

# 46<sup>TH</sup> ANNUAL GENERAL MEETING

21 OCTOBER 2021



**HAI-O ENTERPRISE BERHAD**

Registration No. 197501000919 (22544-D)

**TRANSITIONING TO A  
VIBRANT FUTURE**



# Agenda

**1**

**FY2021 Financial Performance**

**2**

**Business Segment Overview**

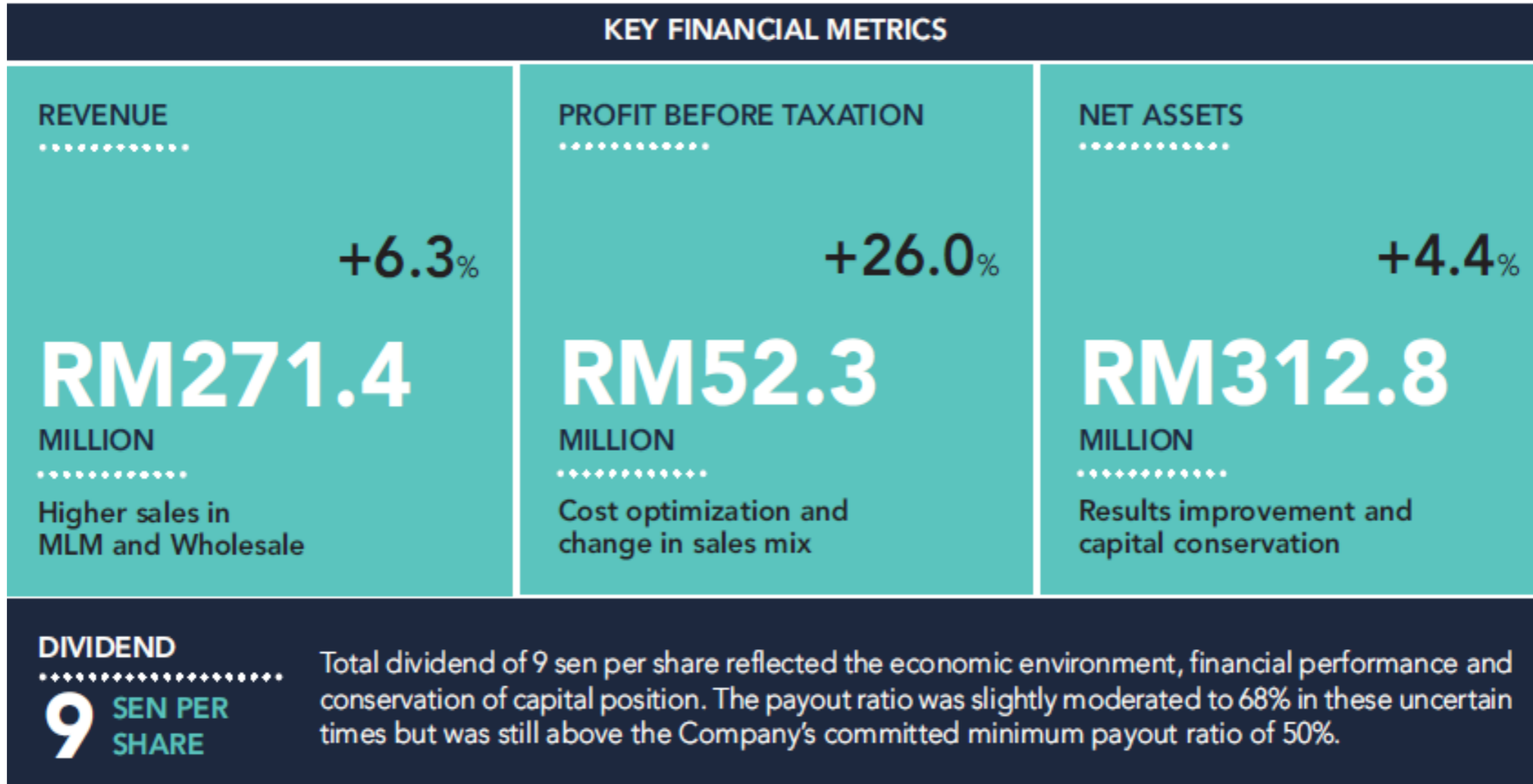
**3**

**Outlook**



1

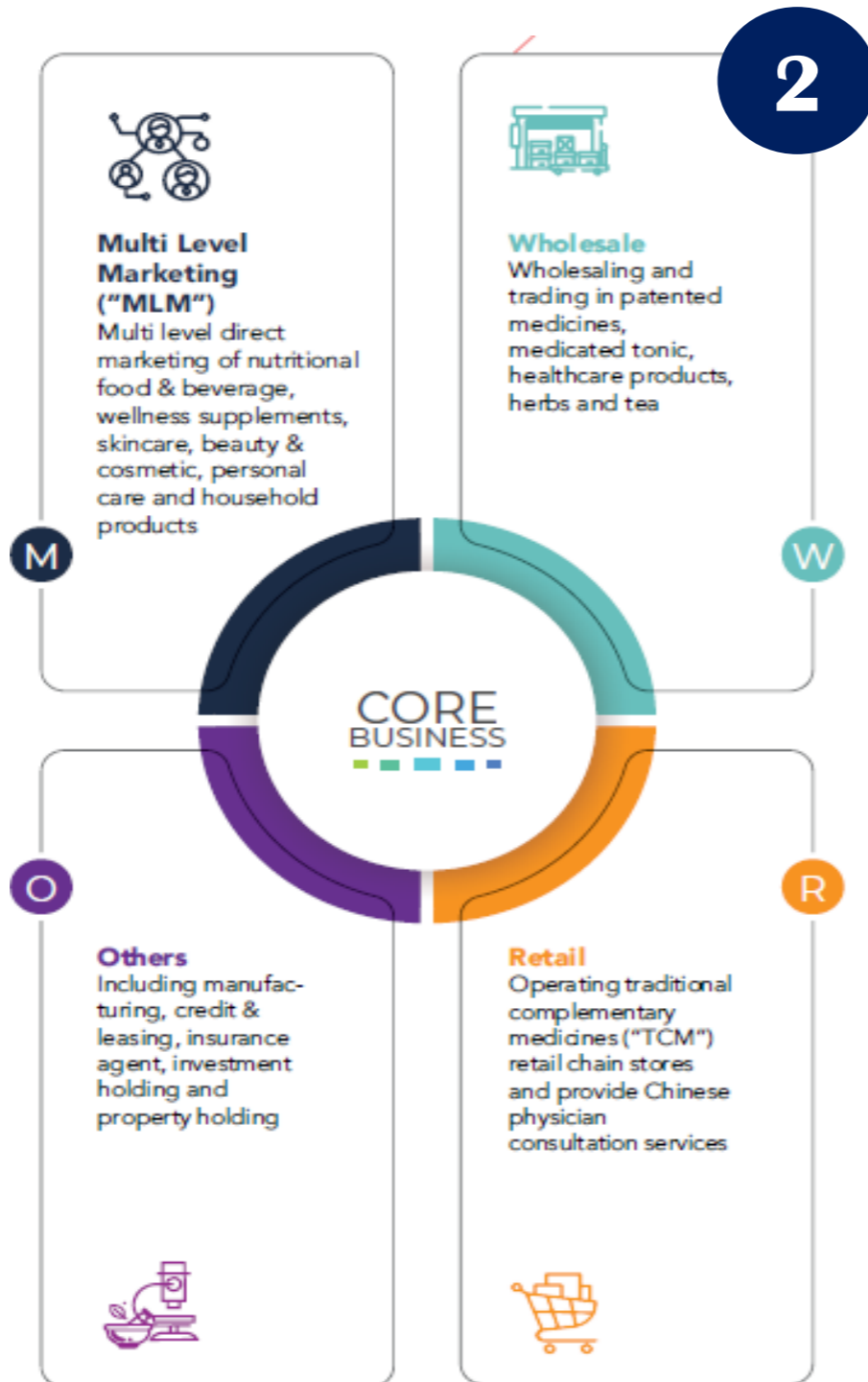
# FY2021 Financial Highlights



## “Delivering resilience and emerging stronger”

- Hai-O Group has delivered resilient results amidst the challenges which have driven us to work harder to emerge stronger
- the Group has plans in place to strengthen growth, fortify sustainability and manage business risks as we strive to add values to all stakeholders in a responsible and sustainable manner
- These include continuation of optimizing costs, upgrading and enhancing the digital infrastructures of our major business segments to support the sharp rise in e-commerce, exploring and adopting various sustainable business practices as we progress on our ESG journey
- We remain optimistic on the prospects of Hai-O Group given the strong fundamentals, track record, the demonstrated capability, dedication and team spirit of our employees, Management and the Board as we face the unprecedented challenges together



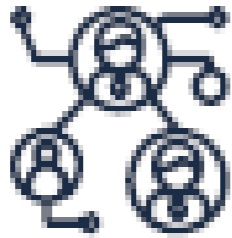


## Business Segment Overview

- There was no change in the core business of the Group for the financial year under review
- The Group's revenue and earnings continue to be driven by 3 core business segments with other business activities primarily in property investments and manufacturing activities



## Segmental review – MLM



**MLM focused on 4 essential factors to maintain sustainability and continuity:**  
**“Products, Price, Promotion and Place”**

REVENUE  
.....

+10.0%

**RM172.4**

MILLION  
.....

FY2020: RM156.7 million

PROFIT BEFORE TAXATION  
.....

+4.6%

**RM34.0**

MILLION  
.....

FY2020: RM32.5 million

MLM segment remains the largest revenue and profit contributor of the Group

Multi-pronged strategy focussing on products pricing and mix, members recruitment and engagement, digital adoption and operational improvement

MLM recorded 10% revenue growth to RM172.4 million and 4.6% PBT growth to RM34.0 million in FY2021



## Segmental review – Wholesale



Ongoing transformation for pandemic transition with products focus on young consumer market and affordable everyday needs health food

REVENUE

+6.4%

**RM58.6**

MILLION

FY2020: RM55.1 million

PROFIT BEFORE TAXATION

+130.0%

**RM13.8**

MILLION

FY2020: RM6 million

Performance spurred by the distribution of higher margins products in FY2021

The benefits of ongoing cost optimisation initiatives further lifted profitability

Wholesale segment posted a 6.4% growth in revenue to RM58.6 million and more than two-fold increase in PBT to RM13.8 million in FY2021



## Segmental review – Retail

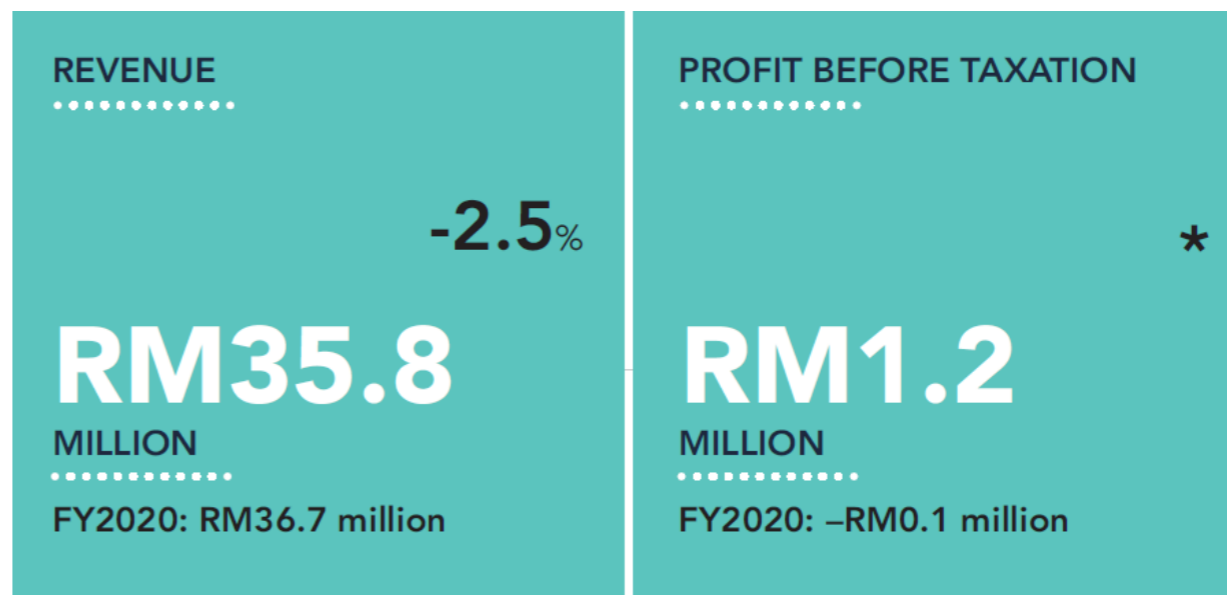
Operations hardest hit by the COVID-19 pandemic

Focusing on value creation from the perspective of sales channel, promotion and cost containment remain relevant

Retail segment staged a profit turnaround to record PBT of RM1.2 million amidst a slight decline in revenue to RM35.8 million in FY2021, which was commendable in a crisis year



**Revamped sales model, expansion in e-commerce and cost optimization in response to challenging trading conditions**



\* Not applicable due to a loss position for the last financial year



## “Finding the right alignment for business sustainability and continuity”



✓ Committed to entrenching our businesses and operations digitally by strengthening and enhancing the existing digital infrastructures

✓ Relentlessly focus on the delivery of the four essential factors: Product, Price, Promotion, Place



✓ Costs optimization

**“Amidst the COVID-19 storm, the Board is confident of emerging stronger with a solid foundation for the next financial year”**



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