



# 1HFY2021 Results Update

21 December 2020



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## Review by Segment

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# 1HFY2021 vs. 1HFY2020

For the first half of the financial year, the Group recorded higher revenue of RM137.4 million, an increase of 2.2% as compared to the previous year corresponding period of RM134.5 million. The increase in revenue was mainly attributed to higher sales contribution from the Multi-level marketing (“MLM”) division.

The Group’s gross profit margin improved by 1.4% as the result of a favourable change in sales mix. Net operating profit margin improved to 19.8% as compared to previous year’s corresponding period of 14.7%, mainly due to effective cost optimization initiatives and a favourable change of sales mix coupled with a one-off gain on disposal of vintage tea amounting to RM0.8 million.

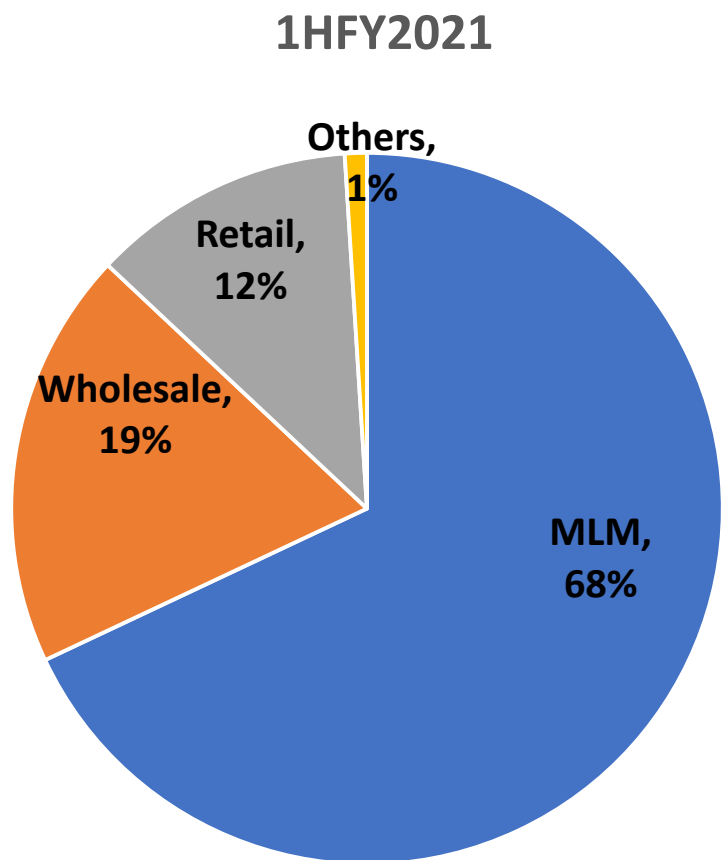
# 1HFY2021 vs. 1HFY2020

	<b>1HFY2021 31 Oct 2020</b>	<b>1HFY2020 31 Oct 2019</b>	<b>Variance +/-</b>
	<b>(RM'mil)</b>	<b>(RM'mil)</b>	
Revenue	137.38	134.45	<b>2.2%</b>
Pre-tax Profit	27.20	19.74	<b>37.8%</b>
Profit After Tax	20.44	14.81	<b>38.1%</b>
Net Margin (%)	14.9%	11.0%	<b>3.9%</b>
EPS (sen)	7.10	5.19	<b>1.91 sen</b>

# Statement of Financial Position

	<b>1HFY2021 31 Oct 2020  (RM'mil)</b>	<b>FYE2020 30 April 2020 (audited) (RM'mil)</b>
Net cash + Short term investment	119.84	95.88
Total assets	377.98	361.72
Total liabilities	59.31	51.53
Shareholders' equity	308.39	299.59
Net assets per share (RM)	1.06	1.03

# Segment Revenue



Segment	1HFY2021 31 Oct 2020		1HFY2020 31 Oct 2019	
	(RM'mil)	(%)	(RM'mil)	(%)
MLM	93.51	68%	84.63	63%
Wholesale	25.91	19%	29.95	22%
Retail	16.07	12%	17.77	13%
Others	1.89	1%	2.10	2%
<b>Total</b>	<b>137.38</b>	<b>100%</b>	<b>134.45</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

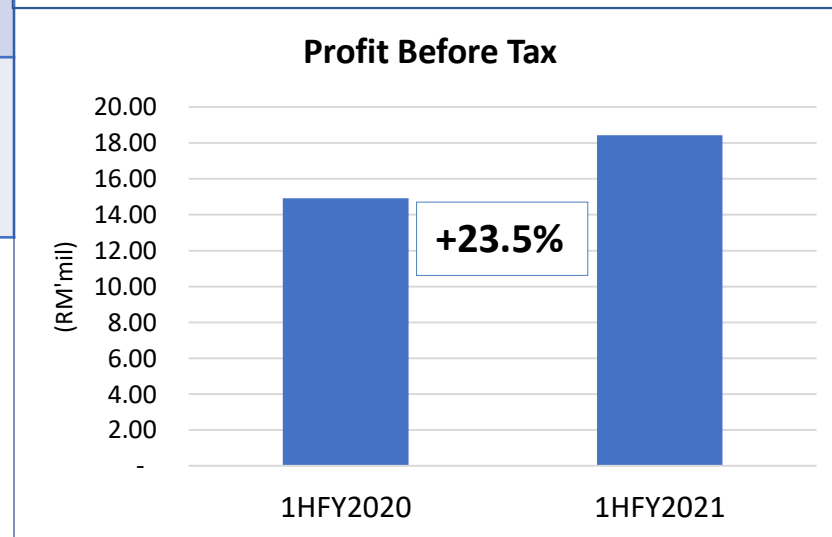
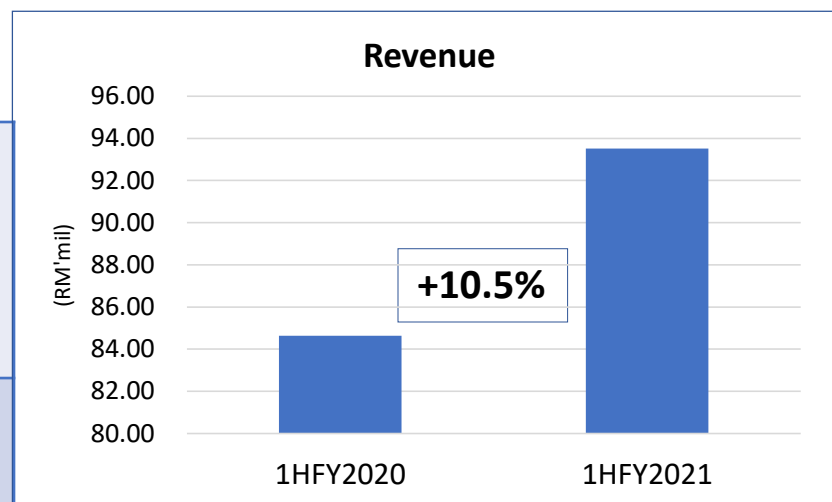
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Others

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# MLM

MLM Segment	1HFY2021 31 Oct 2020  (RM'mil)	1HFY2020 31 Oct 2019  (RM'mil)	Changes  (%)
External Revenue	93.51	84.63	<b>+10.5%</b>
Profit Before Tax	18.43	14.92	<b>+23.5%</b>





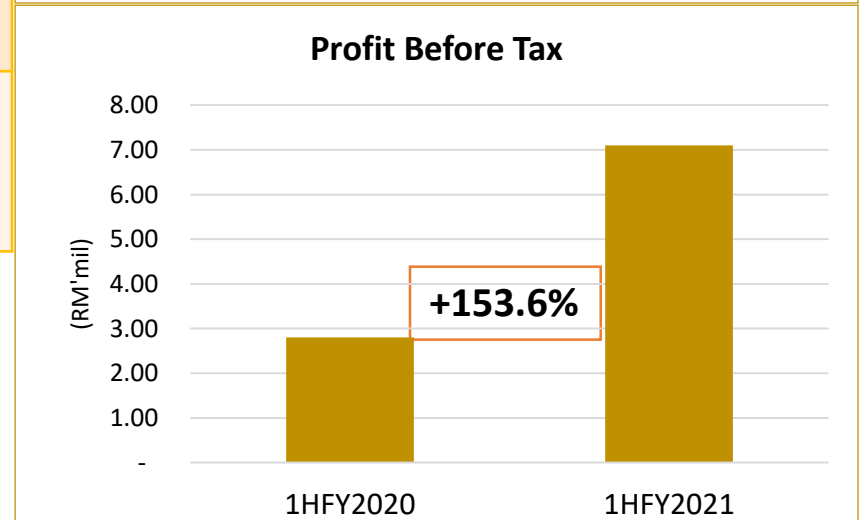
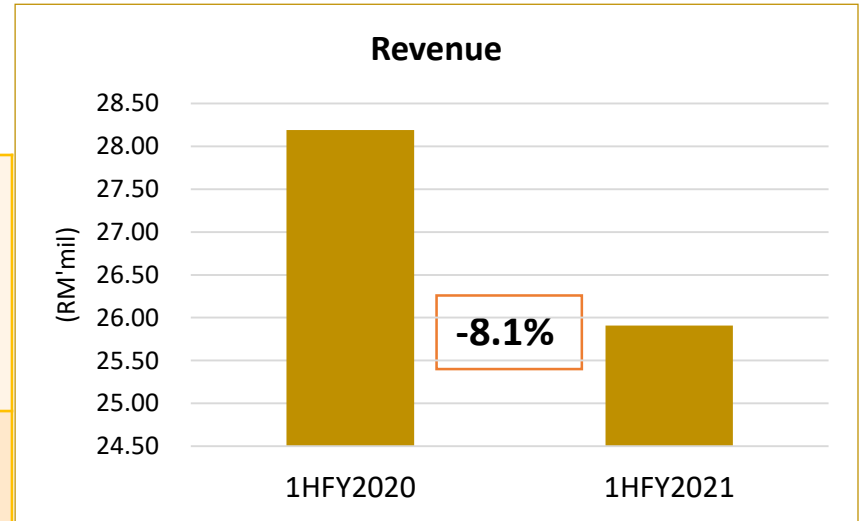
# MLM

The MLM division recorded higher revenue and pre-tax profit of RM93.5 million and RM18.4 million for the period under review as compared to the preceding year's corresponding period of RM84.6 million and RM14.9 million, 10.5% and 23.5% higher respectively.

The MLM division is constantly rolling out attractive marketing campaigns for its members by leveraging on e-commerce and social media platforms which enabled the division to widen its reach. In addition, the success of its “Duit Raya” sales campaign and its local incentive trip campaign, coupled with the overwhelming response for one of its newly launched lady wear series, had further boosted sales during the period under review.

# Wholesale

Wholesale Segment	1HFY2021 31 Oct 2020  (RM'mil)	1HFY2020 31 Oct 2019  (RM'mil)	Changes  (%)
External Revenue	25.91	28.19	-8.1%
Profit Before Tax	7.10	2.80	+153.6%



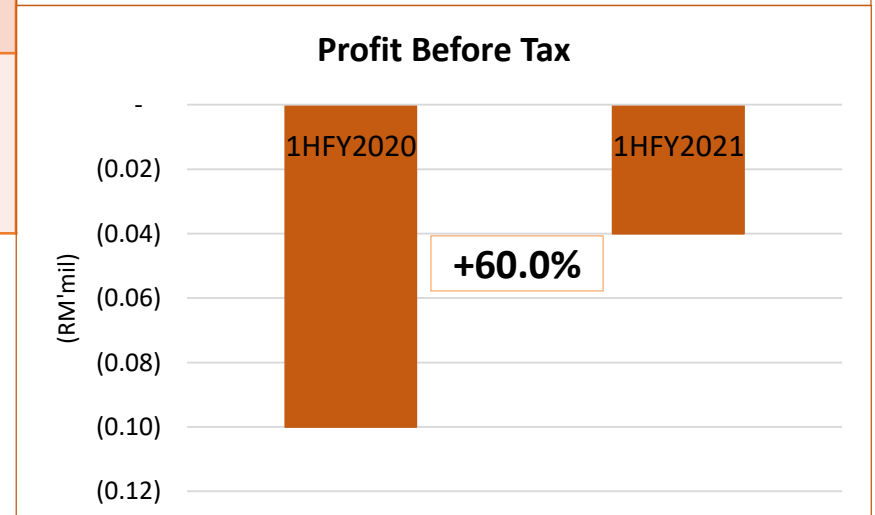
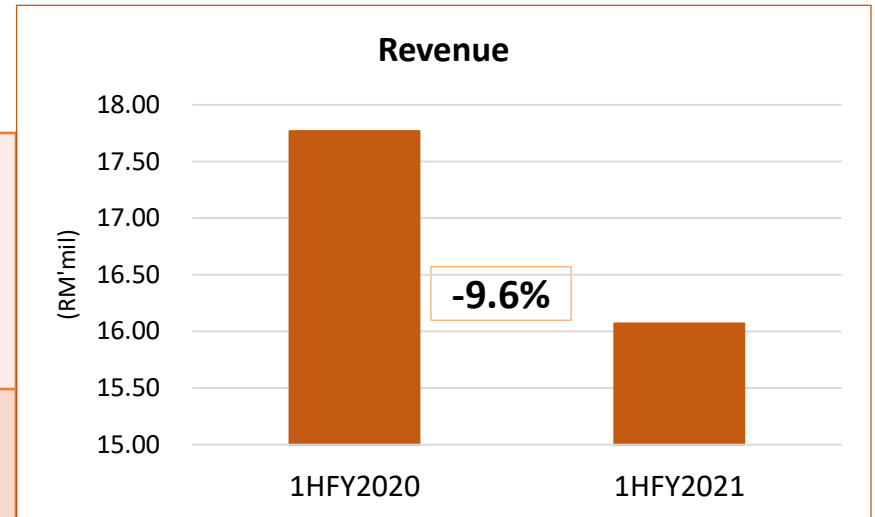
# Wholesale

Wholesale revenue declined by 8.1% to RM26.0 million during the period under review mainly due to lower sales of premium patented medicine and depressed sales to duty-free shops as tourist traffic flow almost ground to a halt amid movement restrictions imposed due to the COVID-19 pandemic.

However, pre-tax profit increased from RM2.8 million to RM7.1 million mainly attributable to effective cost optimization measures, higher margins for Chinese medicated tonic and premium cooking wine, as well as a one-off gain from the disposal of vintage tea amounting to RM0.8 million.

# Retail

Retail Segment	1HFY2021 31 Oct 2020 (RM'mil)	1HFY2020 31 Oct 2019 (RM'mil)	Changes (%)
External Revenue	16.07	17.77	-9.6%
Profit Before Tax	-0.04	-0.10	+60.0%



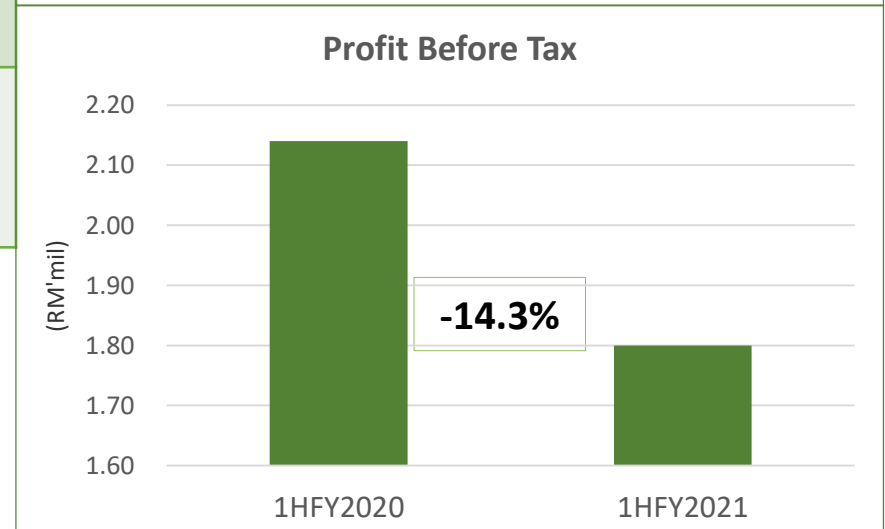
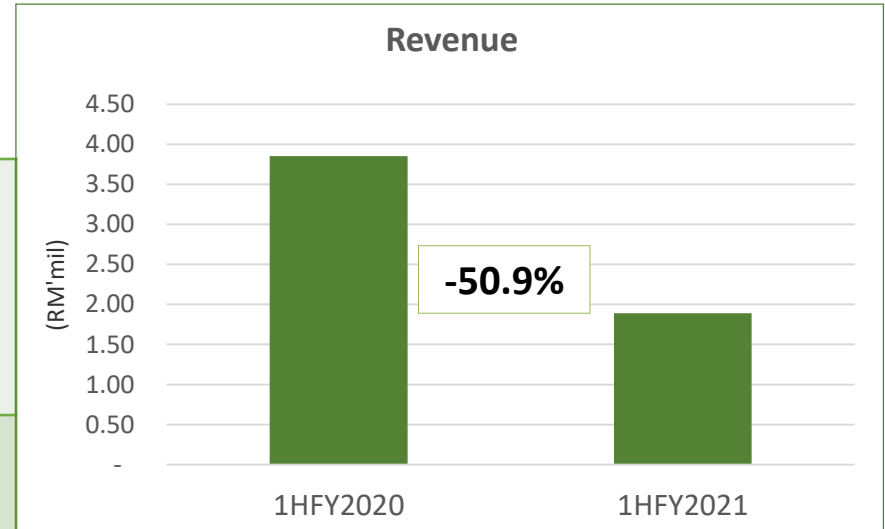
# Retail

Despite two aggressive members' sales campaigns during the period, buying momentum remained subdued especially for premium health supplement products. According to Retail Group Malaysia, the retail industry suffered a negative growth rate of 20.2% during the first half of the year due to the impact of the COVID-19 pandemic and associated movement restrictions.

The division suffered a 9.6% drop in revenue to RM16.1 million, but managed to break even thanks to concessionary rental costs for several outlets and lower outlet operating costs in general.

# "Others" segment

"Others" Segment	1HFY2021 31 Oct 2020  (RM'mil)	1HFY2020 31 Oct 2019  (RM'mil)	Changes  (%)
External Revenue	1.89	3.85	<b>-50.9%</b>
Profit Before Tax	1.80	2.14	<b>-14.3%</b>



# “Others” segment

Revenue comprises mainly rental income from investment properties, health 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 14.3% from RM2.1 million to RM1.8 million mainly attributable to lower rental income from investment properties.



# Thank You

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