



BESHOM HOLDINGS BERHAD

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**1HFY2023
Results Update**

21 December 2022

Contents Financial Highlights 1HFY2023

Review by Segment

1HFY2023 vs. 1HFY2022

For the first half of the financial year, the Group recorded lower revenue of RM92.3 million, a decrease of 12.0% as compared to RM104.9 million in the previous year's corresponding period, reflecting continued challenges in the MLM division. Gross profit margin improved from 40.0% to 41.3%, mainly lifted by higher sales of selected Chinese medicated tonic and cooking wine during the pre-price increase "last-buy" sales promotion.

In line with lower revenue and higher marketing costs, Group pre-tax profit decreased by 24.5% to RM15.0 million as compared to RM19.9 million in the previous corresponding quarter.

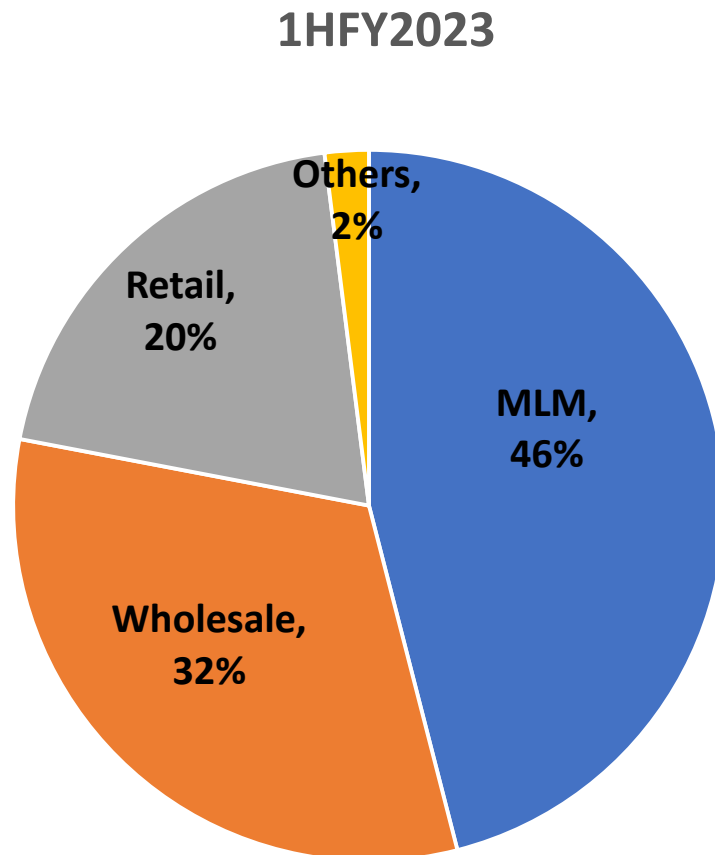
1HFY2023 vs. 1HFY2022

	1HFY2023 31 Oct 2022 (RM'mil)	1HFY2022 31 Oct 2021 (RM'mil)	Variance +/-
Revenue	92.34	104.88	-12.0%
Pre-tax Profit	15.01	19.88	-24.5%
Profit After Tax	11.12	14.97	-25.7%
Net Margin (%)	12.0%	14.3%	-2.3%
EPS (sen)	3.63	5.07	-1.44 sen

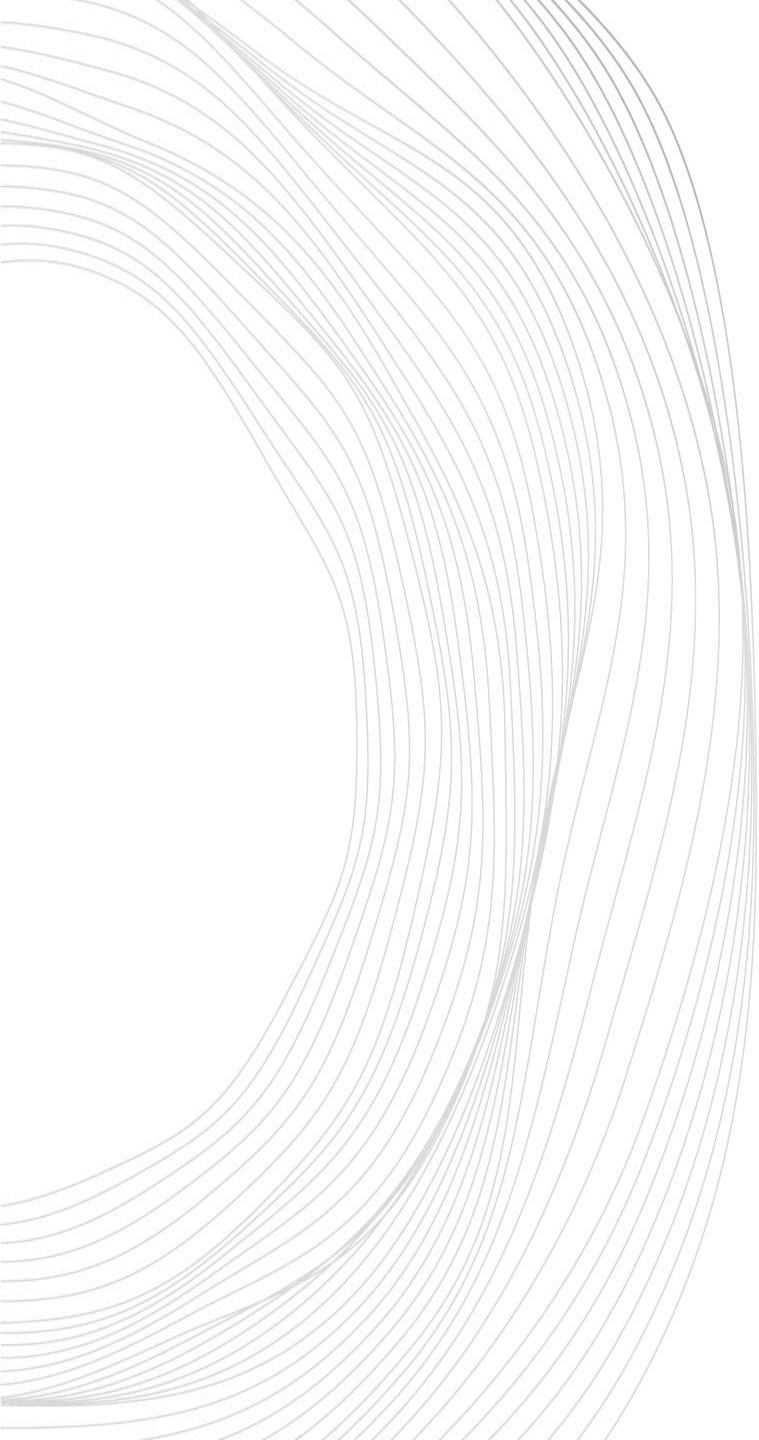
Statement of Financial Position

	1HFY2023 31 Oct 2022 (RM'mil)	FYE2022 31 April 2022 (audited) (RM'mil)
Net cash + Short term investment	114.9	117.29
Total assets	376.15	370.14
Total liabilities	51.41	41.04
Shareholders' equity	312.75	317.06
Net assets per share (RM)	1.04	1.06

Segment Revenue



Segment	1HFY2023 31 Oct 2022		1HFY2022 31 Oct 2021	
	(RM'mil)	(%)	(RM'mil)	(%)
MLM	42.07	46%	65.57	63%
Wholesale	29.77	32%	22.24	21%
Retail	18.20	20%	15.11	14%
Others	2.30	2%	1.96	2%
Total	92.34	100%	104.88	100%



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THE BEST STARTS FROM HOME

Review by
Segment

Multi Level Marketing (“MLM”)

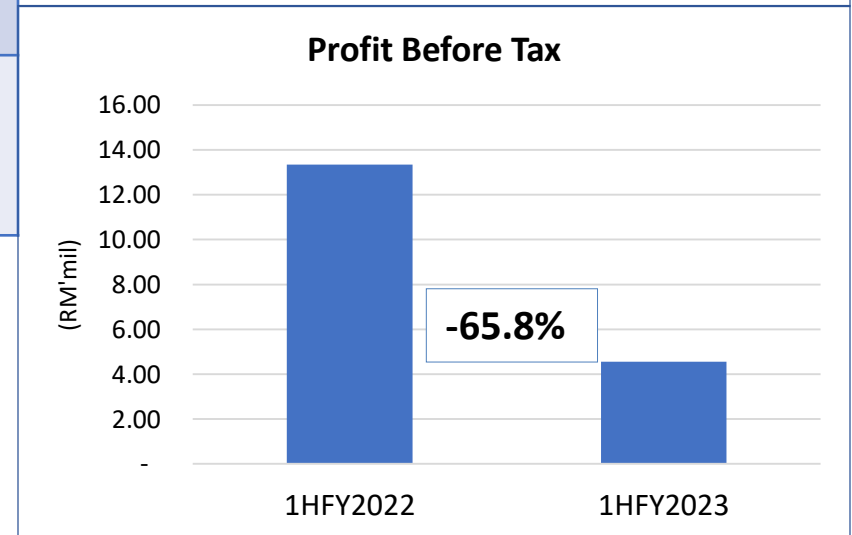
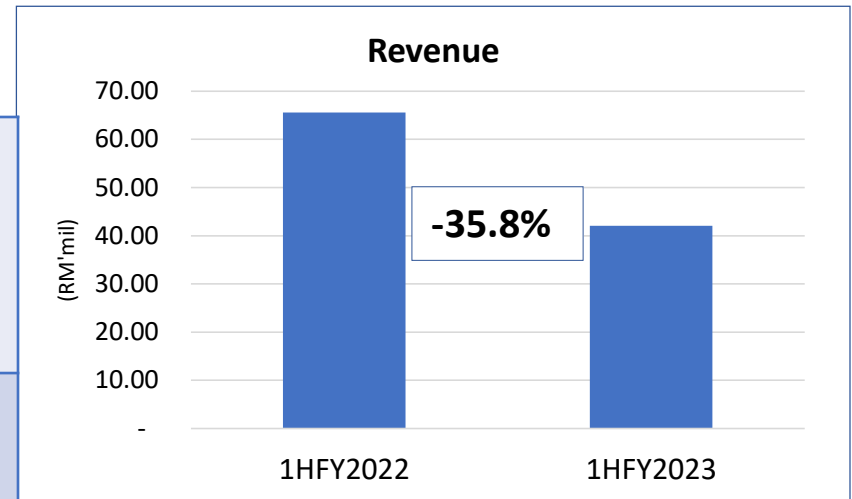
Wholesale

Retail

Others

MLM

MLM Segment	1HFY2023 31 Oct 2022 (RM'mil)	1HFY2022 31 Oct 2021 (RM'mil)	Changes (%)
External Revenue	42.07	65.57	-35.8%
Profit Before Tax	4.56	13.35	-65.8%



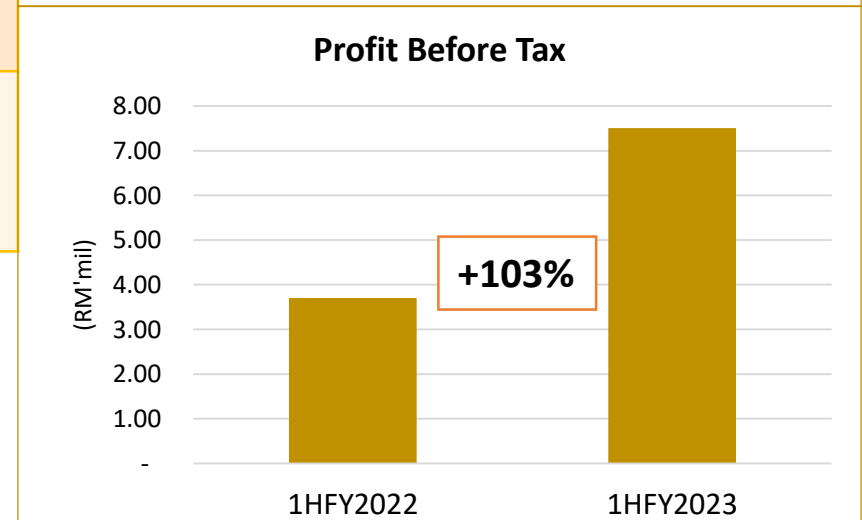
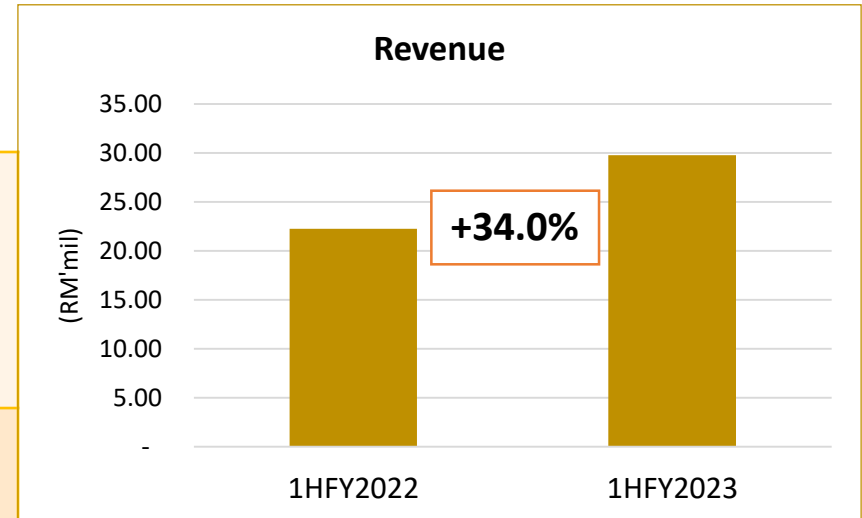
MLM

The MLM division has faced persistent challenges during the period under review. The recovery of business momentum and drive among distributors/members has taken longer than anticipated since the reopening of economic activities. Members' recruitment and renewal have not been encouraging amidst high inflation and weak purchasing power, and members remained cautious in spending especially on non-essential goods. The division has carried out various physical events to rebuild drive and re-instil confidence among distributors, thus incurring additional marketing and promotion expenditure during the financial period.

Reflecting the prevailing challenges, MLM revenue and pre-tax profit decreased from RM65.6 million and RM13.4 million in the preceding year's corresponding quarter to RM42.1 million and RM4.6 million respectively.

Wholesale

Wholesale Segment	1HFY2023 31 Oct 2022 (RM'mil)	1HFY2022 31 Oct 2021 (RM'mil)	Changes (%)
External Revenue	29.77	22.24	+34.0%
Profit Before Tax	7.51	3.70	+103%



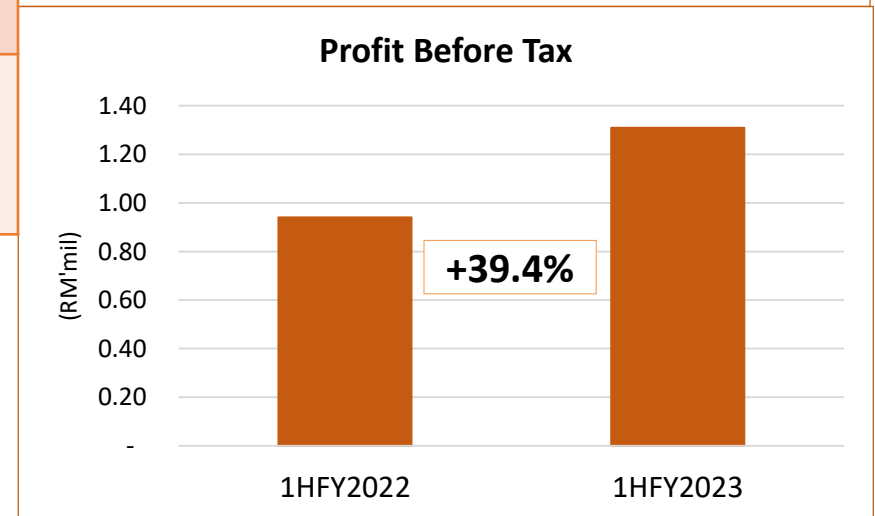
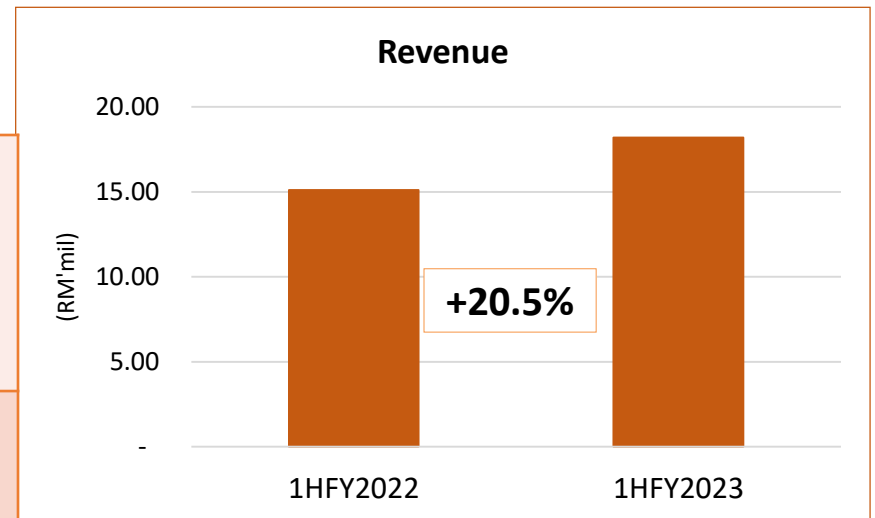
Wholesale

Wholesale revenue increased by about 34.0% to RM29.8 million from the depressed base of RM22.2 million in the preceding year's corresponding quarter when business activities were restricted by the various phases of MCOs. Revenue was also boosted by a pre-price increase "last-buy" sales promotion for selected Chinese medicated tonic and cooking wine during the period under review. In addition, sales to duty free shops increased substantially following the resumption of tourism activities.

Pre-tax profit doubled to RM7.5 million in tandem with higher revenue and margin, and further aided by a gain from disposal of vintage tea amounting to RM1.7 million.

Retail

Retail Segment	1HFY2023 31 Oct 2022 (RM'mil)	1HFY2022 31 Oct 2021 (RM'mil)	Changes (%)
External Revenue	18.20	15.11	+20.5%
Profit Before Tax	1.31	0.94	+39.4%



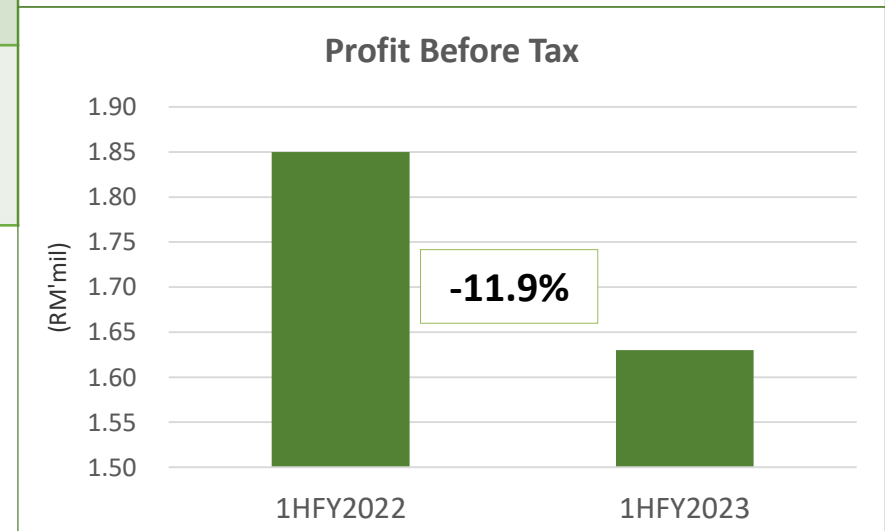
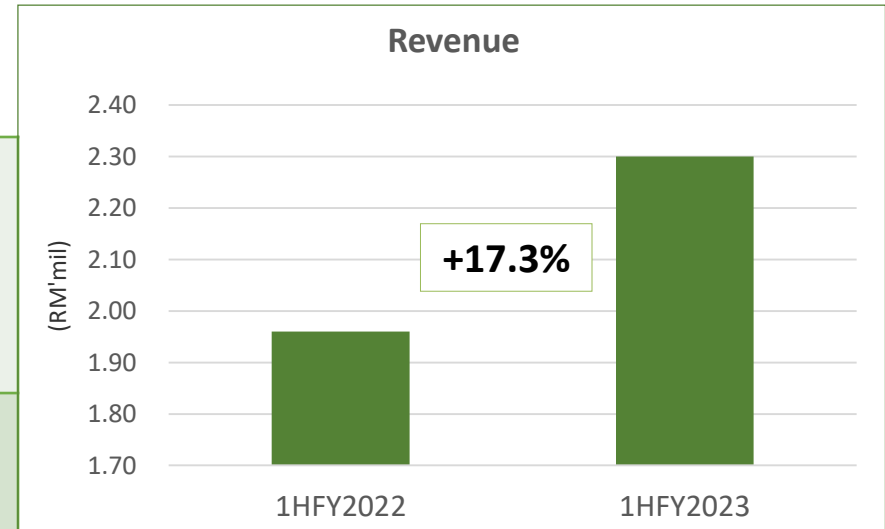
Retail

The Retail division posted a 20.5% increase in revenue to RM18.2 million as compared to RM15.1 million in the previous year's corresponding quarter. The comparison was against a lower base in the previous year's corresponding quarter which was affected by the imposition of various phases of MCOs.

Despite the increase in operating costs following the reopening of the economy, pre-tax profit increased by 39.4% to RM1.3 million, thanks to higher revenue especially for higher-margin house brand products.

"Others" segment

"Others" Segment	1HFY2023 31 Oct 2022 (RM'mil)	1HFY2022 31 Oct 2021 (RM'mil)	Changes (%)
External Revenue	2.30	1.96	+17.3%
Profit Before Tax	1.63	1.85	-11.9%



"Others" segment

Revenue comprises mainly rental income from investment properties, manufacturing of health supplements and credit & leasing business. The main revenue contributor is income from the rental of investment properties.

During the period under review, pre-tax profit decreased by 11.9% to RM1.6 million due mainly to lower contribution from the manufacturing division as a result of reduced orders received from inter-segment companies.

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Thank you

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