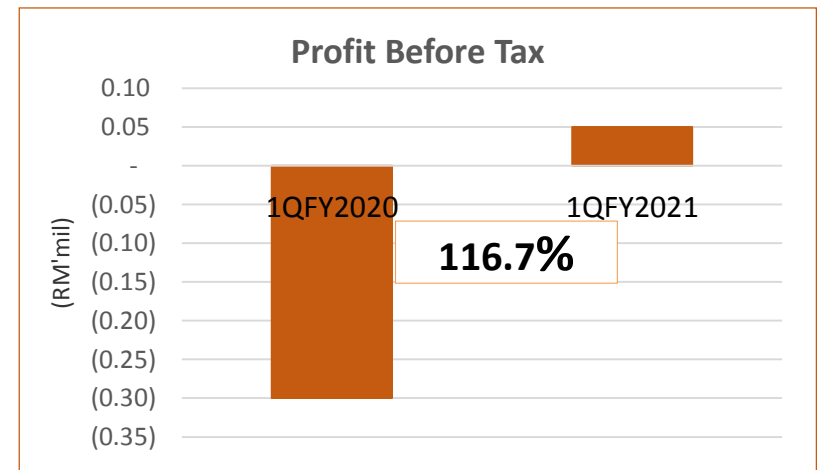
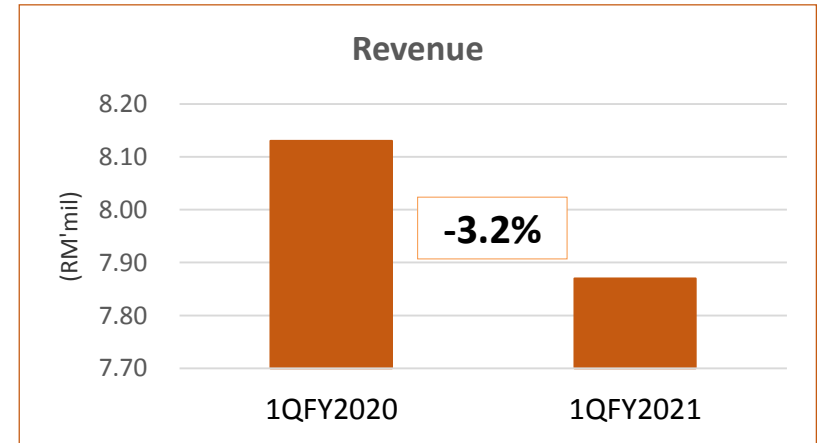
# Wholesale

During the period under review, revenue decreased by 6.8% to RM13.2 million as compared to the preceding year's corresponding quarter of RM14.1 million, reflecting constraints due to RMCO (Recovery Movement Control Order) restrictions.

- ✓ Higher revenue generated from Chinese medicated tonic and premium cooking wine was offset by lower revenue from western liquor and tea during the quarter.
- ✓ Divisional pre-tax profit increased by 32.4% to RM2.5 million, thanks to higher margins from Chinese medicated tonic and premium cooking wine as well as effective cost optimization measures carried out by the division.

# Retail

Retail Segment	1QFY2021 31 July 2020  (RM'mil)	1QFY2020 31 July 2019  (RM'mil)	Changes  (%)
External Revenue	7.87	8.13	-3.2%
Profit Before Tax	0.05	-0.30	116.7%



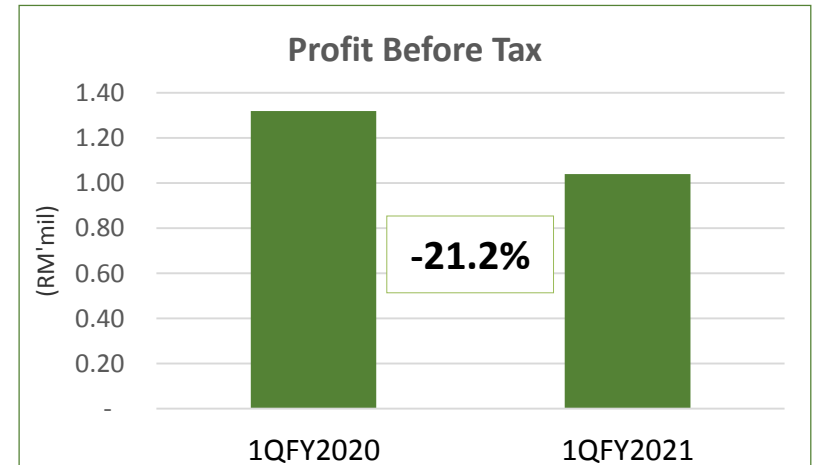
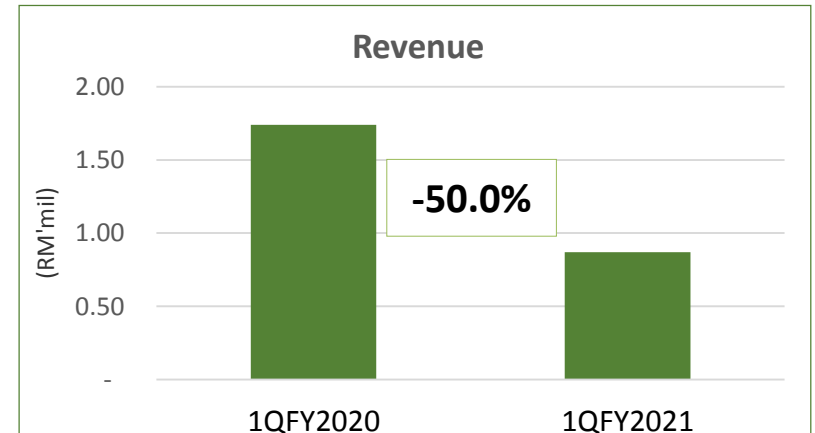
# Retail

The outbreak of COVID-19 pandemic has adversely affected the retail industry. For the Retail division, the response to its members' sales campaign which was postponed from the preceding quarter to the period under review was less encouraging, as subdued consumer sentiment was aggravated by the extended physical distancing measures during the RMCO.

Despite flattish divisional revenue of about RM8 million, the Retail division managed to break even in this quarter ended 31 July 2020, due mainly to concessionary rental costs for several retail outlets and lower operating costs arising from shorter operating hours during the RMCO.

# “Others” Segment

“Others” Segment	1QFY2021 31 July 2020  (RM'mil)	1QFY2020 31 July 2019  (RM'mil)	Changes  (%)
External Revenue	0.87	1.74	-50.0%
Profit Before Tax	1.04	1.32	-21.2%



# “Others” Segment

Revenue comprised mainly of rental income from investment properties, food supplement manufacturing activities and credit & leasing business. The main contributors are manufacturing and rental income from investment properties.

During the period under review, pre-tax profit decreased by about 21.2% from RM1.3 million to RM1.0 million mainly attributable to lower contribution from the manufacturing division.



# Thank You

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