



## MEDIA RELEASE

For Immediate Release

### OGAWA POSTS 23% INCREASE IN NET PROFIT

- Focus on new products and outlet expansion in Malaysia and overseas
- Expect to sustain double-digit earnings growth in FY08

**Shah Alam, August 21, 2007** : Ogawa World Berhad (“Company”), which made its debut on the Main Board of Bursa Securities on 18 April 2007, today announced its financial results for the year ended 30 June 2007. The Company achieved revenue and profit before tax of RM146.4 million and RM22.2 million, translating to growth of 7.6% and 16.8% respectively compared to the Company’s proforma accounts for the financial year ended June 2006.

Louis Chong, Executive Director of Ogawa World Berhad, commented, “Overall, the Company’s financial performance was highly satisfactory. We continued to leverage on our strong branding to improve overall sales. Profit performance, although marginally below our forecast made at the point of listing, is still on a healthy uptrend. Our decision to fully expense start-up costs in new overseas markets accounted for a substantial percentage of the deviation. Going forward, this will place us in a stronger position to deliver positive contribution from our overseas operations.”

“Prospects for the Company remain exciting. We have plans to continuously introduce new models as well as entirely new range of products into the market. Additionally, our collaboration with Koperasi Pendidikan Islam Malaysia Berhad (UKHWAH) has provided us with an effective channel to further market our lifestyle products to the government civil servants.”

The Company signed a business collaboration agreement with UKHWAH in June 2007 to enable its members to purchase Ogawa products on flexible payment terms.

Chong added, "Overseas, we will focus on expanding our reach in high growth markets such as China and Vietnam, where we expect to roughly double our number of outlets by the end of this financial year."

In conclusion, Chong said that the Company expects to sustain healthy double-digit earnings growth in the current financial year to June 2008. Sales growth in Malaysia is expected to remain robust, and the Company's increasing presence in overseas markets is expected to translate into positive bottomline contribution.

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### **About Ogawa World Berhad**

Listed on the Main Board of Bursa Securities on 18 April 2007, Ogawa World Berhad is principally involved in the design and development, marketing, retailing and distribution, and servicing of health care equipment and supplementary appliances under its own trademark-registered brand names, OGAWA and DEKI.

Having successfully established itself in the Malaysian health and wellness equipment market, the Group has since expanded with market presence in six other countries and territory. It has a total of 108 retail outlets in Malaysia, Singapore, China and Hong Kong, and 33 retail outlets through its appointed sole distributors in Indonesia, Australia and Vietnam.

Its emphasis on innovative product designs and strong brand development has accorded the Group with a number of prestigious awards, including Best International Brand Award 2004/2005 and Superbrands Malaysia 2005, as well as being awarded the first overseas accreditation by SuperBrands Singapore, under the Consumers' Choice category in 2006.