



INNATURE BERHAD

FINANCIAL RESULTS

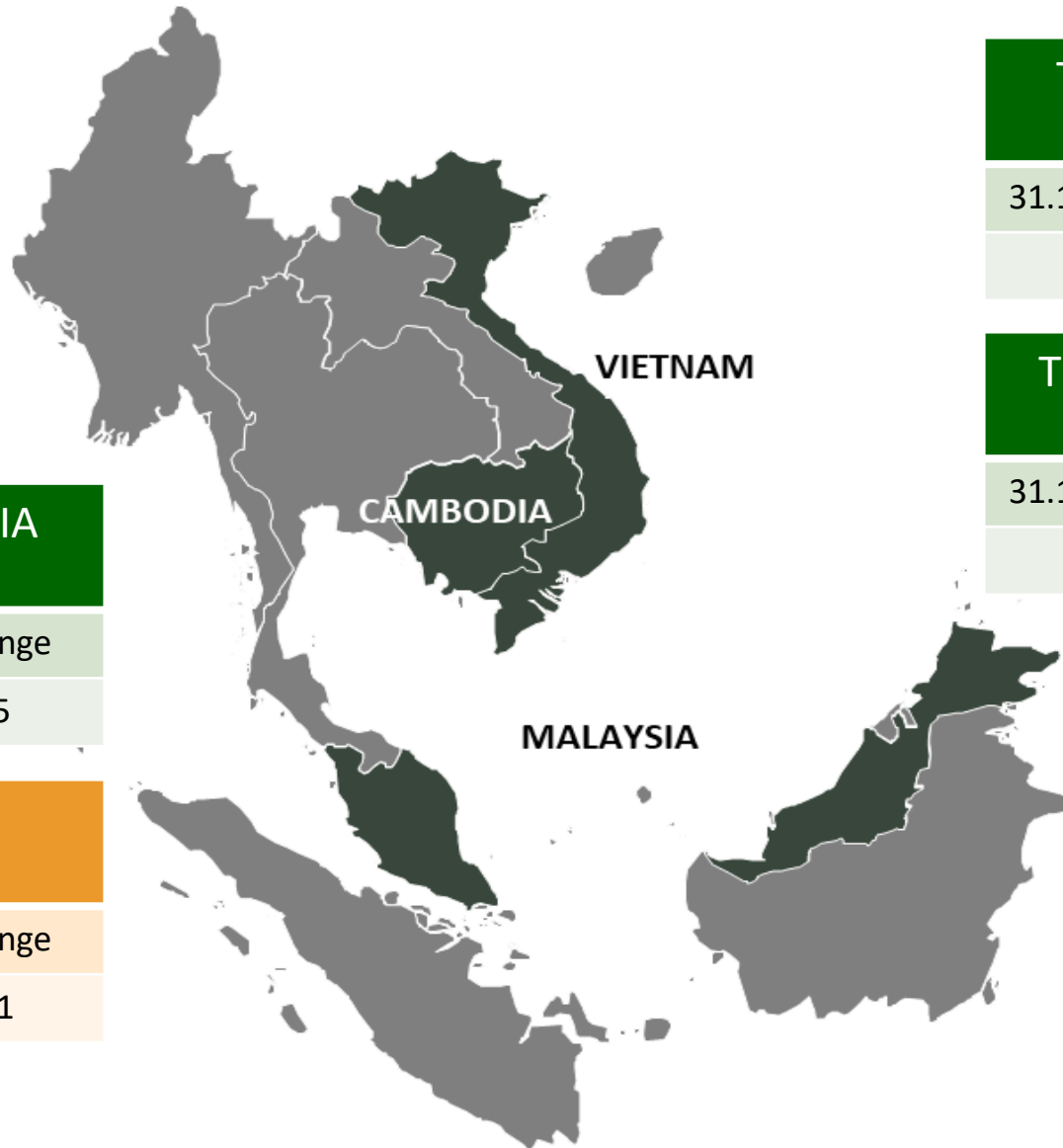
FOR THE 4<sup>TH</sup> QUARTER ENDED 31 DECEMBER 2020

**22 FEBRUARY 2021**

# BUSINESS UPDATE

# STORE NETWORK

**124** stores as at 31.12.2020



| THE BODY SHOP MALAYSIA<br><i>36 years of operation</i> |            |        |
|--|------------|--------|
| 31.12.2019   | 31.12.2020 | Change |
| 89   | <b>84</b>  | -5     |

| NATURA MALAYSIA<br><i>1 year of operation</i> |            |        |
|---|------------|--------|
| 31.12.2019                                    | 31.12.2020 | Change |
| -   | <b>1</b>   | +1     |

| THE BODY SHOP VIETNAM<br><i>11 years of operation</i> |            |        |
|---|------------|--------|
| 31.12.2019  | 31.12.2020 | Change |
| 34  | <b>37</b>  | +3     |

| THE BODY SHOP CAMBODIA<br><i>1 year of operation</i> |            |        |
|--|------------|--------|
| 31.12.2019   | 31.12.2020 | Change |
| 1  | <b>2</b>   | +1     |



# MY BUSINESS UPDATE



- Third wave of Covid-19 affected mall traffic.
- Omnichannel strategy and efforts to enhance multiple sales channel yielded the uplift in 4Q20 results – highest quarterly revenue for the year.
- Live streaming sessions to reach customers and close the gap between consideration and purchase.
- Natura sales continue to grow YoY, underpinned by social selling channel.

THE BODY SHOP  
**MORE WAYS TO SHOP!**

**CLICK & COLLECT** OR **CALL & COLLECT**

**HOW IT WORKS?**

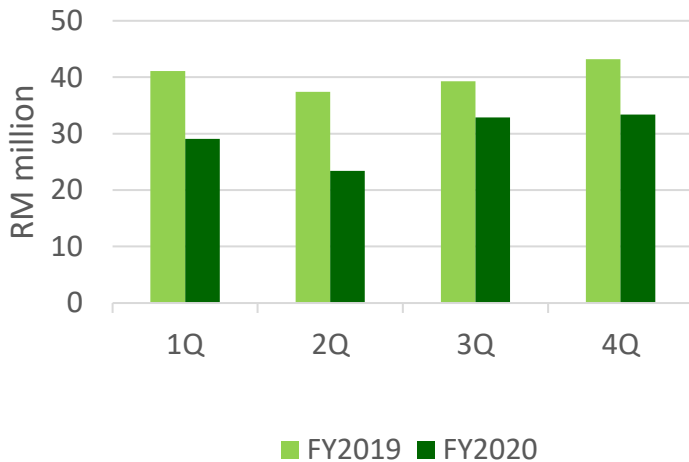
**STEP 1 CHOOSE METHOD**  
Visit [WWW.THEBODYSHOP.COM.MY/CLICKCOLLECT](http://WWW.THEBODYSHOP.COM.MY/CLICKCOLLECT) or Whatsapp / call us

**STEP 2 PLACE ORDER**  
Provide personal information, product and pick-up location details

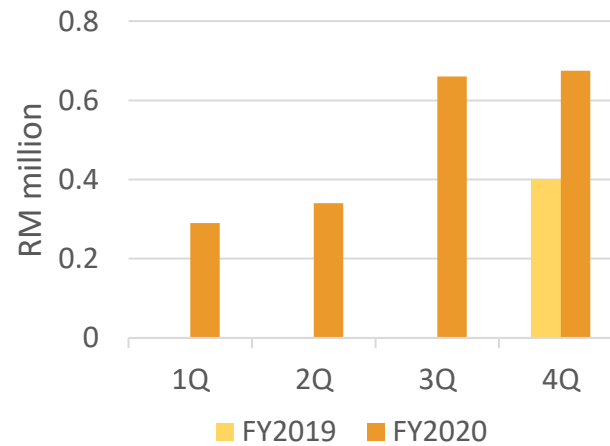
**STEP 3 SELF PICK-UP/ DRIVE THRU**  
Payment to be made upon collection (cash, credit card or e-wallet)

Ask our friendly store staff for more details.

Revenue for TBS MY



Revenue for Natura MY



THE BODY SHOP  
Christmas 2020  
**SPREAD SOME KINDNESS**  
Online exclusive gift sets

**LIVE**  
28 NOV 2020 | 11AM - 12PM

RSVP NOW & GET A FREE JUTE BAG

GUEST TATA, GUEST ERNEST, GUEST TASHA, HOST NATALIE

natura

join us live for a **GIFTING WORKSHOP**

Date: 16 Dec 2020  
Time: 12:30pm

Join us and RSVP today to receive the meeting link!

[www.natura.com](http://www.natura.com)



# MY BUSINESS UPDATE

InNature

## MCO 2.0

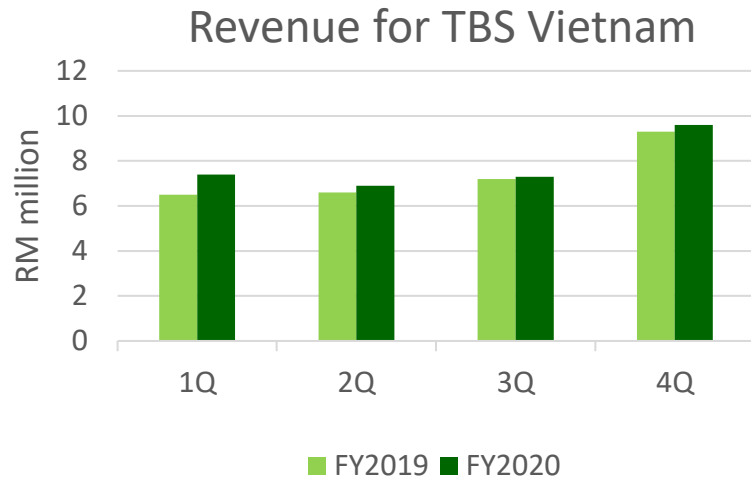
- Most stores remain open and continue to serve customers physically or through C&C
- Work from home for HQ staff
- Redeployment of resources to support Ecomm
- Pivot marketing initiatives for Ecomm - free delivery, Stay Home Self-Pampering Starter Kits





# VN BUSINESS UPDATE

- Continue to record YoY revenue growth in 4Q20.
- SSSG return to single-digit positive in 4Q20.
- Opened 2 TBS stores in 4Q20:
  - Vincom Ocean Park Hanoi
  - Aeon Hai Phong – *our first store at Hai Phong*

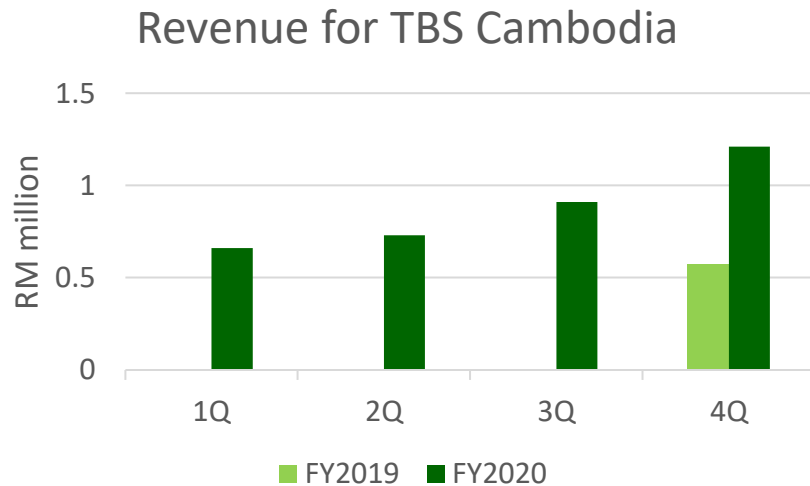




# CM BUSINESS UPDATE



- Highest quarterly revenue since inception in 4Q20.
- First store partly affected by 3-day mall closure following the first community Covid-19 outbreak at Phnom Penh in end Nov 2020.
- Opened second TBS store at Aeon Sen Sok, Phnom Penh in Oct 2020.



# SUSTAINABILITY UPDATE



# Quick Recap...

**Against Animal Testing**  
1996 - 1997



**Annual Coastal Clean-up**  
Since 1980's<sup>1</sup>



**Stop Violence In The Home**  
2000 - 2008



**Say Yes to Safe Sex**  
1980's - 2009



**Candles of Conscience Fund-raising**  
2001 - 2020



**Save Belum Temengor**  
2006 - 2010



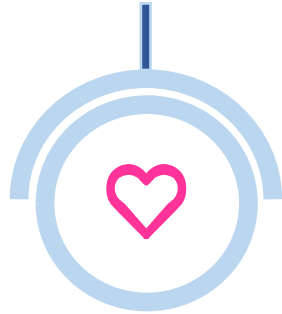
<sup>1</sup> Vietnam started since 2015.

*In support of United Nation's Sustainable Development Goals*



# Quick Recap...

**Brighten Up A Woman's Future**  
2013 / 2014 / 2018

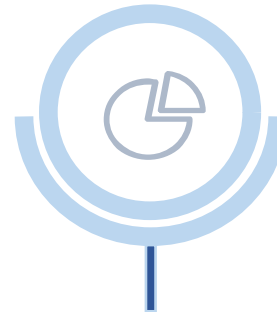


**Cruelty Free**  
2013 - 2014

**Where's My Mama Wildlife Conservation**  
2011 - 2012



**Vote With Your Lips**  
2011 - 2012



**Kick The Bag Habit**  
Since 2008



**Stop Child Sex Trafficking**  
2009 - 2011<sup>2</sup>

<sup>2</sup> Vietnam organized in 2010.

*In support of United Nation's Sustainable Development Goals*



# Quick Recap...



**Be More Than Beautiful**  
Since 2014



**Bio-Bridge Project**  
2016 - 2020<sup>3</sup>



**Earth Day Plant Give-away**  
Since 2015



**Forever Against Animal Testing**  
2017 - 2018



**End Child Marriage**  
2018



**Solar Panel Installation**  
2019

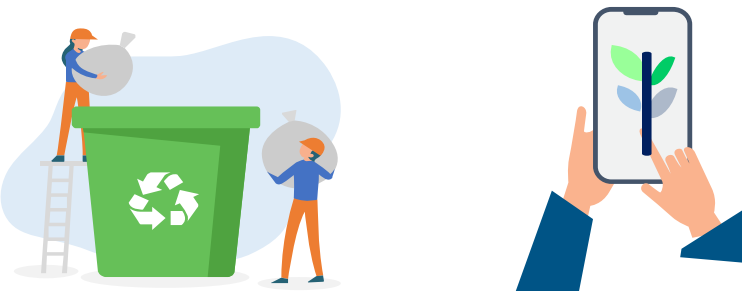


<sup>3</sup> Vietnam organized in 2016.

*In support of United Nation's Sustainable Development Goals*



**The journey of our business as a force for good doesn't end here**



# ENVIRONMENT



InNature



## THE BODY SHOP: BIO-BRIDGE CAMPAIGN

RM1,200,000 committed to-date in the culmination of our Bio-Bridge campaign in 2020. These funds were raised through our Kick The Bag habit campaign in our stores from 2016 -2020. The funds were used in Wildlife Conservation Society's efforts to protect critically endangered wildlife such as tigers in Endau Rompin.



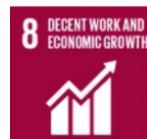
## THE BODY SHOP: INTERNATIONAL COASTAL CLEAN-UP



1,320kg rubbish removed  
6 beach clean-up locations in Malaysia and Vietnam in 2020



*In support of United Nation's Sustainable Development Goals*



# ENVIRONMENT



InNature



## THE BODY SHOP: CLOSING THE LOOP PROJECT

Over 3,000 containers returned by customers through our **Bring Back Our Bottles Campaign**. These empty plastic containers were then recycled into 3000 fragranced discs.



*In support of United Nation's Sustainable Development Goals*



# ENVIRONMENT



InNature



## NATURA : CLOSING THE LOOP PROJECT

From June to December 2020, over 100 Natura empty plastic containers were collected through our **More Beauty Less Waste** campaign, which were then recycled soap dishes.



*In support of United Nation's Sustainable Development Goals*



# SOCIAL



## THE BODY SHOP: "ISOLATED NOT ALONE" DOMESTIC VIOLENCE CAMPAIGN

- Distributed >10,000 bags with WAO hotline.
- Released a video series with information on proper ways to get help with KOLs.
- Collaborated with World Of Buzz to release social experiment video. Over 651K Reach, 233K views.
- IG Live Takeover by WAO to create awareness on Domestic Violence during the pandemic. Over 20K Reach, 1.7K views.



*In support of United Nation's Sustainable Development Goals*





# SOCIAL



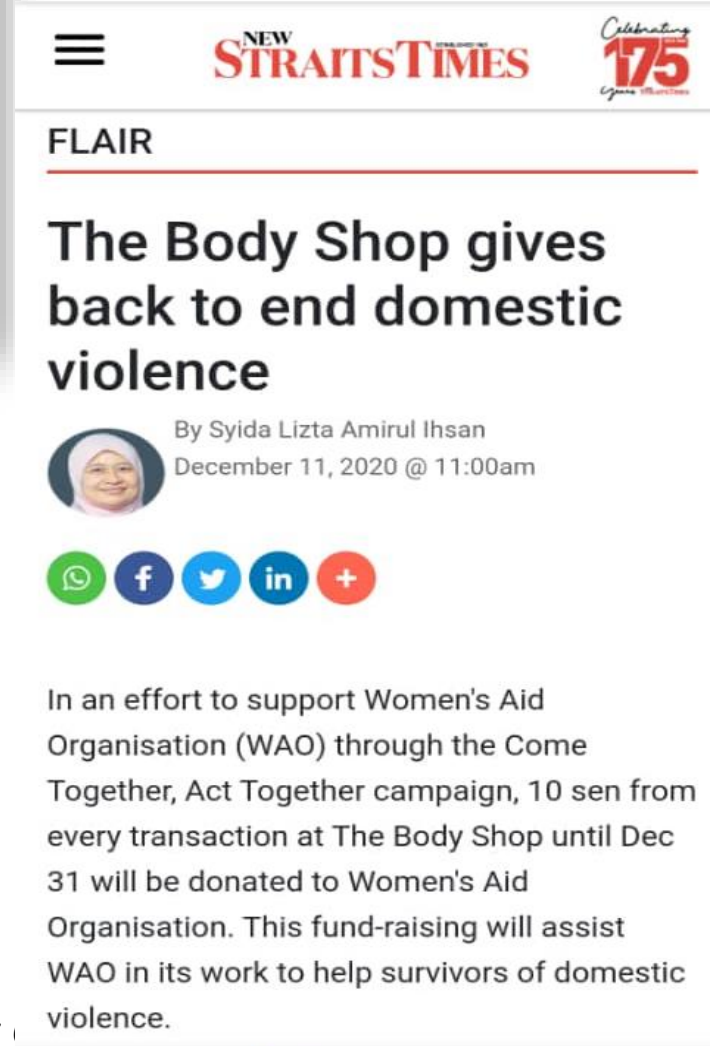
## THE BODY SHOP: COME TOGETHER ACT TOGETHER CHRISTMAS CAMPAIGN ON DOMESTIC VIOLENCE

- >RM19,000 was raised for WAO.
- A virtual event was held with KOLs and media, where a WAO representative shared information on the current state of Domestic Violence in Malaysia. KOLs later shared this information on their social media platforms and highlighted the fund-raising efforts in support of WAO's work in ending domestic violence in Malaysia.
- The PR event had over 100K Reach, with over 3000 engagements.
- The campaign was also highlighted in all The Body Shop stores.



*In support of United Nation's Sustainable Development*

InNature



# SOCIAL



InNature

**THE BODY SHOP.  
LEND'S  
A HAND  
CAMPAIGN**

We give thanks and gratitude to all the doctors, nurses, and healthcare providers who have shown amazing courage and tenacity on the frontlines fighting against the Covid-19 pandemic that we're facing today.

As a gesture of our appreciation, we together with our customers are gifting front liners with The Body Shop hand creams. We hope that these hand creams will help nourish their hard-working hands when they can finally rest.

The hand creams are funded by the proceeds raised through our Kick The Bag Habit™ campaign.

For we are in this together.

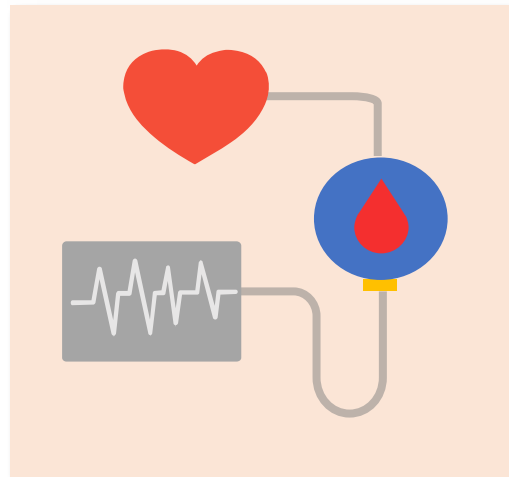
**#TimeToCare**  
A little kindness makes a big difference.

\*Under our Kick The Bag Habit campaign, each customer at The Body Shop Malaysia stores who refines a paper bag would be charged RM0.50 and for each bag refused The Body Shop Malaysia will donate the same amount to the fund.



## THE BODY SHOP: LENDS A HAND CAMPAIGN

6,800 hand creams were donated to 20 Malaysian government hospitals handling Covid-19 positive patients.



## THE BODY SHOP: BLOOD DONATION

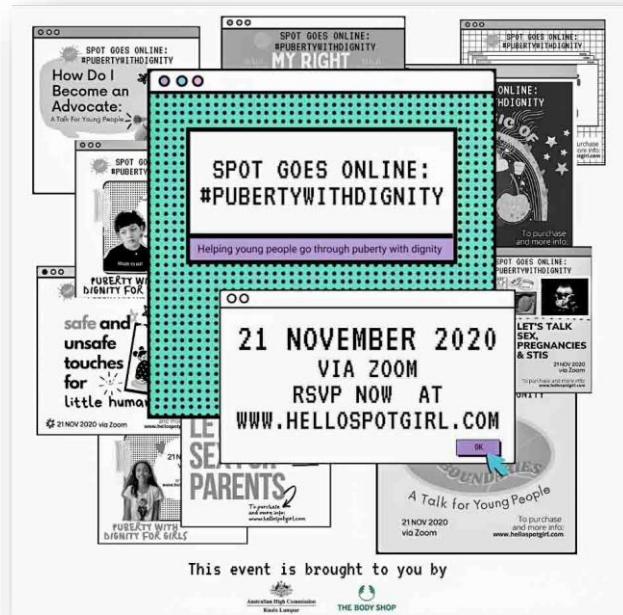
HQ employees supported blood donation campaign at MidValley.



*In support of United Nation's Sustainable Development Goals*



# SOCIAL



## THE BODY SHOP: WORLD CHILDREN'S DAY >500 children educated on puberty with dignity



*In support of United Nation's Sustainable Development Goals*



# SOCIAL



## NATURA: VOLUNTEERING DAY TO INSPIRE KNOWLEDGE

The Natura team along with volunteers spent a day at SK Sungai Judah, a local primary school located in the outskirts of Pulau Carey catered for indigenous children. The team spruced up the school's library, giving it a more vibrant and cheerful environment - an important source of inspiration and knowledge for the students. The main highlight of this makeover is the beautiful mural that reflected Malaysia's endangered wildlife species, including the Malayan Tiger.



*In support of United Nation's Sustainable Development Goals*



## IMPLEMENTATION OF POLICIES AND PROCEDURES IN 2020



- 1 Director Nomination Policy
- 2 Director Remuneration Policy
- 3 Independent Director Assessment Policy
- 4 Corporate Disclosure Policy
- 5 External Auditor Assessment Policy
- 6 Related Party Transaction Policy
- 7 Anti-Bribery and Corruption Policy
- 8 Limits of Authority Policy
- 9 First Annual Declaration on Conflict of Interest for all employees

# FINANCIALS

# FINANCIALS AT A GLANCE



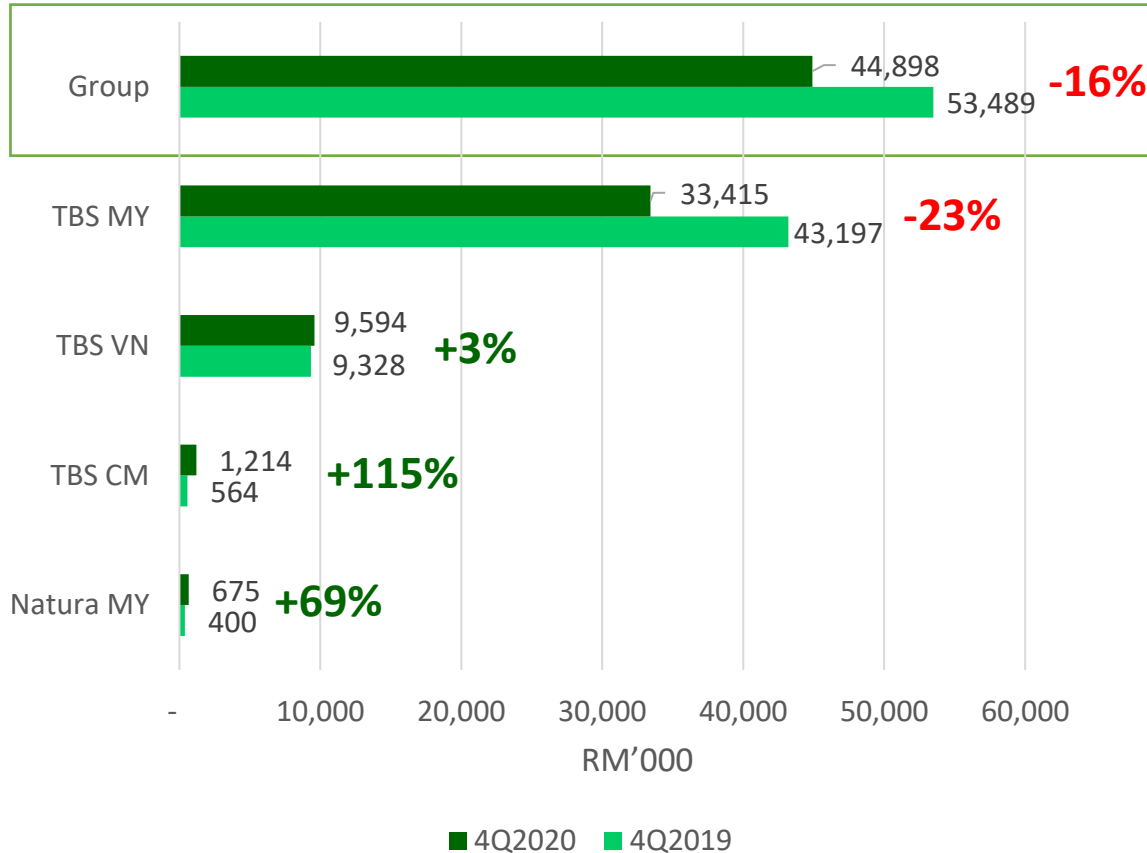
| 1Q2020                                    | 2Q2020                                    | 3Q2020                                | 4Q2020                                   | FY2020                                     | 31 December 2020   |
|---|---|---------------------------------------|--|--|--|
| Revenue<br><b>RM37.4m</b><br>-22% yoy     | Revenue<br><b>RM31.4m</b><br>-29% yoy     | Revenue<br><b>RM41.7m</b><br>-10% yoy | Revenue<br><b>RM44.9m</b><br>-16% yoy    | Revenue<br><b>RM155.4m</b><br>-19% yoy     | Shareholders' Equity<br><b>RM138.7m</b>                    |
| Core PAT<br><b>RM3.7m</b><br>-64% yoy     | Core PAT<br><b>RM3.2m</b><br>-54% yoy     | Core PAT<br><b>RM6.6m</b><br>-16% yoy | Core PAT<br><b>RM7.7m</b><br>-13% yoy    | Core PAT<br><b>RM21.2m</b><br>-37% yoy     | Working Capital<br><b>RM56.4m</b>                          |
| Reported PAT<br><b>RM2.8m</b><br>-72% yoy | Reported PAT<br><b>RM3.1m</b><br>-39% yoy | Core PAT<br><b>RM6.6m</b><br>-9% yoy  | Reported PAT<br><b>RM7.7m</b><br>-3% yoy | Reported PAT<br><b>RM20.2m</b><br>-33% yoy | Cash, Time Deposits & Fixed Income Funds<br><b>RM53.5m</b> |
|   |   |                                       |  |  | Net Gearing Ratio<br><b>Net Cash</b>                       |

Notes: (1) Core PAT excludes listing expenses; (2) Net Gearing Ratio is computed as net borrowings (total bank borrowings less cash and cash equivalents and other investments) divided by total equity. Negative net gearing ratio denotes a net cash position.

# 4Q2020 REVENUE

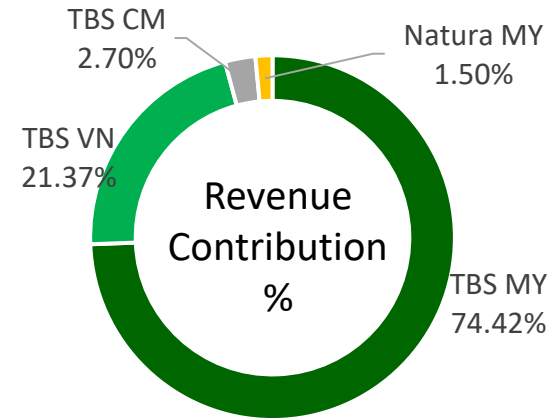
*3<sup>rd</sup> wave of Covid-19 in Malaysia impacted Group Revenue*

## Revenue by Business Unit

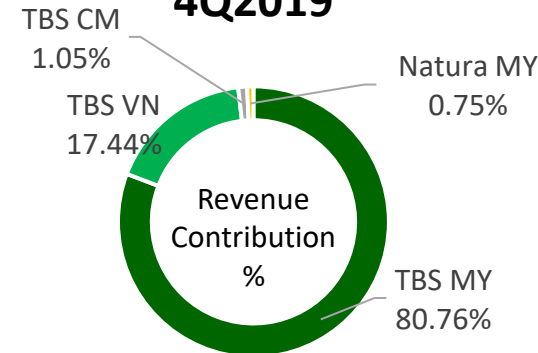


*Increasing contribution from overseas market*

## 4Q2020

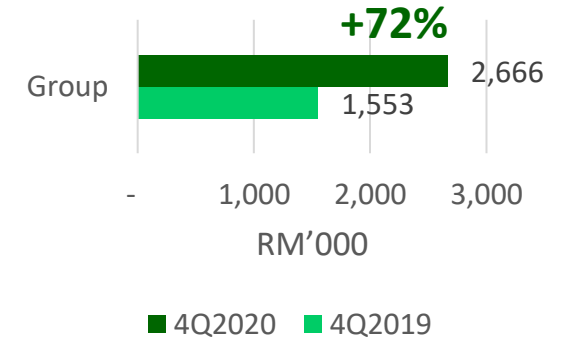


## 4Q2019



*Ecomm registers strong growth amid Covid-19 fear*

## Ecomm Revenue



## Ecomm Contribution

Group **5.9%** 4Q2019: 2.9%

TBS MY **5.3%**  
4Q2019: 1.8%

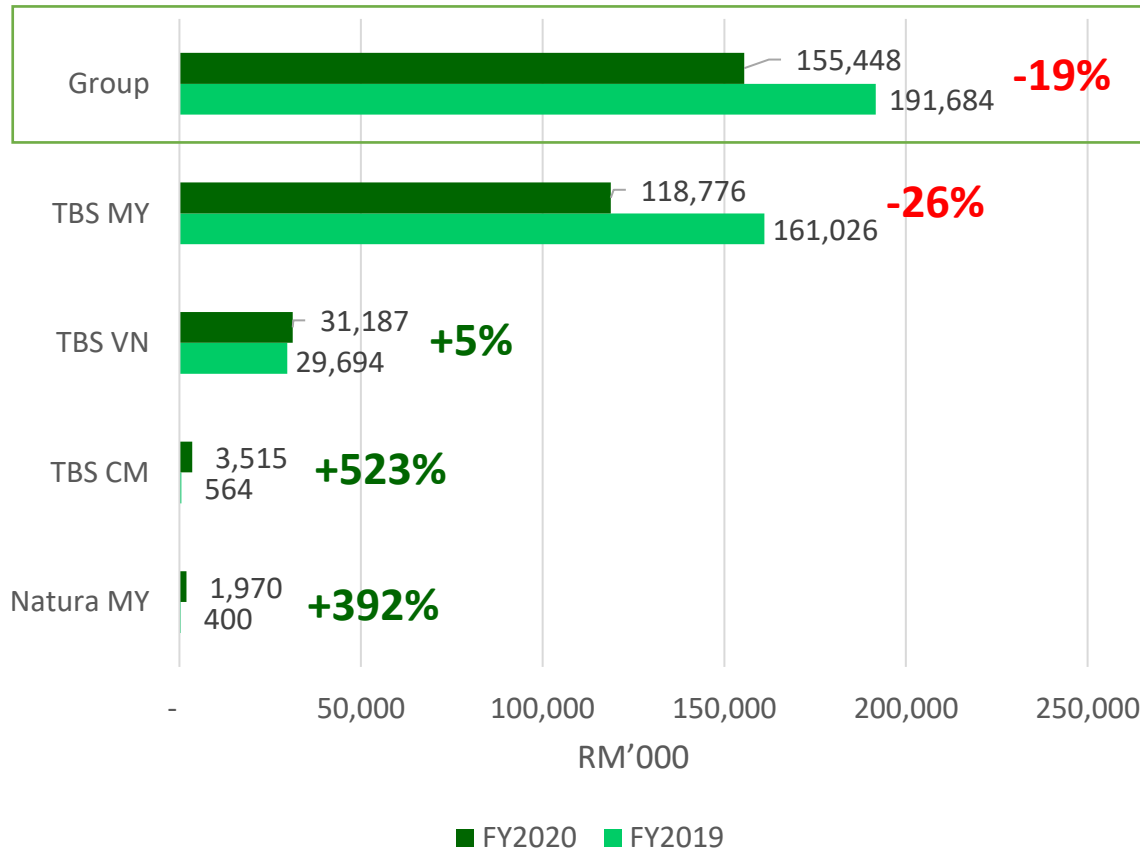
TBS VN **8.4%**  
4Q2019: 8.1%



# FY2020 REVENUE

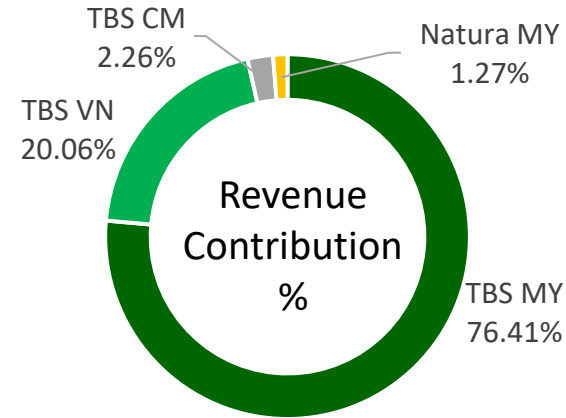
Waves of Covid-19 impacted Group Revenue, particularly Malaysia

## Revenue by Business Unit

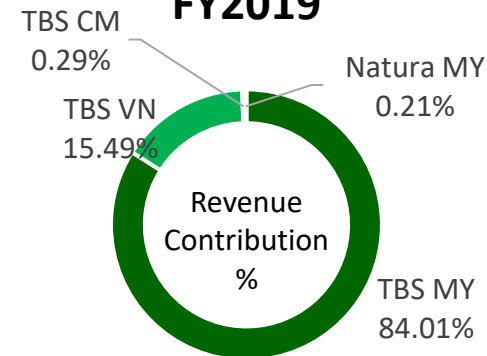


Increasing contribution from overseas market

## FY2020

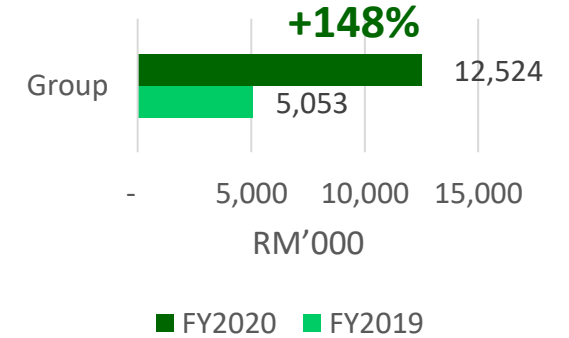


## FY2019



Ecomm registers strong growth amid Covid-19 fear

## Ecomm Revenue



## Ecomm Contribution

Group **8.1%** FY2019: 2.6%

TBS MY **7.8%**  
FY2019: 1.6%

TBS VN **9.2%**  
FY2019: 8.1%

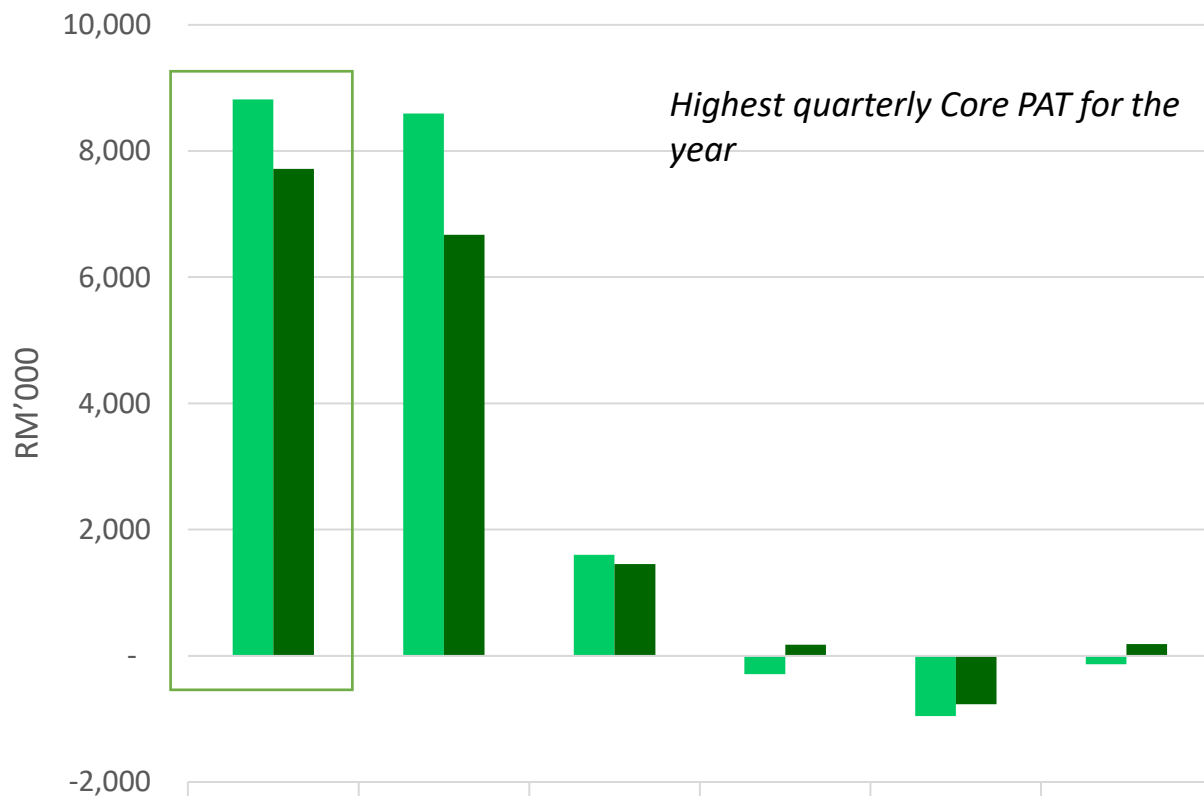
# PROFITABILITY

|   | 1Q2020                          | 2Q2020                          | 3Q2020                          | 4Q2020                          | FY2020                          |
|---|---------------------------------|---------------------------------|---------------------------------|---------------------------------|---------------------------------|
| Healthy GP margin                           | <b>68.5%</b><br><i>LY 68.9%</i> | <b>68.7%</b><br><i>LY 65.9%</i> | <b>67.2%</b><br><i>LY 67.5%</i> | <b>64.9%</b><br><i>LY 67.4%</i> | <b>67.1%</b><br><i>LY 67.4%</i> |
| Improving quarterly operating profit margin | <b>14.5%</b><br><i>LY 29.1%</i> | <b>15.3%</b><br><i>LY 21.1%</i> | <b>21.9%</b><br><i>LY 23.5%</i> | <b>23.5%</b><br><i>LY 21.9%</i> | <b>19.3%</b><br><i>LY 23.9%</i> |
| Improving quarterly core PAT margin         | <b>10.0%</b><br><i>LY 21.7%</i> | <b>10.0%</b><br><i>LY 15.4%</i> | <b>15.7%</b><br><i>LY 16.8%</i> | <b>17.2%</b><br><i>LY 16.5%</i> | <b>13.6%</b><br><i>LY 17.6%</i> |

LY = Last year same period

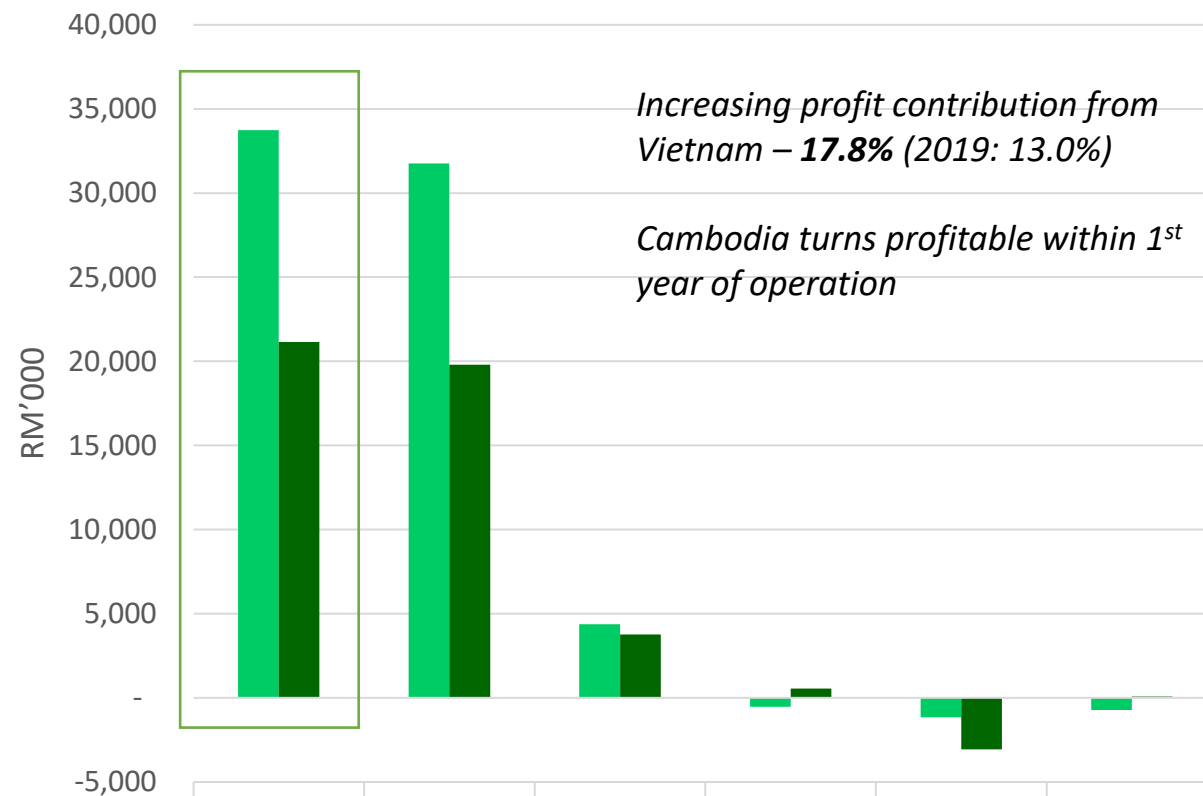
# CORE PAT

## Core PAT by Business Unit, 4Q2020



|          | Group | TBS MY | TBS VN | TBS CM | Natura MY | Inv Holding |
|----------|-------|--------|--------|--------|-----------|-------------|
| ■ 4Q2019 | 8,818 | 8,591  | 1,603  | -289   | -954      | -133        |
| ■ 4Q2020 | 7,717 | 6,672  | 1,454  | 176    | -769      | 184         |

## Core PAT by Business Unit, FY2020



|          | Group  | TBS MY | TBS VN | TBS CM | Natura MY | Inv Holding |
|----------|--------|--------|--------|--------|-----------|-------------|
| ■ FY2019 | 33,743 | 31,760 | 4,383  | -525   | -1,155    | -720        |
| ■ FY2020 | 21,142 | 19,789 | 3,766  | 556    | -3,053    | 84          |

# DIVIDEND

## Our Policy

Minimum 30% of profit  
attributable to shareholders

## Dividend Declared in 2020

FY2020 interim dividend of 1.0 sen  
per share, RM7.0m, declared  
20/11/20, paid 15/1/21

FY2019 special dividend of 1.0 sen  
per share, RM7.0m, declared  
18/2/20, paid 30/4/20

# PROSPECTS

- Covid-19 will continue to be a key limiting factor of the Group's performance in FY2021.
- We will continue with our efforts in digitalisation and omnichannel initiatives, and aim to provide more convenience, faster access and better customer experience for everyone who comes into contact with us.
- For the Group's overseas operations where the pandemic is less virulent, we will continue to expand our store network judiciously.
- The Group is expected to remain resilient and profitable in FY2021.

THANK YOU