

Senheng 1Q23 consistent at pre-COVID levels

- *Year-on-year performance tempered by weaker consumer sentiment*
- *Maintaining ‘Territory Champions’ strategy including Senheng Mobile store openings to enhance presence to capture consumer uptick*

Kuala Lumpur, Malaysia, 26 May 2023 - Senheng New Retail Berhad (Senheng or the Group; Bloomberg: SENHENG MK; 新兴集团) noted that consumer electronics demand had returned to pre-COVID levels as the Group reported RM318.4 million revenue in the first quarter ended 31 March 2023 (1Q23).

On a year-on-year basis, 1Q23 revenue dipped 13.3% from RM367.3 million in the previous corresponding quarter, while net profit stood at RM6.2 million compared to RM8.9 million previously.

Even so, Senheng Executive Chairman Mr. Lim Kim Heng said that the Group would continue on its ‘Territory Champions’ strategy to set up 61 new and/or upgrade its existing stores nationwide till 2024 to enrich in-store experiences and boost per-store sales.

The Group plans to launch 26 new/upgraded Senheng and senQ stores formats in 2023, up from 16 launches in 2022. On top of that, Senheng is opening 40 new Senheng Mobile stores, a new retail channel specifically catered to consumer demand for mobile phones and digital gadgets.

“As a Group, Senheng has undergone numerous phases of transformation in our corporate history of more than three decades. In each instance we have shown tremendous grit, by pooling our resources and adapting our strategies to strengthen our fundamentals to suitably position Senheng to capture the eventual consumer uptick.

Hence, we will adopt the similar approach this year, as we set up and upgrade store formats as well as create a new retail channel to help boost Senheng’s brand visibility and nearness to end-users.

At the same time, we will leverage our Artificial Intelligence (AI)-enabled platform to further engage customers through online marketing campaigns, and introduce more rewards and promotional activities to enhance the customer experience further.

We are seeing current indicators of improving sentiment in recent months, with an increase in purchases and in membership registrations and renewals in our new PlusOne loyalty programme. This positive trend aligns with rising confidence and expectations of easing inflationary pressures and unemployment rates. We aim to remain resilient in the current financial year.”

Mr Lim Kim Heng (“林金兴”)
Executive Chairman, Senheng New Retail Berhad

About Senheng New Retail Berhad

Senheng is Malaysia's leading consumer electrical and electronics retailer. Founded in 1989, the Group has grown its retail network to over 100 physical stores across Peninsular and East Malaysia, and is supported by various online retail platforms.

The Group's stores carry more than 280 renowned consumer E&E brands, featuring a comprehensive range of digital gadgets, audio visuals, home appliances and related products.

An early adopter of digitalisation and business transformation, Senheng continues to deliver excellent customer satisfaction via its seamless New Retail Model. The Group has a growing customer base, with over 3 million PlusOne loyalty members to-date.

Issued for and on behalf of SENHENG NEW RETAIL BERHAD by Aquilas Advisory (Malaysia) Sdn Bhd

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