



BEST WORLD HY2006 RESULTS BRIEFING

28th July 2006





PRESENTATION OUTLINE

- ❖ Highlights
- ❖ HY2006 Financial Review
- ❖ HY2006 Operating Review
- ❖ Outlook & Future Plans

- ❖ Revenue surges 39.4% to S\$35.1 million
- ❖ Net profit up 32.6% to S\$5.8 million
- ❖ Proposed interim dividend of 1.2 cents per share (34.3% payout of net profit)
- ❖ Negative ionizer emerges as a star product
- ❖ Strong performances by Singapore and Malaysia
- ❖ Awarded Regional Headquarters status by EDB
- ❖ Expect growth momentum to follow in 2H2006



HY2006 FINANCIAL REVIEW

28th July 2006



INCOME STATEMENT HIGHLIGHTS

In S\$'000

	<u>HY2006</u>	<u>HY2005</u>	<u>% Variance</u>
Revenue	35,132	25,201	39.4%
Gross Profit	27,210	19,562	39.1%
Gross profit margin	77.5%	77.6%	
PBT	7,684	5,962	28.9%
PBT margin	21.9%	23.7%	
Income tax expense	1,705	1,326	28.6%
Effective tax rate	22.2%	22.2%	
Net Profit	5,766	4,350	32.6%
Net profit margin	16.4%	17.3%	

Six months ending 30 June 2006

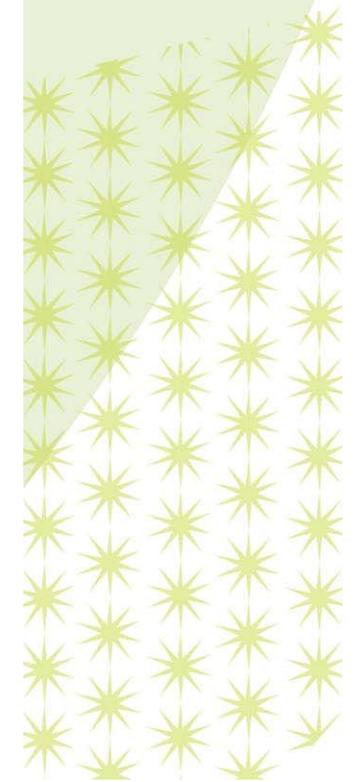
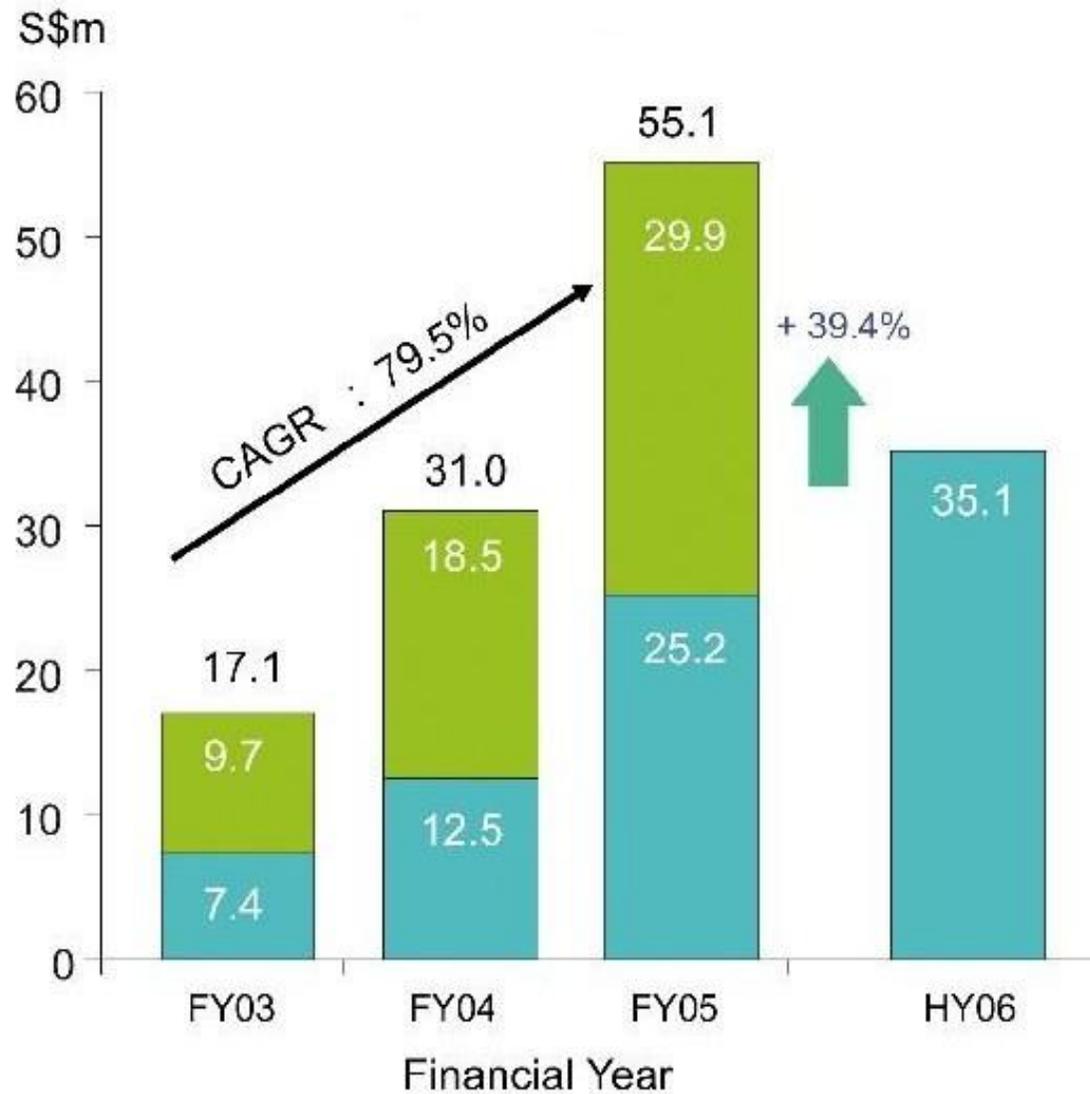


KEY FINANCIAL RATIOS

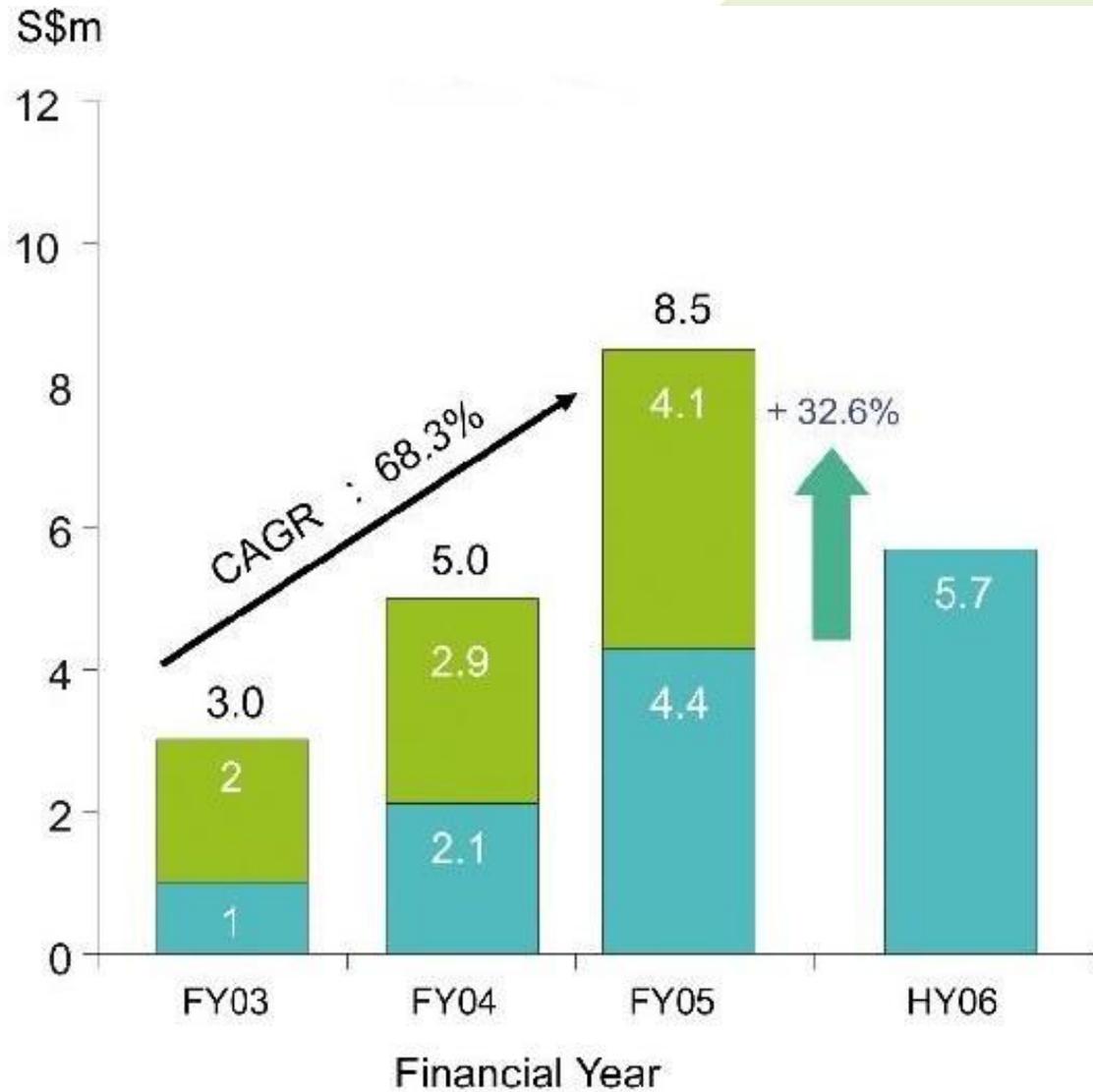
Per Share Analysis (S\$ cents)	FY2004	FY2005	HY2006
Diluted EPS	3.66	5.50	3.49
Dividend/ Share	0.3	1.6	1.2
Dividend Payout Ratio	19.8%	48.9%	34.3%
Net Operating CF/ Share	3.86	3.40	4.58
Efficiency (days)			<i>Annualized</i>
Receivable days	51	36	33
Inventory days	167	130	111
Payable days	42	19	22
Liquidity (times)			
Current ratio	2.5	4.1	3.8
Quick ratio	2.1	3.6	3.3
Net debt to equity ratio	Net Cash	Net Cash	Net Cash
Returns (%)			<i>Annualized</i>
ROE	36.5	31.0	36.3
ROA	0.2	0.2	0.3

- ❖ GP margins are stable
- ❖ Admin expenses higher due to operating costs associated with opening of Jakarta, Taichung and HK RCs in HY2006
- ❖ Income tax rate stable
 - higher Malaysian sales moderated by RHQ status awarded by EDB
- ❖ Cashflow and balance sheet remain strong

TRACK RECORD: REVENUE



TRACK RECORD: NET PROFIT





HY2006 OPERATING REVIEW

28th July 2006



SEGMENTAL BREAKDOWN

Activity Segment	HY2006		HY2005		+ / (-)
	S\$'000	%	S\$'000	%	
Direct Selling	34,737	98.9%	24,568	97.5%	41.4%
Retail	171	0.5%	71	0.3%	140.8%
Export	224	0.6%	562	2.2%	-60.1%
	<u>35,132</u>	100%	<u>25,201</u>	100%	39.4%
Geographical Segment					
Malaysia	15,989	45.5%	10,443	41.4%	53.1%
Singapore	11,559	32.9%	7,688	30.5%	50.4%
Indonesia	6,197	17.6%	6,299	25.0%	-1.6%
Others	1,387	4.0%	771	3.1%	79.9%
	<u>35,132</u>	100%	<u>25,201</u>	100%	39.4%

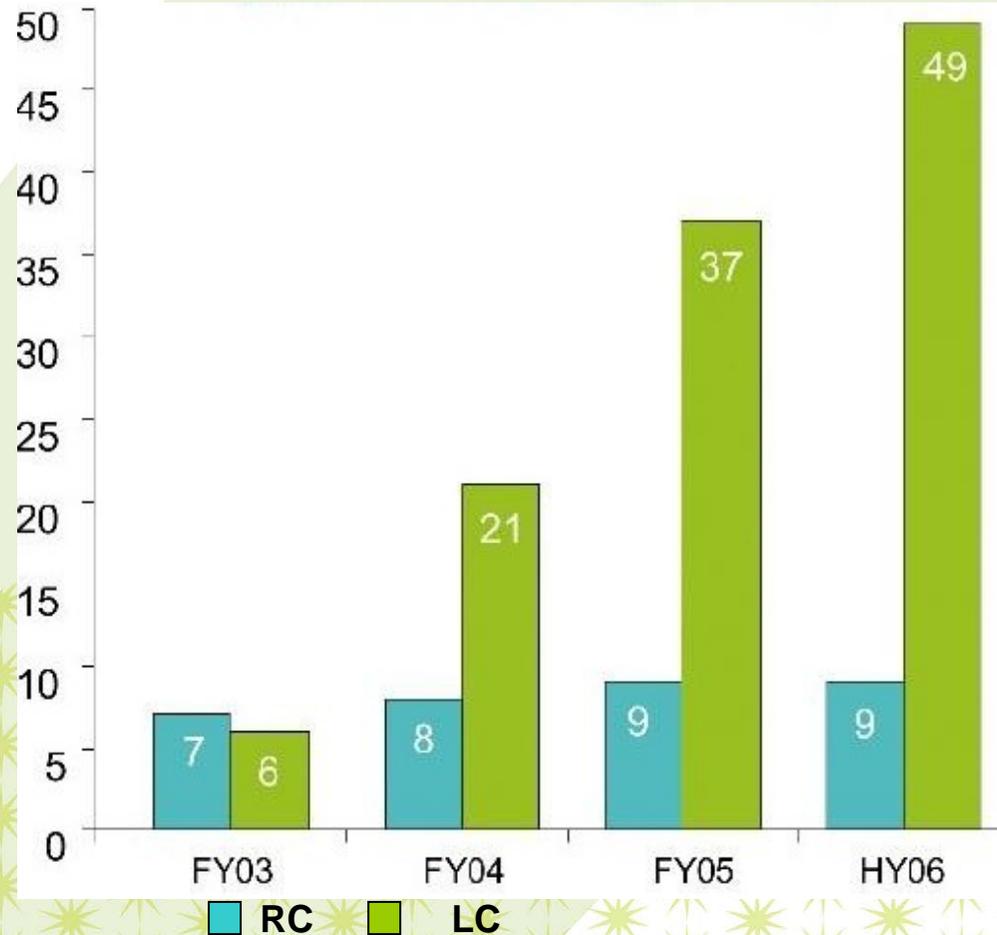
Six months ending 30 June

- ❖ Two biggest markets continue to exhibit strong growth
 - Malaysia driven by growing membership base
 - Singapore driven by hit product, Negative Ionizer

- ❖ Indonesia
 - Management see potential for Indonesia.

- ❖ Other markets driven by strong sales in Hong Kong

- A Silver Director will be eligible to open a LC in the location of his/her choice upon the approval of the management.
- LC expenses will be borne by the LC owner.
- LCs allows the Group to penetrate deeper into existing markets without having to incur further capex for the set up of branch offices.

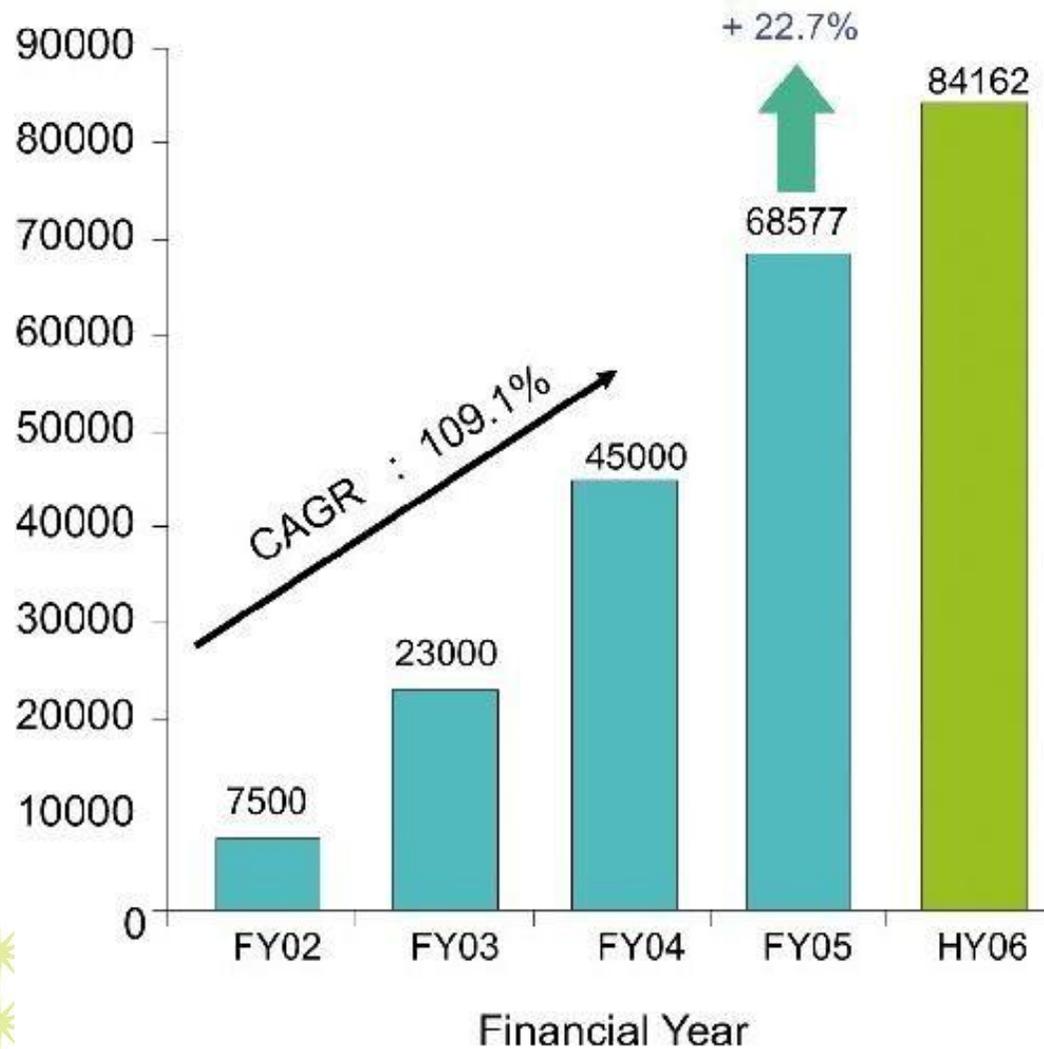




MEMBERSHIP BY GEOGRAPHY

Geographical Segment	HY2006		FY2005		+ / (-)
		%		%	
Malaysia	35,617	42.3%	28,362	41.4%	25.6%
Singapore	33,736	40.1%	29,392	42.9%	14.8%
Indonesia	12,399	14.7%	9,244	13.5%	34.1%
Others	2,410	2.9%	1,579	2.3%	52.6%
	<u>84,162</u>	<u>100.0%</u>	<u>68,577</u>	<u>100.0%</u>	<u>22.7%</u>

OVERALL MEMBERSHIP GROWTH





OUTLOOK & FUTURE PLANS

28th July 2006



REGIONAL EXPANSION STRATEGY

Current Markets	Year Established
Singapore	1990/2002
Malaysia	2003
Thailand	2004
Vietnam	2005
Indonesia	2005
Hong Kong	2005
Taiwan	2006

New Markets	Year Targeted for Incorporation
Brunei	2006
China	2007
Philippines	2008
South Korea	2009
Japan	2010

- ❖ Strong membership drive in Indonesia as market continues to grow.
- ❖ Malaysia membership growth is being targeted at 35% for FY2006.
- ❖ As Best World continues its regional expansion, overall membership growth is targeted at 40% for FY2006.

- ❖ Expansion of Negative Ionizer range
- ❖ Extension of Skincare range.
- ❖ Rollout 5-10 new products every year

- ❖ On track to meet growth expectation for FY2006

- ❖ Main focus for FY2007
 - Further penetration of existing markets
 - Launching of new products



THANK YOU!
QUESTION & ANSWER SESSION

28th July 2006



APPENDIX: COMPANY OVERVIEW

28th July 2006



THE COMPANY

- ❖ Best World International is a company that specializes in the creation of health and wellness products which are distributed through their proprietary direct selling network.
- ❖ Leveraging on its success in Singapore, Best World has since established a presence in Malaysia, Indonesia, Hong Kong, Brunei, Thailand, Taiwan and Vietnam.





CORPORATE INFORMATION

Bloomberg code	BEST.SP
Closing Share Price as at 27 July 2006	S\$0.62
Number of Issued Shares	165.0 million
Market Capitalisation	S\$102.3 million
Number of Research Houses Coverage	3
Free float	38.9%



Jurong East



Ang Mo Kio



HDB Hub Toa Payoh



Bugis





Products +



Plan +



People

We are a product-focused company devoted to introducing quality products, which aims to be the solution to enrich our consumers' lives.

We believe motivation is the key factor to successful entrepreneurship. Our Enterprise Network Plan is a fair and realisable incentive system which allows our members to build their businesses without geographical boundaries.

People are our greatest asset. We go to great lengths to train our distributors and staff; to equip them with the best knowledge about the products, the right attitude and about themselves.

- ❖ Embark on research on our consumers to find out about their needs and desires
- ❖ GMP certified factory to ensure the best quality products
- ❖ Consistently innovate new line of products and expand its current product range





- ❖ Formulated with the latest dermatology and nutritional science advancements, Dr's Secrets guarantees your skin a healthy, lustrous appearances and youthful glow that anyone would like to possess.
- ❖ The range includes cleansers, toners, moisturizers, anti-aging cream, pimple cream and skin lightening formulas.

- ❖ The BWL Negative Ionizer allows you to enjoy the health benefits of negative ions.
- ❖ Being compact in size and light in weight, the BWL Negative Ionizer is elegantly designed to be placed either at homes or in the office.
- ❖ BWL Negative Ionizer emits higher amount of negative ions compared to conventional air purifiers.
- ❖ Ozone Free





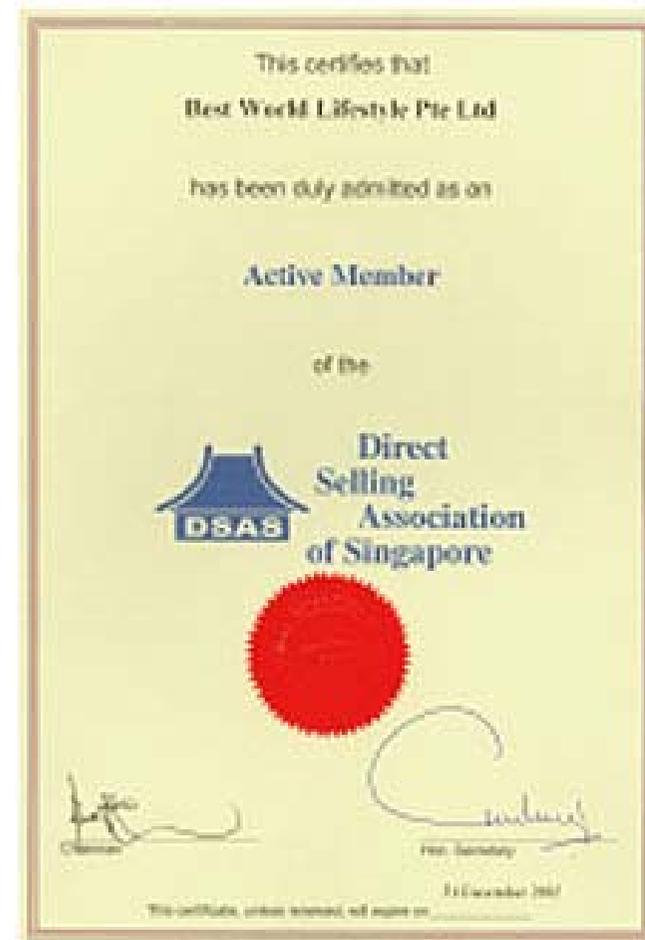
- ❖ Attractive incentives for our Distributors via the Enterprise Network Program (ENP)
- ❖ Today, the ENP is employed as the key distribution channel for all the markets we are in.

- ❖ A strong culture within the organization and a committed management team with over 20 years of Direct Selling experience.
- ❖ Embarking on our People Development Program

CERTIFICATIONS



Cert No: 133248





2004: bwL and Avance
Singapore Promising Brand Award

2004: Avance
SuperBrands Award



2005: Excellence Brand
4th Pacific/Malaysia
e-Entrepreneur Excellence Award



Singapore *SME 500*

Singapore Fastest Growing
50 Certification 2005



Most Professional Master
Award
Super Excellence Master
Award of Direct Selling 2005