

**SUMMARY OF KEY FINANCIAL INFORMATION**  
**31/03/2009**

		INDIVIDUAL PERIOD		CUMULATIVE PERIOD	
		CURRENT YEAR QUARTER	PRECEDING YEAR CORRESPONDING QUARTER	CURRENT YEAR TO DATE	PRECEDING YEAR CORRESPONDING PERIOD
		31/03/2009	31/03/2008	31/03/2009	31/03/2008
		RM'000	RM'000	RM'000	RM'000
1	Revenue	46,201	45,488	183,330	167,152
2	Profit/(loss) before tax	3,660	5,876	14,823	21,175
3	Profit/(loss) for the period	2,075	4,610	10,625	15,773
4	Profit/(loss) attributable to ordinary equity holders of the parent	2,075	4,610	10,625	15,773
5	Basic earnings/(loss) per share (sen)	1.57	3.57	8.05	12.20
6	Proposed/Declared dividend per share (sen)	0.00	0.00	0.00	0.00
		AS AT END OF CURRENT QUARTER		AS AT PRECEDING FINANCIAL YEAR END	
7	Net assets per share attributable to ordinary equity holders of the parent (RM)	1.0100		0.9400	

Note: For full text of the above announcement, please access Bursa Malaysia website at [www.bursamalaysia.com](http://www.bursamalaysia.com)

Remarks :

**ESTHETICS INTERNATIONAL GROUP BERHAD**  
(Company No : 408061-P)

**Unaudited Condensed Consolidated Income Statements**  
**For The Fourth Quarter Ended 31 March 2009**

	<u>Note</u>	Individual Period		Cumulative Periods	
		Current Year Quarter	Preceding Year Corresponding Quarter	Current Year To Date	Preceding Year Corresponding Period
		31/03/2009 (RM'000)	31/03/2008 (RM'000)	31/03/2009 (RM'000)	31/03/2008 (RM'000)
Revenue		46,201	45,488	183,330	167,152
Cost of sales / services		(19,844)	(19,330)	(81,059)	(72,328)
<b>Gross profit</b>		<b>26,357</b>	<b>26,158</b>	<b>102,271</b>	<b>94,824</b>
Other income		1,732	305	3,497	866
Other expenses		(24,559)	(20,752)	(91,063)	(74,824)
<b>Results from operating activities</b>		<b>3,530</b>	<b>5,711</b>	<b>14,705</b>	<b>20,866</b>
Finance cost		(45)	(1)	(104)	(24)
Interest income		27	76	121	253
Share of profit after tax of equity accounted associates		148	90	101	80
<b>Profit before tax</b>		<b>3,660</b>	<b>5,876</b>	<b>14,823</b>	<b>21,175</b>
Tax expense	B5	(1,585)	(1,266)	(4,198)	(5,402)
<b>Profit for the period / year</b>		<b>2,075</b>	<b>4,610</b>	<b>10,625</b>	<b>15,773</b>
Attributable to: Shareholders of the Company		2,075	4,610	10,625	15,773
<b>Profit for the period / year</b>		<b>2,075</b>	<b>4,610</b>	<b>10,625</b>	<b>15,773</b>
<b>Earnings per share attributable to Shareholders of the Company:</b>					
Basic earnings per share (sen)	B13	1.57	3.57	8.05	12.20
Diluted earnings per share (sen)		N/A	N/A	N/A	N/A
Weighted average number of shares ('000)		132,000	132,000	132,000	129,115

The Condensed Consolidated Income Statements should be read in conjunction with the Annual Financial Report for the financial year ended 31 March 2008 and the accompanying explanatory notes enclosed with the Quarterly Report.

**Esthetics International Group Berhad**  
(Company No : 408061-P)

**Unaudited Condensed Consolidated Balance Sheets**  
As At 31 March 2009

	<u>Note</u>	<u>As at 31/03/09 (RM '000)</u>	<u>As at 31/03/08 (RM '000)</u>
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	A9	50,755	51,055
Intangible assets		3,767	3,791
Prepaid lease payments		891	853
Investment properties		1,679	4,714
Investments in associates		2,549	2,448
Deferred tax assets		1,252	781
		<u>60,893</u>	<u>63,642</u>
<b>Current assets</b>			
Other Investment		-	554
Receivables, deposits and prepayments		44,120	36,797
Inventories		43,500	47,064
Tax recoverable		524	431
Cash and cash equivalents		12,175	12,948
		<u>100,319</u>	<u>97,794</u>
<b>TOTAL ASSETS</b>		<u><u>161,212</u></u>	<u><u>161,436</u></u>
<b>EQUITY AND LIABILITIES</b>			
Share capital	A6	66,000	66,000
Reserves		7,440	5,589
Retained earnings		59,487	52,281
<b>TOTAL EQUITY ATTRIBUTABLE TO SHAREHOLDERS OF THE COMPANY</b>		<u>132,927</u>	<u>123,870</u>
<b>Non-current liabilities</b>			
Borrowings		60	83
Deferred tax liabilities		1,432	985
		<u>1,492</u>	<u>1,068</u>
<b>Current liabilities</b>			
Deferred revenue		6,626	8,529
Payables and accruals		18,351	25,490
Borrowings		26	26
Taxation		1,790	2,453
		<u>26,793</u>	<u>36,498</u>
<b>TOTAL LIABILITIES</b>		<u>28,285</u>	<u>37,566</u>
<b>TOTAL EQUITY AND LIABILITIES</b>		<u><u>161,212</u></u>	<u><u>161,436</u></u>
<b>Net assets per share attributable to Shareholders of the Company (RM)</b>		1.01	0.94

The Condensed Consolidated Balance Sheets should be read in conjunction with the Annual Financial Report as at 31 March 2008 and the accompanying explanatory notes enclosed with the Quarterly Report.

**Esthetics International Group Berhad**  
(Company No : 408061-P)

**Unaudited Condensed Consolidated Cash Flow Statements**  
For The Year Ended 31 March 2009

	Year-to-date ended 31/03/09 (RM '000)	Year-to-date ended 31/03/08 (RM '000)
<b>Cash flows from operating activities</b>		
Profit before tax	14,823	21,175
Adjustments for : -		
Depreciation of property, plant and equipment	8,068	7,089
Amortisation of intangible assets	24	25
Amortisation of prepaid lease payments	19	18
Change in fair value of investment properties	(127)	87
Finance costs	104	24
Gain on disposal of property, plant and equipment	(53)	(23)
Gain on disposal of investment properties	(1,052)	-
Loss on disposal of other investment	69	-
Interest income	(121)	(253)
Other investment written off	-	46
Property, plant and equipment written off	718	230
Inventories written off	4,407	240
Share of profit of equity accounted associates	(101)	(80)
Unrealised foreign exchange (gain)/ loss	(1,513)	365
Operating profit before changes in working capital	25,265	28,943
Changes in working capital		
Inventories	(815)	(12,856)
Receivables, deposits and prepayments	(4,404)	(2,950)
Payables and accruals	(7,139)	4,213
Deferred revenue	(1,903)	(2,694)
Cash generated from operating activities	11,004	14,656
Interest received	121	253
Tax paid	(4,978)	(3,639)
<b>Net cash generated from operating activities</b>	6,147	11,270
<b>Cash flows from investing activities</b>		
Acquisition of property, plant and equipment	(7,000)	(13,992)
Acquisition of subsidiary, net of cash acquired	-	1
Acquisition of prepaid lease payments	(57)	-
Acquisition of intangible assets	-	(248)
Investment in associates	-	(1,334)
Proceeds from disposal of property, plant and equipment	243	807
Proceeds from disposal of investment properties	1,510	-
Proceeds from disposal of other investment	485	-
<b>Net cash used in investing activities</b>	(4,819)	(14,766)
<b>Cash flows from financing activities</b>		
Net proceeds from issuance of shares	-	8,570
Dividends paid to shareholders of the Company	(3,419)	(5,490)
Repayment of borrowings	(23)	(25)
Interest paid	(104)	(24)
<b>Net cash (used in)/ generated from financing activities</b>	(3,546)	3,031
<b>Net decrease in cash and cash equivalents</b>	(2,218)	(465)
<b>Effect of exchange rate fluctuations on cash held</b>	1,445	(211)
<b>Cash and cash equivalents at beginning of financial year</b>	12,948	13,624
<b>Cash and cash equivalents at end of financial year</b>	12,175	12,948
<u>Note :</u>		
<b>Cash and cash equivalents at end of financial year comprise:-</b>		
Deposits placed with licensed banks	3,679	3,400
Cash and bank balances	8,496	9,548
	12,175	12,948

The Condensed Consolidated Cash Flow Statements should be read in conjunction with the Annual Financial Report for the financial year ended 31 March 2008 and the accompanying explanatory notes enclosed with the Quarterly Report.

**Esthetics International Group Berhad**  
(Company No : 408061-P)

**Unaudited Condensed Consolidated Statements of Changes in Equity**  
**For The Year Ended 31 March 2009**

Note	<u>Share Capital (RM '000)</u>	<u>Non-distributable Share Premium (RM '000)</u>	<u>Translation Reserve (RM '000)</u>	<u>Distributable Retained Earnings (RM '000)</u>	<u>Total (RM '000)</u>
<b><u>Year ended 31 March 2009</u></b>					
At 1 April 2008	66,000	6,097	(508)	52,281	123,870
Exchange differences on translation of the financial statements of foreign entities	-	-	1,851	-	1,851
Net profit for the year	-	-	-	10,625	10,625
Total recognised income and expense for the year	-	-	1,851	10,625	12,476
Dividends	-	-	-	(3,419)	(3,419)
At 31 March 2009	<u>66,000</u>	<u>6,097</u>	<u>1,343</u>	<u>59,487</u>	<u>132,927</u>
<b><u>Year ended 31 March 2008</u></b>					
At 1 April 2007	60,000	3,527	(301)	42,250	105,476
Exchange differences on translation of the financial statements of foreign entities	-	-	(207)	-	(207)
Net profit for the year	-	-	-	15,773	15,773
Total recognised income and expense for the year	-	-	(207)	15,773	15,566
Shares issued	6,000	2,570	-	-	8,570
Dividends	-	-	-	(5,742)	(5,742)
At 31 March 2008	<u>66,000</u>	<u>6,097</u>	<u>(508)</u>	<u>52,281</u>	<u>123,870</u>

## ESTHETICS INTERNATIONAL GROUP BERHAD (“the Company”) (408061-P)

### Notes to the Quarterly Report for the Fourth Quarter ended 31 March 2009

#### **A1. Basis of preparation and accounting policies**

The Quarterly Report is unaudited and has been prepared in accordance with Financial Reporting Standards (“FRS”) 134 : Interim Financial Reporting and Paragraph 9.22 of the Bursa Malaysia Securities Berhad (“Bursa Malaysia”) Listing Requirements, and should be read in conjunction with the audited financial statements for the financial year ended 31 March 2008.

The significant accounting policies adopted are consistent with those of the audited financial statements for the year ended 31 March 2008 except for the adoption of the following revised Financial Reporting Standards (FRSs) and new Interpretations effective for financial periods beginning on or after 1 April 2008:-

FRS 107	Cash Flow Statements
FRS 111	Construction Contracts
FRS 112	Income Taxes
FRS 118	Revenue
FRS 120	Accounting for Government Grants and Disclosure of Government Assistance
FRS 134	Interim Financial Reporting
FRS 137	Provisions, Contingent Liabilities and Contingent Assets
IC Interpretation 1	Changes in Existing Decommissioning, Restoration and Similar Liabilities
IC Interpretation 2	Members' Shares in Co-operative Entities and Similar Instruments
IC Interpretation 5	Rights to Interests arising from Decommissioning, Restoration and Environmental Rehabilitation Funds
IC Interpretation 6	Liabilities arising from Participating in a Specific Market - Waste Electrical and Electronic Equipment
IC Interpretation 7	Applying the Restatement Approach under FRS 129 <sup>2004</sup> - Financial Reporting in Hyperinflationary Economies
IC Interpretation 8	Scope of FRS 2

The Group has not adopted FRS 139 Financial Instruments: Recognition and Measurement as its effective date has been deferred.

The adoption of the abovementioned FRSs does not result in significant changes in accounting policies of the Group.

#### **A2. Auditor’s report of previous annual financial report**

The Group’s previous annual financial report for the financial year ended 31 March 2008 was not subject to any audit qualification.

#### **A3. Seasonal or cyclical factors**

The business operations of the Group were not materially affected by any seasonal or cyclical factors during the financial year under review.

#### **A4. Unusual items due to their nature, size or incidence**

There were no unusual items affecting assets, liabilities, equity, net income, or cash flows during the current quarter and financial year-to-date.

**A5. Significant estimates and changes in estimates**

There were no changes in estimates that had material effect on the current quarter and financial year-to-date results.

**A6. Debts and equity securities**

There were no issuances, cancellations, repurchases, resale and repayments of debt and equity securities during the financial year under review.

**A7. Dividends paid**

The Company paid an interim dividend of 5% less 26% tax and a final dividend of 7% less 26% tax amounting to RM2,442,000 and RM3,418,800 on 25 April 2008 and 8 October 2008 respectively in respect of financial year ended 31 March 2008.

On 30 April 2009, the Company paid an interim dividend of 3% less 25% tax amounting to RM1,485,000 in respect of the current financial year ended 31 March 2009.

**A8. Segmental information**

	Current Year Quarter Ended 31 March 2009		Current Year To Date Ended 31 March 2009	
	Segment Revenue RM '000	Segment Results RM '000	Segment Revenue RM '000	Segment Results RM '000
Professional services and sales	23,870	3,287	86,776	8,057
Product distribution	33,372	(201)	142,752	6,759
Others	2,000	1,815	2,000	1,507
Total	59,242	4,901	231,528	16,323
Elimination	(13,041)	(1,371)	(48,198)	(1,618)
Consolidated	46,201	3,530	183,330	14,705

**A9. Property, plant and equipment**

The property, plant and equipment of the Group are carried at historical cost less accumulated depreciation. Accordingly, no valuations have been brought forward from the previous annual financial report.

**A10. Subsequent event**

There was no material subsequent event from the end of the current financial year up to the date of this announcement.

**A11. Changes in composition of the Group**

- (i) The Company had on 23 October 2008 increased its investment in its subsidiary, namely Leonard Drake (S) Pte. Ltd. ("LDS") by the subscription of an additional one hundred thousand (100,000) ordinary shares of S\$1.00 each for a total cash consideration of S\$100,000 via its wholly-owned subsidiary, EIG Global Pte. Ltd. ("EIG Global"). The total investment of the Company in LDS held through EIG Global after the share subscription is two hundred thousand (200,000) shares of S\$1.00 each representing 100% of the issued and paid up capital of LDS.

**A11. Changes in composition of the Group (Cont'd)**

- (ii) On 12 December, 2008, EIG Global (China) Co. Ltd. ("EIGPRC") was incorporated as a wholly-owned subsidiary of EIG Global (HK) Ltd ("EIGHK") in Guangzhou, China with the intended and approved registered share capital of RMB1 million. The proposed business activities of EIGPRC are importing and distributing of skin care and wellness products. EIGPRC has yet to commence operations.
- (iii) On 3 February, 2009, the Company incorporated a new wholly owned subsidiary, PT EIG Lexwel ("PTEIGL") in Indonesia further to the final approval dated 31 December 2008 received from the Ministry of Law and Human Rights of the Republic of Indonesia. The share capital of PTEIGL is 99% held by Lexwel International (S) Pte. Ltd. and 1% held by Lexwel International Sdn. Bhd., both of which are wholly owned subsidiary company of EIG. The issued and paid up share capital of PTEIGL is USD300,000. The principal business activities of PTEIGL are importing and distributing of skin care and wellness products.

**A12. Changes in contingent liabilities**

	<u>31 March 2009</u> <u>Limit (RM'000)</u>	<u>31 March 2009</u> <u>Utilised (RM'000)</u>
Corporate guarantees extended by the Company to financial institutions in consideration of credit facilities given to subsidiary companies	28,100	13,321

**A13. Capital commitments**

	<u>31 March 2009</u> <u>RM'000</u>
<b>Property, plant and equipment</b>	
Contracted but not provided for	1,053
Approved but not contracted for	1,060
	<u>2,113</u>

**A14. Related party transactions**

There were no material related party transactions during the current financial year under review.

## **Additional information required by Bursa Malaysia Listing Requirements**

### **B1. Review of performance**

The Group recorded revenue of RM183.3 million for the financial year ended 31 March 2009 as compared to Group revenue of RM167.2 million for the financial year ended 31 March 2008, a growth of RM16.1 million or 9.6%. The growth has been attributable to higher revenue generated from Lexwel International Sdn Bhd, Leonard Drake (S) Pte. Ltd. in Singapore and Leonard Drake (HK) Ltd. in Hong Kong.

Profit before tax for the current financial year was RM14.8 million versus RM21.2 million for the previous year corresponding period, a decrease of RM6.4 million or 30.2%. The lower profit is mainly attributable to the prevailing challenging economic environment, in addition to inventories written off for obsolete inventories, higher overall rental cost for certain corporate owned outlets and higher advertising and promotion expenses incurred.

The revenue from the regional and export businesses of the Group remained the same as previous year corresponding period at 47% of total Group revenue.

### **B2. Material changes in the quarterly results compared to the results of the preceding quarter**

For the quarter ended 31 March 2009, the Group recorded profit before tax of RM3.7 million over revenue of RM46.2 million as compared to profit before tax of RM4.4 million over revenue of RM46.0 million in the preceding quarter.

### **B3. Commentary on prospects**

The wellness and beauty industry is expected to continue to grow moderately in year 2009 while remaining competitive.

The Group's main growth and earnings drivers, both locally and regionally, for the new financial year are as follows:

- a) introduction of new wellness products and services;
- b) continuous extension of distribution network of dealers/distributors and corporate owned outlets;
- c) expansion of the fast moving consumer goods business;
- d) growth of the direct selling business;
- e) development of the ethical market;
- f) growth of the distribution of beauty equipment;
- g) franchise scheme and expansion of the education and training business; and
- h) export of Company brands/mergers and acquisitions.

Barring further adverse development in the regional and local economy and consumer spending under the current economic environment, the Board is adopting focused and prudent strategies to consolidate the existing business operations and also to expand the geographical coverage of the Group to overcome the current economic challenges and to maintain profitability.

### **B4. Profit forecast**

The disclosure requirements for explanatory notes for the variance of actual profit after taxation and minority interest and forecast profit after taxation and minority interest are not applicable.

**B5. Tax expense**

	<b>Current Year Quarter Ended 31 March 2009 RM'000</b>	<b>Current Year-to-date Ended 31 March 2009 RM'000</b>
Current tax expense		
Malaysian	1,437	3,388
Overseas	131	756
Deferred tax expense		
Malaysian	(26)	(35)
Overseas	43	89
	1,585	4,198

The Group effective tax rate for the financial year-to-date of 28.3% is higher than the Malaysian statutory tax rate principally due to certain deferred tax assets which are not recognised at the Group level as well as no group tax relief are applied by the Group to off-set its profits against the loss making companies for the year.

**B6. Unquoted investment and properties**

- (i) On 22 August 2008, Dermal Esthetica Sdn. Bhd. (“DESB”), a wholly-owned subsidiary, disposed off two (2) units of its investment properties to a third party with total consideration of RM1.5 million and registered a gain on disposal of RM0.5 million to the Group.
- (ii) On 31 December 2008 and 31 March 2009, Esthetics Concept Sdn. Bhd. (“ECSB”), a wholly-owned subsidiary, disposed off two (2) unit of its investment properties to two (2) third parties with total consideration of RM1.2 million and registered a gain on disposal of RM0.5 million to the Group.

**B7. Quoted investment**

There were no purchases and/or disposal of quoted investment for the current financial year under review except for Ina Gail Pte. Ltd., a wholly owned subsidiary of the Company had on 30 June 2008, disposed off the quoted shares in Malaysia under other investment at a loss of RM41,000.

**B8. Status of corporate proposal announced**

There were no corporate proposals announced but not completed as at the reporting date.

**B9. Borrowings and debt securities**

<b>Borrowings</b>	<b>31 March 2009 RM'000</b>
<i>Short Term</i>	
Hire purchase liabilities	26
<i>Total short term borrowings</i>	26
<i>Long term</i>	
Hire purchase liabilities	60
<i>Total long term borrowings</i>	60

**B10. Off balance sheet financial instruments**

As at the date of this announcement, the Group has no outstanding contracts involving off balance sheet financial instruments.

**B11. Changes in material litigation**

There was no pending material litigation as at the date of this announcement.

**B12. Dividends**

The Company paid a final dividend of 7% less 26% tax (31/3/07 : final dividend of 5% tax exempt) amounting to RM3,418,800 (31/3/07: RM3,300,000 paid on 10 September 2007) in respect of the financial year ended 31 March 2008 on 8 October 2008 and an interim dividend of 3% less 25% tax (31/3/08 : 5% less 26% tax) amounting to RM1,485,000 (31/3/08 : RM2,442,000 paid on 25 April 2008) for the financial year ended 31 March 2009 on 30 April 2009.

The Board of Directors recommends a final dividend of 3% less 25% tax (31/3/2008 : final dividend of 7% less 26% tax) amounting to RM1,485,000 (31/3/2008: RM3,418,800 paid on 8 October 2008) for the financial year ended 31 March 2009 to be approved by the shareholders at the forthcoming Annual General Meeting. The total dividends for the financial year ended 31 March 2009 are 6% less 25% tax (31/3/08 : 12% less 26% tax).

The Board of Directors has on 27 May 2009 approved a general dividend policy. It is the intention of the Board to endeavour to distribute between 25% to 50% of the Group's net profit to shareholders, for at least the next two (2) financial years, after taking into consideration, inter alia, the performance of the Group, the availability of cash resources and reinvestment opportunities.

**B13. Basic earnings per share (Basis EPS)**

Basic EPS is calculated by dividing the net profit for the year attributable to shareholders of the Company by the weighted average number of ordinary shares in issue during the year.

	Current Year Quarter Ended		Current Year To Date Ended	
	31/3/2009	31/3/2008	31/3/2009	31/3/2008
Profit attributable to shareholders of the Company (RM'000)	2,075	4,610	10,625	15,773
Weighted average number of ordinary shares in issue ('000)	132,000	132,000	132,000	129,115
Basic EPS (Sen)	1.57	3.57	8.05	12.20

This announcement is dated 27 May 2009