



**HY2007**

**RESULTS BRIEFING**

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**7 AUGUST 2007**

## Presentation Outline

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- Highlights
- HY2007 Financial Review
- HY2007 Operating Review
- Outlook & Future Plans



## Highlights

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- Revenue increase by 32.7% to S\$46.6 million
- Net profit surges 15.6% to S\$6.6 million
- Membership base up 44.4% to 121,553 members
- Strong performances by Indonesia and entry continues into China
- Dividend of 1.212 cents per share (30% payout of net profit)
- Bonus issue of 1 for 4

Growth on track for FY2007





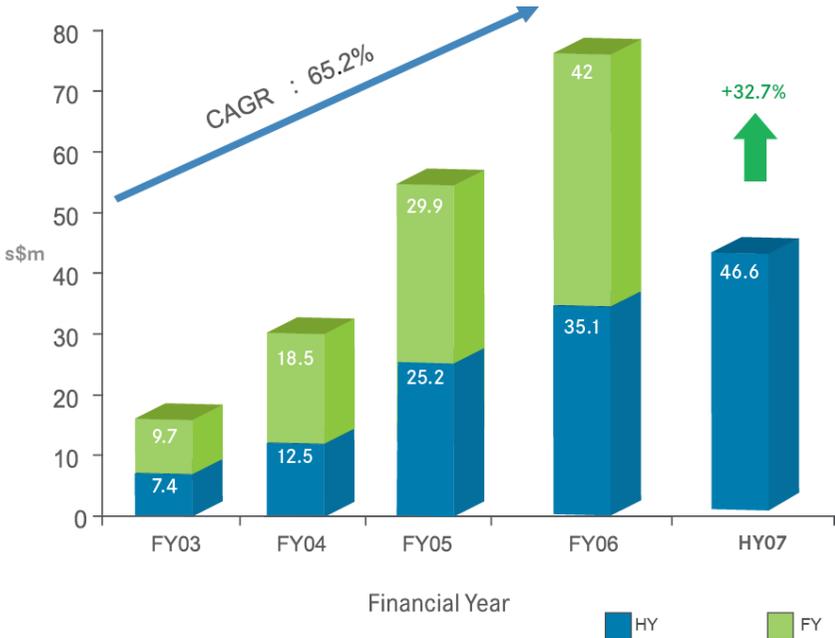
**HY2007**

**FINANCIAL REVIEW**

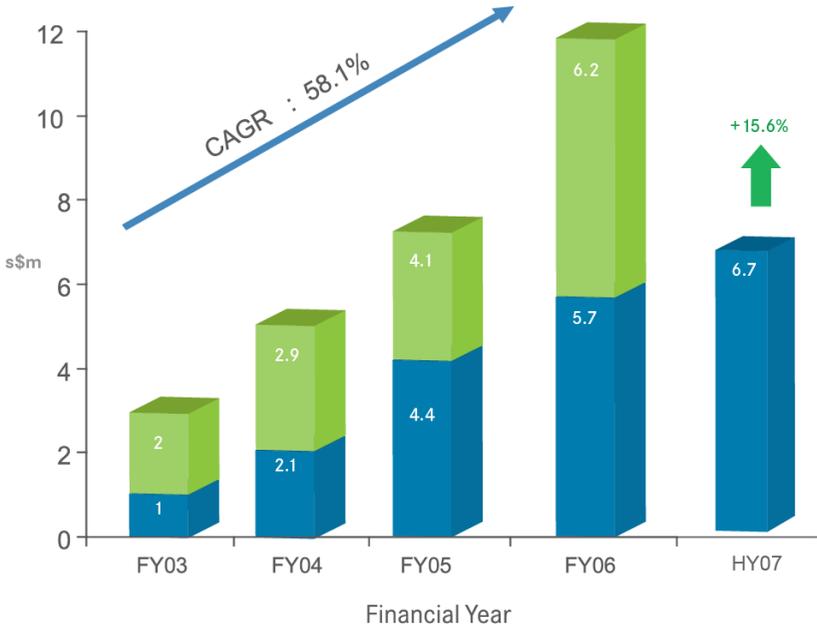
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# Track Record

## Revenue



## Net Profit



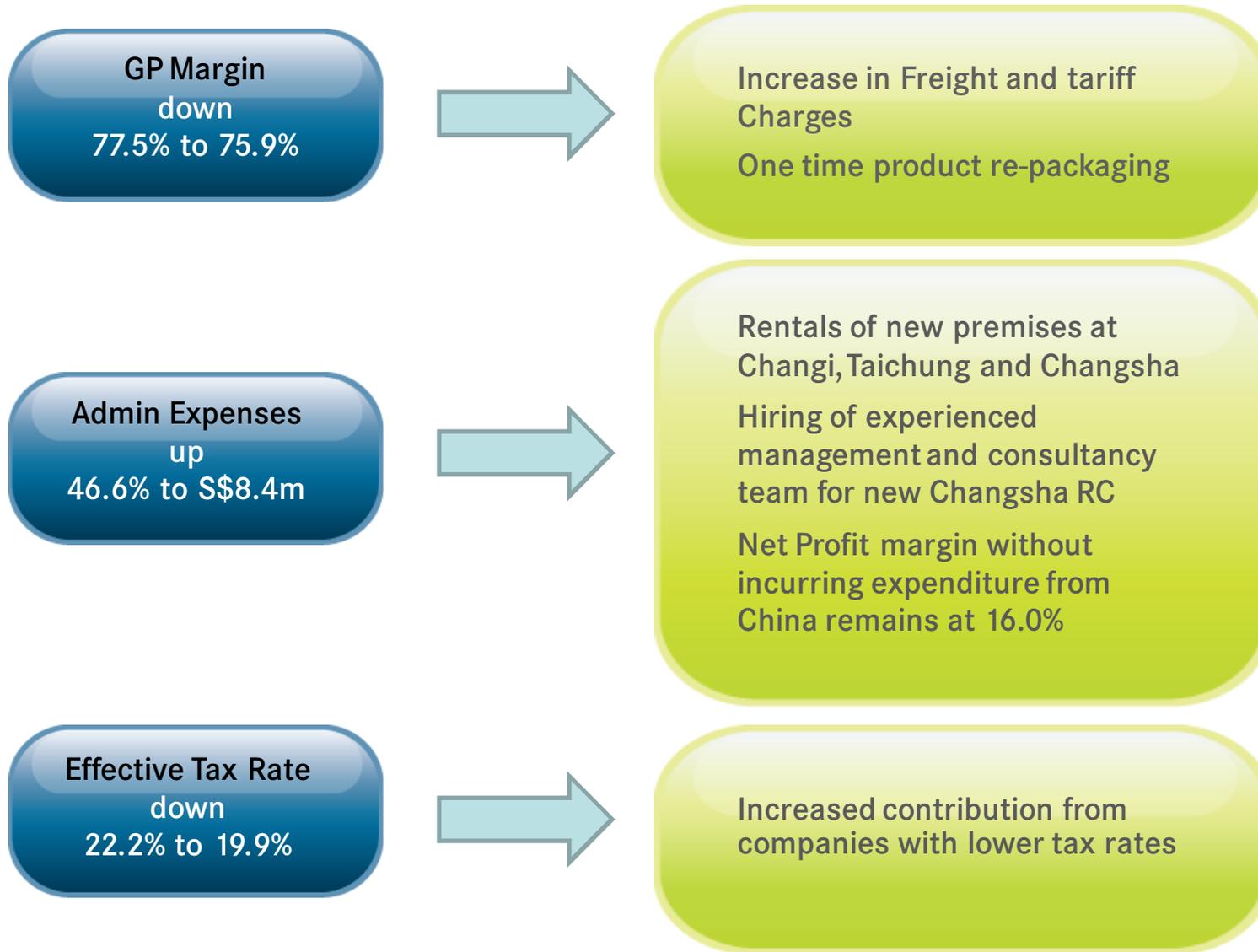
## Income Statement Highlights

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In S\$'000	HY2007	HY2006	% Variance
Revenue	46,603	35,132	32.7%
Gross Profit	35,349	27,210	29.9%
Gross profit margin	75.9%	77.5%	
PBT	8,487	7,684	10.5%
PBT margin	18.2%	21.9%	
Income tax expense	1,689	1,705	-0.9%
Effective tax rate	19.9%	22.2%	
Net Profit	6,664	5,766	15.6%
Net profit margin	14.3%	16.4%	

# Financial Review

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**HY2007**

**OPERATING REVIEW**

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## Segmental Breakdown

Activity Segment	HY2007		HY2006		Variance
	S\$'000	%	S\$'000	%	+ / (-)
Direct Selling	46,501	99.8%	34,737	98.9%	33.9%
Retail	(47)	-0.1%	171	0.5%	-127.5%
Export	149	0.3%	224	0.6%	-33.5%
	46,603	100%	35,132	100%	32.7%

6 months ending 30 June 2007



## Geographical Breakdown

	HY2007		HY2006		Variance
	S\$'000	%	S\$'000	%	+ / (-)
<b>Geographical Location</b>					
Singapore	9,573	20.5	11,559	32.9	(17.2)
Malaysia	16,155	34.7	15,989	45.5	1.0
Indonesia	17,222	37.0	6,197	17.6	177.9
Others	3,653	7.8	1,387	4.0	163.4
	46,603	100%	35,132	100%	32.7%

6 months ending 30 June 2007

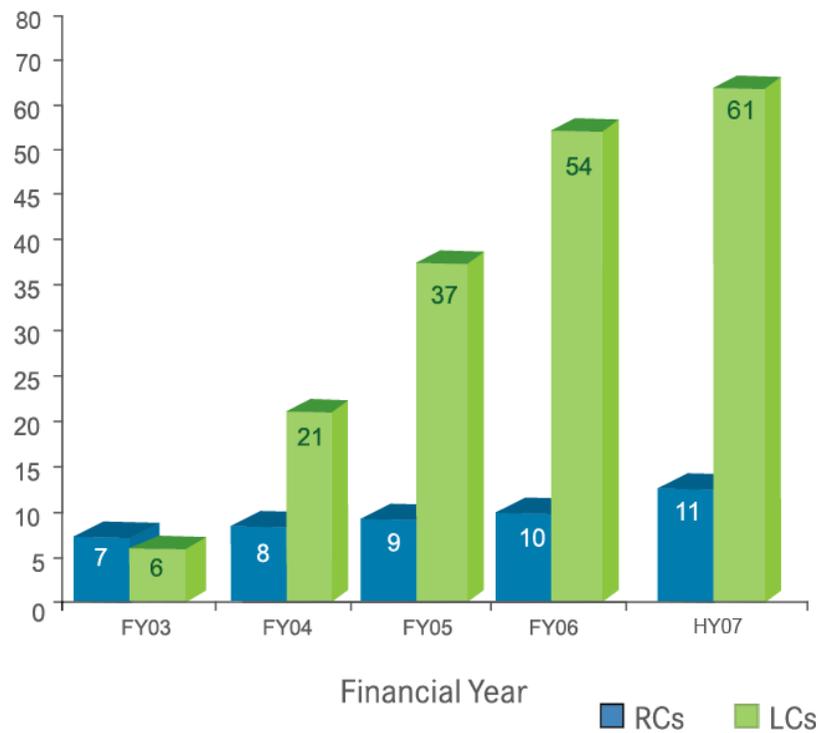


## Geographical Review

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- Indonesia emerged as top revenue contributor for 1H2007
  - Aggressive membership drive in Indonesia
  - Indonesia Business Launch ceremony
  - Emphasis on Products trainings built up distributors' confidence
- Singapore and Malaysia revenue affected due to delay in new products rollout & competitive environment
- Strong performance by Vietnam

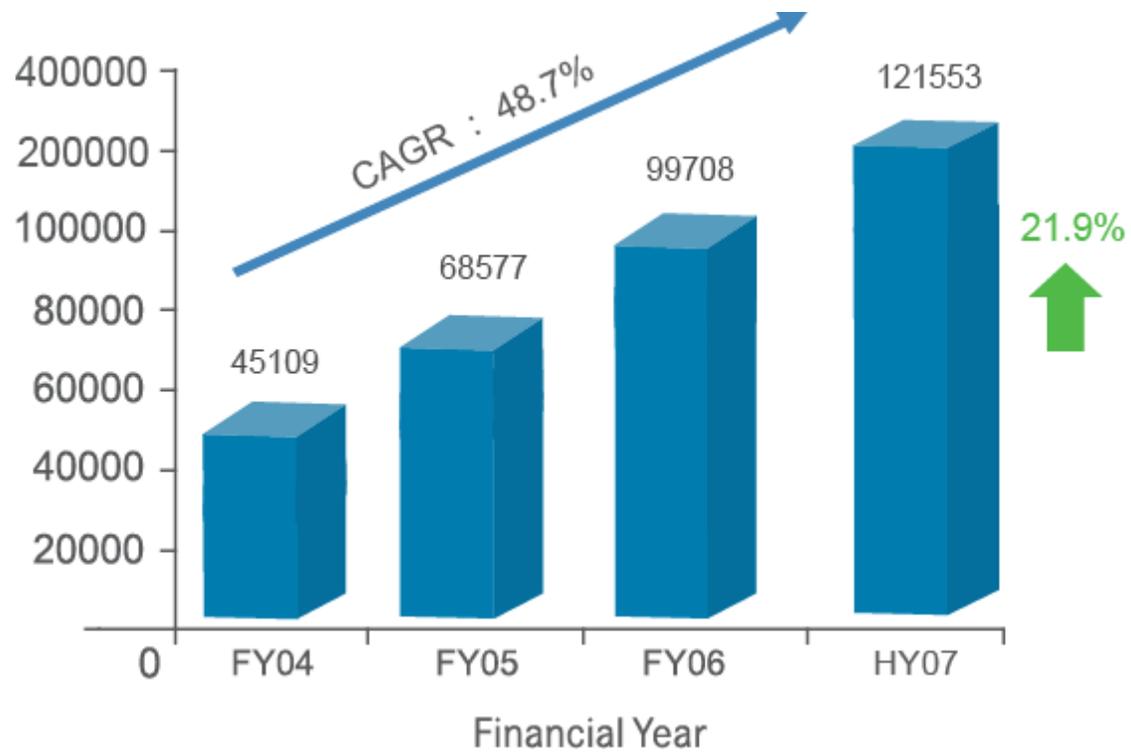
# Regional and Lifestyle Centres



New LCs added in  
Malaysia, Indonesia  
and Nigeria

Inaugural RC for PRC market  
established in Changsha

# Overall Membership Growth



## Membership Growth

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- Membership base expanded to 121,533
  - Aggressive membership drive in Indonesia
- Indonesia membership up 133.5% since HY2006
- Vietnam, Taiwan and Hong Kong continues to show good growth in membership



# OUTLOOK



# Regional Expansion Strategy



## Moving Forward

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- Strengthening of position in existing key markets via membership drive, training and LCs concept
- New products rollout for all regional markets
- 2H2007 expected to outperform 1H2007
- Strategies for China



# China Growth Strategy

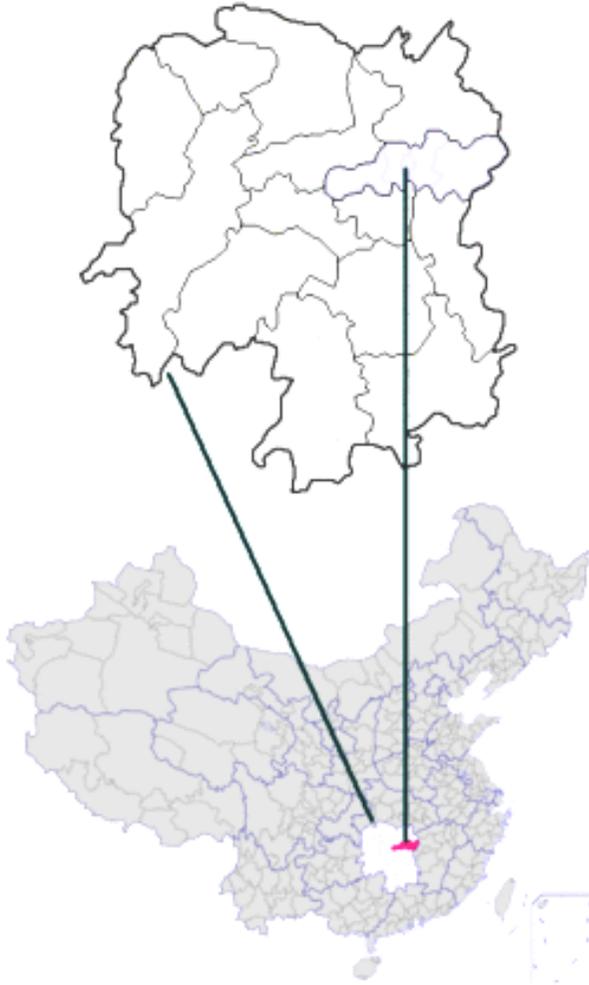
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- Evaluation of M&A opportunities
- LCs concept
- Strong pipeline of new products



## Why Changsha

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- Population of more than 6 million
- One of China's Top 20 “economically advanced” cities
  - GDP has grown at an average of 14% per year from 2001-2005
  - The national average is 9%

Source: *Changsha Investment Advisory Study 2006*, KPMG

## Changsha Regional Centre

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- RC in Changsha on track to be fully operational in 2H07
  - Training commenced in July 2007
- Appointed prominent legal advisor to facilitate application process
- Experienced management team and consultancy team engaged



Q&A

THANK YOU!