



*Anything  
is possible*

Annual Report 2018



**Amway™**

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## 24TH ANNUAL GENERAL MEETING

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29 MAY 2019



*Anything  
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Annual Report 2018



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**24TH ANNUAL GENERAL MEETING**

**Presentation by Management**

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**29 MAY 2019**

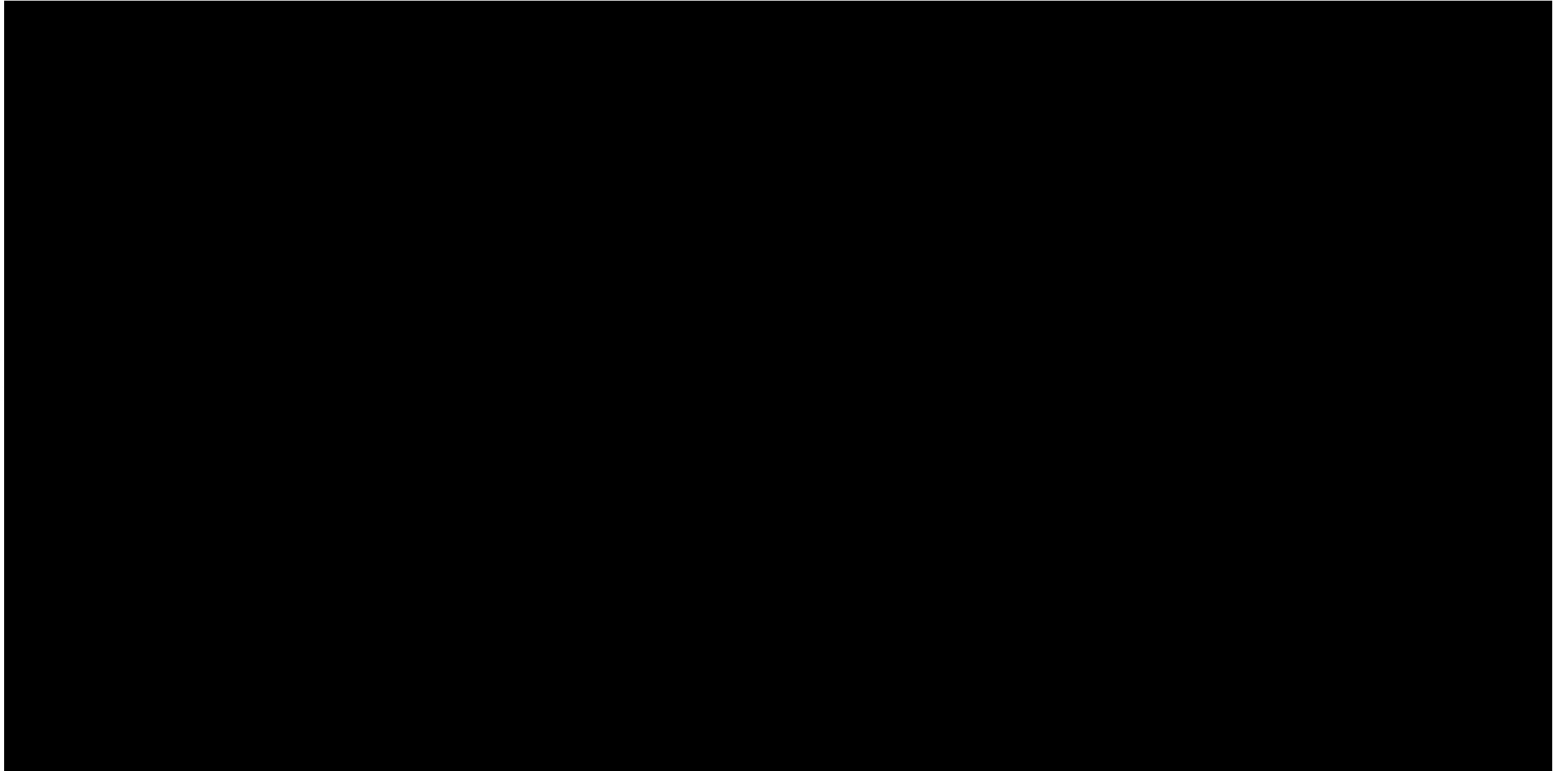


AMWAY (MALAYSIA) HOLDINGS BERHAD  
**24TH ANNUAL GENERAL MEETING**  
29 MAY 2019

*REVIEWING THE YEAR 2018*

**Mike Duong - Managing Director**

# Amway Year in Review 2018



# 2018 HIGHLIGHTS

**972M\***  
Sales Ringgit

**11**  
New Products,  
Revisions &  
Bundles

**Enhance  
Digital &  
Shops**

**Increased  
Core ABO  
Force**

**Double digit  
growth in  
Bumiputera  
Segment**

**Growth in  
ABOs  
Under 35 Yr**

\* Sales after MFRS 15 adjustment

# 2018 New Products



XS Energy Dink



Signature Select Personalised Serum



Revision – Post Natal Care set



Bundle – Nutralite Healthy Breakfast Kit



Essentials by Artistry



EXACT FIT Cushion Foundation



Bundle – Signature solution



Bundle - Nutralite FAV gift set



Glister Kids



Atmosphere Sky



Artistry Spring Collection

Introduced 7 products, 1 product revision and 3 bundled solutions

# XS Launch & Event



# Promotions

TRY IT! LOVE IT!  
**Cubalah**

**Cubalah** TRY IT! LOVE IT!

**TRY it!**

**LOVE IT with 10% OFF**

when you BUY 1X Nutrilite Nutri Bifidus (30 sticks/box) in September 2018.

Nutrilite™ Nutri Bifidus Trial Pack (10 sticks/box) from 1 - 31 August 2018\*

Limited to 1ea per ABOship

**Cubalah** TRY IT! LOVE IT!

1 - 30 September 2018

Amway home **TRY it!**

SAB Premium Concentrated Laundry Detergent (1kg) (SKU: 109848)

Limited to 1ea per ABOship

**LOVE IT with 10% OFF**

when you buy 1X SAB Premium Concentrated Laundry Detergent (3kg) (SKU: 109849) in October 2018.

Amway home SAB Premium

**Amway**

1 - 30 November 2018

**Cubalah** TRY IT! LOVE IT!

**TRY it!**

5 pouches of BodyKey Meal Replacement Shake (Chocolate/Vanilla/Café Au Lait) (SKU: 291329/291330/291328)

Limited to 1ea per ABOship

**LOVE IT with 10% OFF**

when you BUY 1X BodyKey Meal Replacement Shake (14 pouches per box) (Chocolate/Vanilla/Café Au Lait) (SKU: 116465/116467/116469) in the month of December 2018

bodykey

**Cubalah** TRY IT! LOVE IT!

**NUTRILITE PhytoPOWDER Trial Pack** (10 sticks/box)  
(Electrolyte Orange/Refresh Lemon/Defend Cherry)

Limited to 1ea per ABOship

**LOVE IT with 10% OFF**

1-31 OCTOBER PROMOTION

**NUTRILITE PhytoPOWDER**

PHYTOPOWDER WDER WDER

**Amway**

1 - 31 December 2018

**Cubalah** TRY IT! LOVE IT!

**TRY it!**

ARTISTRY HYDRA-V TRIAL SET (288968)

Limited to 1ea per ABOship

**LOVE IT with 10% OFF**

ARTISTRY HYDRA-V:  
• REFRESHING SET (288957) OR  
• NOURISHING SET (288955)  
in the month of January 2019.

**NUTRILITE™**

**INTRODUCING**

**NUTRILITE LOYALTY PROGRAMME (NLP)**

Under the Amway Loyalty Programme (ALP), we bring you the Nutrilite Loyalty Programme (NLP). Order your favourite Nutrilite products for 6 consecutive months to enjoy wonderful savings!

**NUTRILITE**

**Vitamin C Extended Release**

**Cheewable Vitamin E**

**All Plant Protein Powder**

**Daily**

**Fiber Powder**

**DOUBLE X**

**THE ULTIMATE DIETARY SUPPLEMENT**




# ABO Recognition as MOTIVATOR FOR ACHIEVEMENT



# National Convention



be **MOORE**



**Guest Speaker**

**"Believe in yourself"**  
Anita Fu made a choice that changed her entire life. "I wanted to establish my own business and I chose Amway because I knew it would help me realise my goals." For Anita and Clement, success is a fascinating journey and they want to achieve greater things. They believe that, "Setting clear goals help to make our lives more meaningful."

Founders Crown Ambassador  
**Anita Fu** (Hong Kong)

**Amway**

be **MOORE**



**Guest Speaker**

**"There's no shortcut to success, there's only hard work"**  
For Lee Siay Deng, the key to success lies in how powerful one's inner strength and thoughts are. She and her husband committed themselves to making the long drive – 350km away to be exact – just to meet their mentors every single week. They believe that, "None of your opponents can defeat you except yourself."

Double Diamond  
**Lee Siay Deng** (Malaysia)

**Amway**

be **MOORE**



**Guest Speaker**

**"Find your path to success, and don't look back."**  
As the daughter of FCA40 Richmond Rhew & Lisa Kang, JiMin Rhew has benefitted from her parents' leadership, and gone on to blaze her own path to success. She qualified as a Diamond after having been in the business for three years, and was named Amway Korea Queen Cook Business Star in 2015.

Diamond  
**JiMin Rhew** (Korea)

**Amway**

# National Leadership Conference, Dinner & Dance, Leadership Growth Solution and Opportunity Rally





BRAZIL & ARGENTINA  
**SOUTH AMERICA**  
AMWAY DIAMOND INVITATIONAL 2017

Create emotional connection with **WOW Experience/Program** &  
Create opportunity to share **a WOW Story a day**



Create emotional connection with **WOW Experience/Program** &  
Create opportunity to share **a WOW Story a day**

# 1<sup>st</sup> ALS FAMILY PROGRAM



Create emotional connection with **WOW Experience/Program** &  
Create opportunity to share **a WOW Story a day**

# New Platinum Seminars



2 leadership training seminars for > 200 new business achievers

# SUPPORTING & EMPOWERING ABO Organized Events



**ABO-support activities were conducted all over Malaysia with turnout of more than 30k**



# SUPPORTING & EMPOWERING ABO Organized Events



**XS SUPPORTED EVENTS**

# Malacca – Muscle me



**Sales +7.5%**



**Visitors +97%**



**Amway Kitchen**



**Malacca  
"Muscle me"**

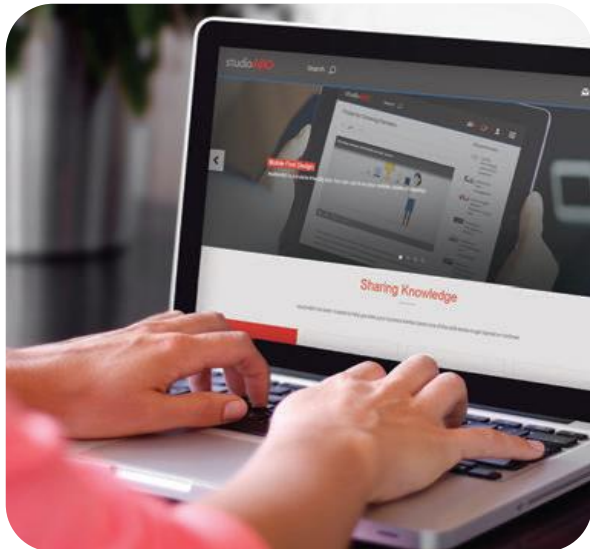


## studioABO LIVE

**>800** ABOs attended

**96%** will attend again

**97%** will recommend to others



## studioABO MOBILE

Launched on  
**1 June 2018**

Digital Learning Platform



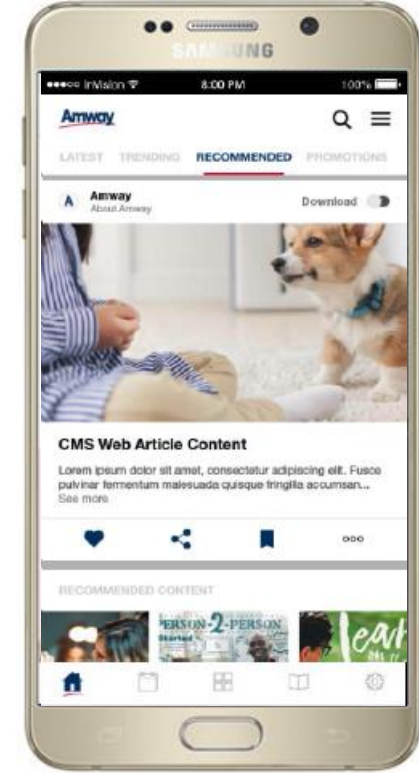
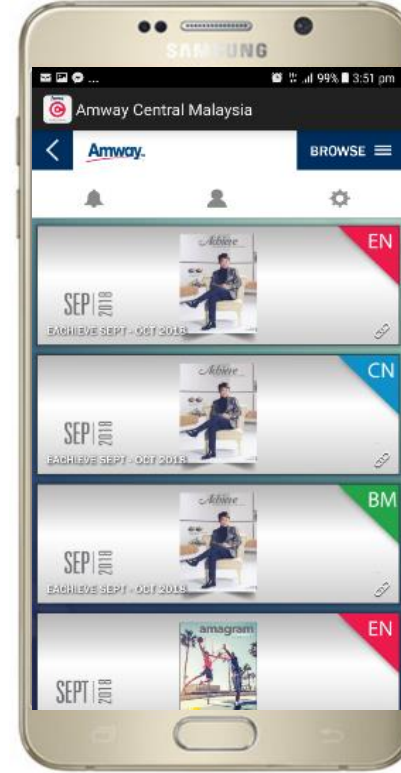


# Digital Transformation – Amway Central

**ALL NEW!**



**Amway Central 3.0**



**eNewsgram, eAmagram, eAchieve, promotions & events etc.**

# Awards and Accolades



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



2018 - GOLD AWARD FOR MALAYSIA  
UNDER VITAMINS HEALTH  
SUPPLEMENTS CATEGORY



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



2018 - GOLD AWARD FOR MALAYSIA &  
ASIA UNDER WATER PURIFIER  
CATEGORY

Frost & Sullivan -  
9<sup>th</sup> Consecutive Year



ASIA PACIFIC HOME WATER  
TREATMENT COMPANY OF THE YEAR



2018 - INSTITUTE OF  
PACKAGING PROFESSIONAL  
("IoPP") AMERISTAR DESIGN  
EXCELLENCE AWARD



2<sup>nd</sup> Consecutive Year

Top Employer 2018 & 2019 for  
Malaysia & Asia Pacific



40<sup>th</sup> year with DSAM

# Projek HeadSTART



**Amway™ ONE by ONE**  
campaign for children



- Collaboration with the Ministry of Women, Family & Community Development
- Empower foster-home leavers transition to working life/achieve ambitions
- 6-months apprenticeship program with mentors
- 2018: 2 Participants employed for full time positions



Virtual Run 2018 – October



15 Countries (to date):

- Indonesia: >400 children
- Vietnam: 2,000 children
- China: >32,000 children



Nutriline FAV Gift Set - December



- NUTRILITE™ LITTLE BITS™ INCLUDES 15 ESSENTIAL VITAMINS AND MINERALS:**
- Vitamin A
  - Vitamin B1
  - Vitamin B2
  - Vitamin B3
  - Vitamin B6
  - Vitamin B12
  - Folic Acid
  - Vitamin C
  - Vitamin D
  - Vitamin E
  - Iron
  - Zinc
  - Selenium
  - Iodine

Total donation of >RM1.2mil over the last 2 years



# 2019 Business Focus



Continue to support ABO towards building sustainable business:

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Invest in ABO growth and success

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Digital transformation

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Invest in systems and infrastructure

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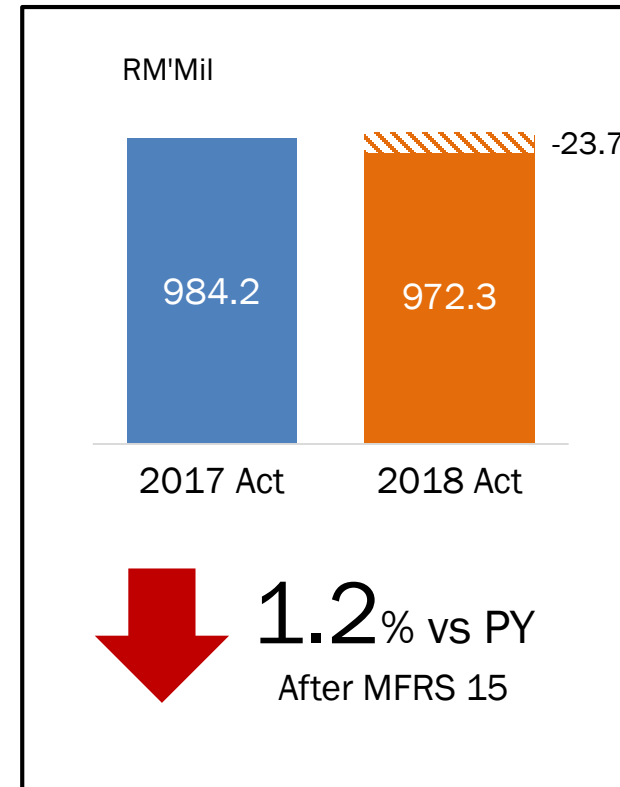
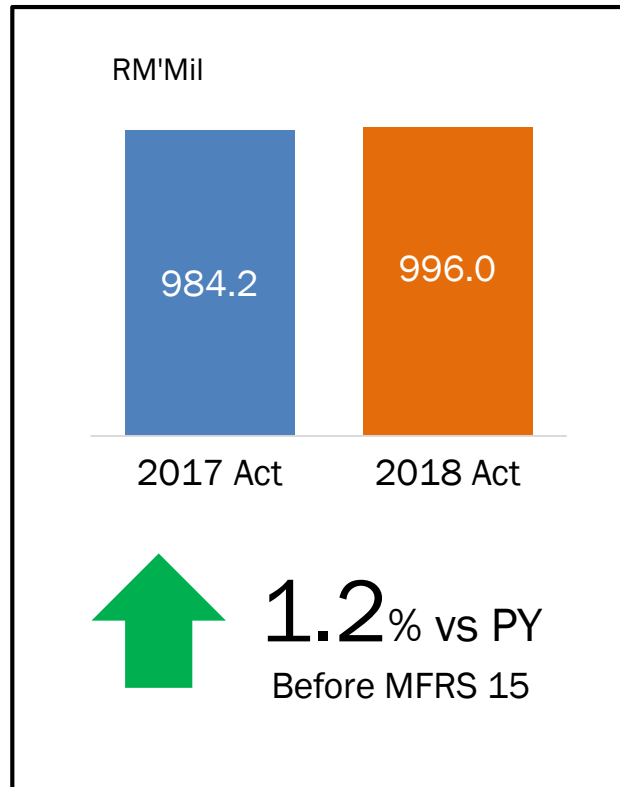


AMWAY (MALAYSIA) HOLDINGS BERHAD  
**24TH ANNUAL GENERAL MEETING**  
29 MAY 2019

*FINANCIAL PERFORMANCE YEAR 2018*

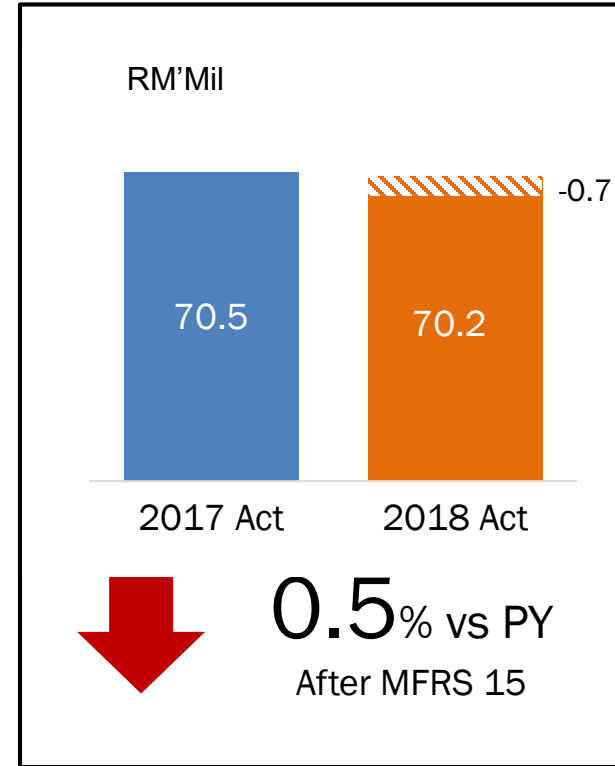
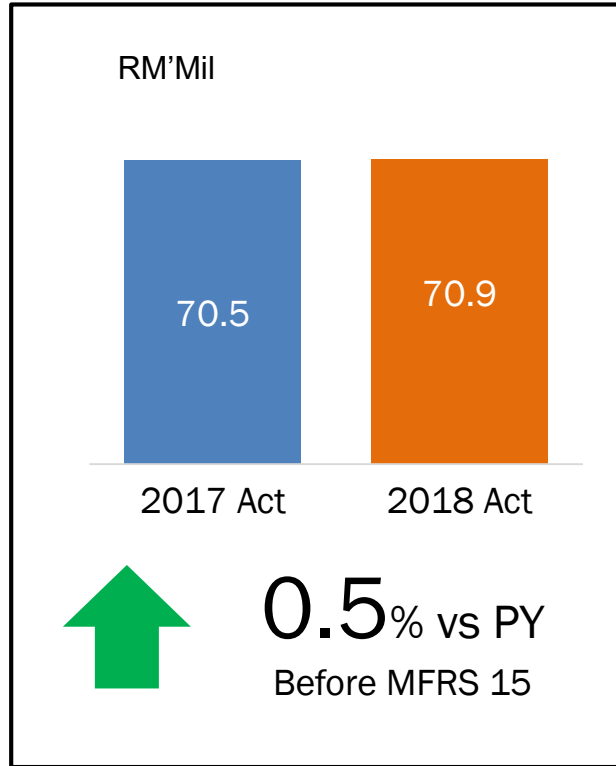
**Ng Ai Lee – Chief Financial Officer**

# Sales Performance Review



- FY2018 performance (before MFRS 15) was driven by :
  - i) Positive ABO momentum towards the sale and marketing plan; and
  - ii) Various growth initiatives implemented to support the ABO in growing their business.
- MFRS 15 adjustment -RM23.7m as the comparative is not adjusted for the initial adoption of the new accounting standard.

# PBT Performance Review



- Marginal increase in PBT mainly due to:

- Lower import cost.

Higher margin was able to mitigate the impacts from :

- Higher ABO incentives in line with higher sales;
- Higher OPEX for growth initiatives to support ABOs;
- Sales and service tax impact.

- MFRS 15 adjustment - RM0.7m

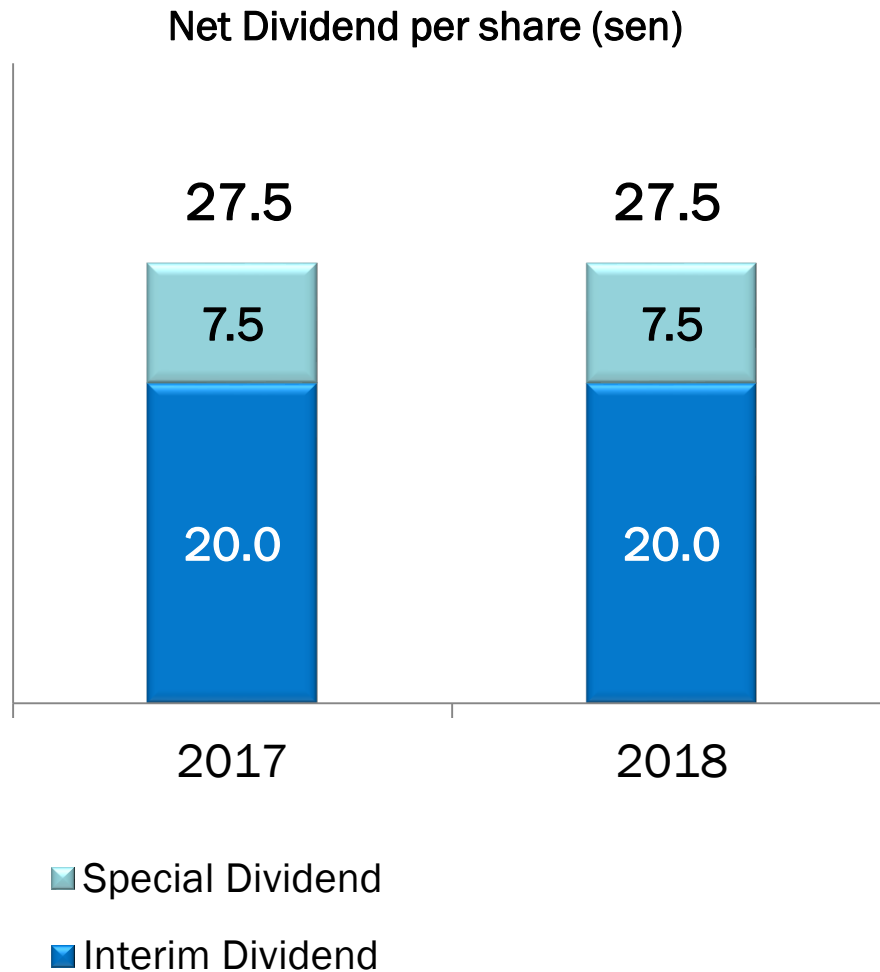
# Statement of Comprehensive Income – Pre MFRS 15 adjustment

RM mil	Pre MFRS15		Pre MFRS15		Pre MFRS15 Growth (%)
	2018	% to revenue	2017	% to revenue	
<b>REVENUE</b>	996.0		984.2		1.2
<b>GROSS PROFIT</b>	247.8	24.9	244.2	24.8	1.5
<b>OPERATING EXPENSE</b>	183.5	18.4	179.8	18.3	2.1
<b>OTHER INCOME</b>	6.6	0.7	6.1	0.6	8.2
<b>PBT</b>	70.9	7.1	70.5	7.2	0.5
<b>PAT</b>	55.0	5.5	52.6	5.3	4.6

# Statement of Comprehensive Income – Post MFRS 15 adjustment

RM mil	Post MFRS15		Post MFRS15		Post MFRS15 Growth(%)
	2018	% to revenue	2017	% to revenue	
<b>REVENUE</b>	972.3		984.2		-1.2
<b>GROSS PROFIT</b>	240.3	24.7	244.2	24.8	-1.6
<b>OPERATING EXPENSE</b>	176.7	18.2	179.8	18.3	-1.7
<b>OTHER INCOME</b>	6.6	0.7	6.1	0.6	8.2
<b>PBT</b>	70.2	7.2	70.5	7.2	-0.5
<b>PAT</b>	54.5	5.6	52.6	5.3	3.6

# Dividend



✓ Dividend policy: Dividend payout ratio of no less than 80% of current year net earnings.

✓ 2018:

- 83% of net earnings
- Net dividend payout of RM45.2 mil

**THANK YOU**





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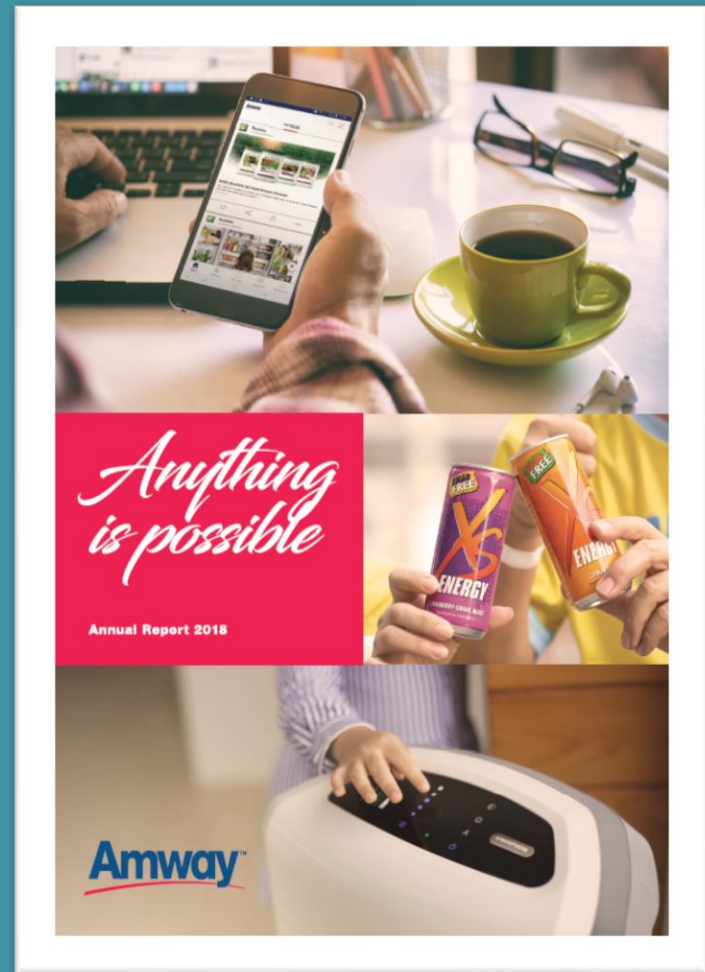
# 24TH ANNUAL GENERAL MEETING

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29 MAY 2019

# Agenda 1

Receive the Audited Financial Statements for the financial year ended 31 December 2018 together with the Directors' and the Auditors' Reports thereon.



# Agenda 1

Audited Financial  
Statements

Q&A



# Agenda 2 (Resolution 1)

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Re-election of Mr Low  
Han Kee as Director



## Agenda 3 (Resolution 2)

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Re-election of En Abd  
Malik Bin A Rahman as  
Director



# Agenda 4 (Resolution 3)

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Re-election of Datin  
Azreen Binti Abu Noh as  
Director



## Agenda 5 (Resolution 4)

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Approval of under provision of Directors' benefits for the financial year ended 31 December 2018

## Agenda 6 (Resolution 5)

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Approval of Directors' fees and benefits for the financial year ended 31 December 2019



## Agenda 7 (Resolution 6)

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Re-appointment of Messrs Ernst & Young as Auditors of the Company and authorise the Directors to fix their remuneration

# Agenda 8 (Resolution 7)

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Proposed Renewal of Shareholders' Mandate  
for Recurrent Related Party Transactions of a  
Revenue or Trading Nature

# Agenda 9 (Special Resolution)

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Proposed Alteration of the Existing Memorandum and Articles of Association by replacing with a New Constitution



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**24TH ANNUAL GENERAL MEETING**

**Poll Voting**

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**29 MAY 2019**



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## 24TH ANNUAL GENERAL MEETING

### Poll Results

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29 MAY 2019

**AMWAY (MALAYSIA) HOLDINGS BERHAD**  
(340354-U)

**24th Annual General Meeting**  
Van Andel & DeVos Training Centre, Amway (Malaysia) Sdn Bhd  
28, Jalan 223, 46100 Petaling Jaya, Selangor Darul Ehsan  
On 29-May-2019 at 09:30AM

**Result On Voting By Poll**

Resolution(s)	Vote For		Vote Against		Total Votes	
	No of Units	%	No of Units	%	No of Units	%
<b>Ordinary Resolution 1</b>	111,037,638	99.90688	103,500	0.09312	111,141,138	100.00000
<b>Ordinary Resolution 2</b>	144,062,038	100.00000	0	0.00000	144,062,038	100.00000
<b>Ordinary Resolution 3</b>	144,062,038	100.00000	0	0.00000	144,062,038	100.00000
<b>Ordinary Resolution 4</b>	144,060,438	99.99958	600	0.00042	144,061,038	100.00000
<b>Ordinary Resolution 5</b>	144,061,038	100.00000	0	0.00000	144,061,038	100.00000
<b>Ordinary Resolution 6</b>	144,062,038	100.00000	0	0.00000	144,062,038	100.00000
<b>Ordinary Resolution 7</b>	59,071,755	100.00000	0	0.00000	59,071,755	100.00000
<b>Special Resolution</b>	144,057,038	100.00000	0	0.00000	144,057,038	100.00000



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## 24TH ANNUAL GENERAL MEETING

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29 MAY 2019

THANK YOU