



# BEST WORLD, GOING REGIONAL

## Sales Operations in Six Asian Markets

### Broad-Based Growth Momentum

## Delivers Record Earnings of S\$8.5m, +68.0%

Overall Highlights S\$'000	Year ended 31 Dec 2005 S\$000	Year ended 31 Dec 2004 S\$000	% Change
Revenue	55,098	31,007	77.7
Gross Profit	42,898	24,115	77.9
EBITDA	12,329	7,283	69.3
EBITDA margin	22.4%	23.5%	(4.7)
Pretax Profit	11,755	6,834	72.0
Pretax Profit Margin	21.3%	22.0%	(2.3)
Net Profit	8,464	5,039	68.0
Net Profit Margin	15.4%	16.3%	(5.5)
Earning Per Share (cents)*	5.50 cents	3.36 cents	63.7
Final dividend per share (cents)	1.6 cents (inclusive of a 1.0 cent special dividend)**	0.3 cents	433.3

\* based on weighted average number of shares

\*\* based on 165 million shares

- **Net profit surged 68.0% to \$8.5 million on the back of a 77.7% increase in revenue**
- **Broad-based Revenue Growth in All Six Regional Markets**
- **Membership increased from 45,000 in FY04 to 68,577 in FY05**
- **Completion of Vigor Acquisition paved way for expansion into the PRC market**
- **Rewards shareholders with a final tax-exempt dividend of 0.6 cent and special dividend of 1.0 cent per share**



**BEST WORLD INTERNATIONAL LIMITED**

480 Lorong 6 Toa Payoh #15-00, HDB Hub East Wing Singapore 310480

Tel: (65) 6899 0088 Fax: (65) 6352 9228

Website: [www.bestworld.com.sg](http://www.bestworld.com.sg)

Registration No. SG199006030Z

**Singapore, 15 February 2006** – Best World International Limited, (“Best World” or the “Group”), a regional health & lifestyle product company specializing in the direct selling channel of more than 100 products, today announced their full year results ended 31 December 2005.

Among the many highlights, the Group achieved record revenue of \$55.1 million, which represented a 77.7% increase. EBITDA increased 69.3% to \$12.3 million. The key reasons contributing to the record performance included increase of its Direct Selling business’s member base from 45,000 in FY04 to 68,577 in FY05, fuelling strong demand for the Group’s health and lifestyle products. Gross profit rose 77.9% to \$42.9 million in line with the increase in our revenue.

Profit before taxation grew 72.0% to S\$11.8 million, in line with revenue growth. However, higher taxation rates in foreign subsidiary led to a marginal decline in net margin to 15.4%. Overall, the Group achieved a record net profit after tax of \$8.5 million in FY05 compared to \$5.0 million for FY04.

The Group’s strong performance is evident in the healthy net operating cash flow of \$5.6 million. Including the proceeds from a share placement done in October 2005, the Group ended FY05 with a net cash position of approximately \$19.0 million.

Earnings per share has increased 63.7% to 5.50 cents per share

2005 was defined by a number of key events. The incorporation of the Indonesia and Hong Kong subsidiaries, the relocation and opening of a brand new Regional Headquarter in Central Singapore, the opening of 16 new Lifestyle Centres around the regions and the introduction and extension of new product lines remained a strong factor in consistently improving membership base. Best World ended the year with 68,577 members, an increase of 52.4% from 2004.

**BEST WORLD INTERNATIONAL LIMITED**

480 Lorong 6 Toa Payoh #15-00, HDB Hub East Wing Singapore 310480

Tel: (65) 6899 0088 Fax: (65) 6352 9228

Website: [www.bestworld.com.sg](http://www.bestworld.com.sg)

Registration No. SG199006030Z

Dr Dora Hoan, Group Chief Executive Officer of Best World said, "We are pleased to deliver another set of good results for our shareholders. The consistent and sustainable growth of Best World has been achieved by focusing on our core competence and execution of our growth strategies. During the past year, we have extended our business operations into new Asian markets like Vietnam and Hong Kong with encouraging result. New products were also introduced to our consumers, which have met with positive response. With our increasing membership base, new product offerings and new markets, we believe the Group's growth momentum will continue into FY06. "

**FY2005 Geographical Review**

Geographical Locations	FY2005 Revenue		FY2004 Revenue		Change
	S\$'000	%	S\$'000	%	%
Singapore	17,987	32.7	17,754	57.3	1.3
Malaysia	22,971	41.7	10,705	34.5	114.6
Indonesia	12,963	23.5	2,004	6.4	546.9
Thailand	671	1.2	285	0.9	135.4
Hong Kong	434	0.8	111	0.4	291.0
Others	72	0.1	148	0.5	(51.4)
Total	55,098	100.0	31,007	100.0	77.7

Revenue growth was broad-based and driven by strong customer demand for the Group's products. Malaysia posted a 114.6% increase in sales from \$10.7 million to \$23.0 million, which now accounted for 41.7% of the Group's total revenue. This placed Singapore as the Group's second largest geographical location contributing a 32.7% of total revenue. The emergence of Indonesia also saw a 546.9% surge in sales to \$13.0 million in FY05.

**Outlook for FY2006 – Well-positioned for growth**

Having completed the Vigor Acquisition, the Group is in a good position to explore its business opportunities in the PRC market in the current financial year.

The opening of our Hong Kong Regional Center in 2H2006 will spearhead the marketing initiatives for the Hong Kong and Macau markets. A second Lifestyle Centre is expected to be opened in Causeway Bay by April 2006.



**BEST WORLD INTERNATIONAL LIMITED**

480 Lorong 6 Toa Payoh #15-00, HDB Hub East Wing Singapore 310480

Tel: (65) 6899 0088 Fax: (65) 6352 9228

Website: [www.bestworld.com.sg](http://www.bestworld.com.sg)

Registration No. SG199006030Z

The Group will complete the incorporation of its Taiwan subsidiary and expects it to be operational by end 2006. With this new subsidiary, Best World intends to continue strengthening their presence in key geographical markets.

The Group has submitted to EDB Singapore its application for RHQ status. Upon being granted RHQ status, the Group will be entitled tax incentive. This is one of the few measures the Group is taking to optimize our tax rates to further improve net profit.

When asked to comment on the Group's outlook for FY06, Dr Dora Hoan expressed optimism, "Best World is well positioned for 2006 to build on the achievements of 2005. We will continue to focus on our key competence in direct selling and at the same time, develop and introduce new quality products for the benefits of all."

### **Rewarding Shareholders**

In conjunction with its good performance, the Directors are pleased to recommend a final tax exempt dividend of 0.6 cent per share and a special tax-exempt dividend of 1.0 cent per share. Coupled with the interim dividend of 1.0 cent, this represents a dividend payout of 48.9% of its FY05 net profit.

Dr Dora Hoan concluded, "The management of Best World is committed to its corporate vision of establishing itself as a Pan-Asia leader in the area of direct selling. We would like to take this opportunity to update our shareholders that the management has adopted a dividend policy to distribute not less than 30% of our annual net profit in the form of dividends and/or bonus securities to our shareholders every year. In summary, the results in 2005 represent a first step in our goal to be acknowledged as a high performing company, and hopes that our shareholders would share in our corporate vision as we continue to well position ourselves to build on more encouraging results in the years ahead."

The End



**BEST WORLD INTERNATIONAL LIMITED**

480 Lorong 6 Toa Payoh #15-00, HDB Hub East Wing Singapore 310480

Tel: (65) 6899 0088 Fax: (65) 6352 9228

Website: [www.bestworld.com.sg](http://www.bestworld.com.sg)

Registration No. SG199006030Z

**About Best World International Limited**

Listed on SGX SESDAQ in July 2004, Best World International is a health and lifestyle product company which specializes in the distribution of their products through their direct selling channel.

Through better understanding of consumer needs and driving product innovation specifically designed to address market demand, Best World has since develop many preferred brands like DR Secret, Optrimax, Avance and bwL.

Leveraging on its success in Singapore, Best World has established a presence in Malaysia, Indonesia, Vietnam, Thailand and Hong Kong.

For more information, please visit Best World's corporate website at [www.bestworld.com.sg](http://www.bestworld.com.sg)

---

**Issued for and on behalf of Best World International Limited**

**For more information, please contact:**

**Investor Relations**

Koh Hui, [huikoh@bestworld.com.sg](mailto:huikoh@bestworld.com.sg)

Ika Kusuma, [ika@bestworld.com.sg](mailto:ika@bestworld.com.sg)

Tel: (65) 6899 0088 Fax: (65) 6352 9228

**Media**

Financial PR Pte Ltd

Mark LEE, [Marklee@financialpr.com.sg](mailto:Marklee@financialpr.com.sg)

Jolene HOON, [Jolene@financialpr.com.sg](mailto:Jolene@financialpr.com.sg)

Tel: (65) 6438 2990 Fax: (65) 6438 0064