

# SENHENG

SENHENG NEW RETAIL BERHAD

# 1Q2023

## CORPORATE PRESENTATION



IR Adviser:

**AQUILAS**  
Creating Market Value

# SENHENG

## PRESENTATION OUTLINE

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Appendix



Investment Merits



Financials



Operations



Executive Summary

# SENHENG

## EXECUTIVE SUMMARY



■ 1Q23 performance moderated by weaker consumer sentiment... remains resilient at pre-Covid levels

1Q23

Revenue  
**RM318.4 mil**      **-13.3%**

Gross Profit  
**RM68.3 mil**      **-12.0%**

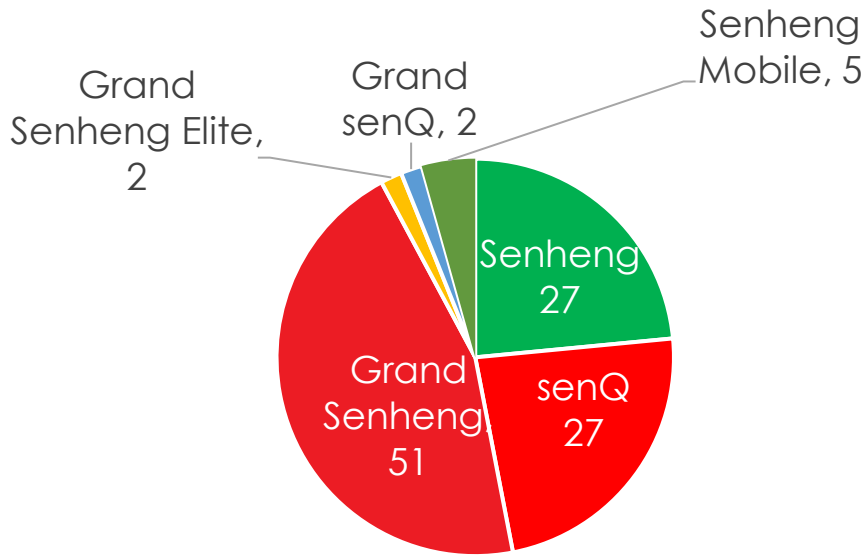
Net Profit  
**RM6.2 mil**      **-30.1%**

- Revenue declined on weaker consumer sentiment, but largely resilient at pre-Covid levels
- Gross margin improved slightly due to product mix
- Net profit declined on lower revenue, higher operating expenses due to store expansions, and reduced other operating income

**Continue to add new and upgraded stores as part of Territory Champion expansions strategy... also launched new Senheng Mobile store concept in 2023**

No. of stores (1Q23):

115 stores



**Senheng Mobile**  
in Plaza Shah Alam, Selangor  
(Mar 2023)



**Grand senQ**  
in Datum Jelatek, Kuala Lumpur  
(May 2023)

**3-Year  
Plan**

To open **61** new and/or upgraded **Territory Champion stores** by 2024

**Empowering growth through transforming retail experiences... seamless omnichannel shopping, nationwide upgrades, and enhanced technology platforms**



**Territory Champion**



**Senheng Mobile**



**Online First**



**AI-enabled  
Customer Data Platform**



**Private Traffic Project**



# SENHENG

## OPERATIONS

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## Total of 6 new store launches comprising Grand Senheng and Senheng Mobile stores in 1Q23...

### Physical outlets as at 1Q23

- Total of 115 stores, comprising:
  - 27 Senheng stores
    - Includes 1 Brand Store (Senheng x Samsung)
  - 52 Grand Senheng stores
  - 2 Grand Senheng Elite store
  - 27 senQ stores
  - 2 Grand senQ store
  - 5 Senheng Mobile store

### 1Q23 Store Launches

6 New/  
Upgraded  
stores

1 **Grand Senheng**

- Kota Kemuning

5 **Senheng Mobile**

- Kota Damansara
- Plaza Shah Alam
- SS15, Subang Jaya
- Eko Botanic, Johor
- Kota Tinggi, Johor





# Entrenched market leadership with over 100 stores across major cities in Malaysia... new Senheng Mobile stores to accelerate brand presence and sales

## 2Q23 Planned Store Launches

9 New/  
Upgraded  
stores

- 5 Senheng Mobile**
  - Mahkota Cheras
  - Kota Laksamana, Melaka
  - Tuaran, Sabah
  - Damai, Kota Kinabalu
  - Pines Square, Kuching
- 1 Grand Senheng Elite**
  - Setia Alam (*convert*)
- 2 Grand Senheng**
  - Alor Setar (*convert*)
  - Lotus Tanjung Tokong (*convert*)
- 1 Grand senQ**
  - Datum Jelatek

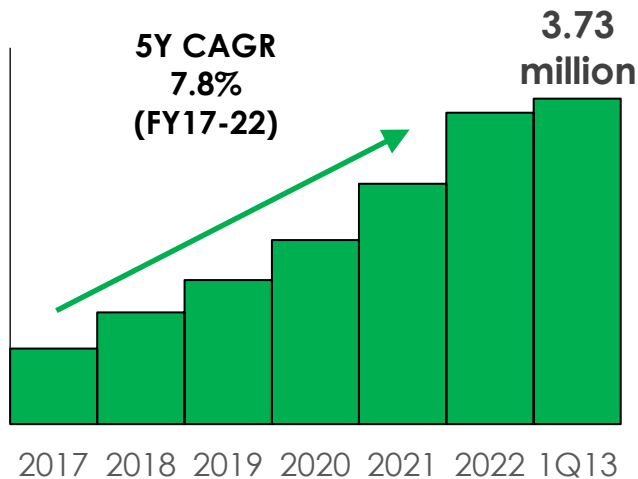


**PlusOne Loyalty members continue to grow... Senheng platform to provide members with added value and convenience in subsequent rollouts**

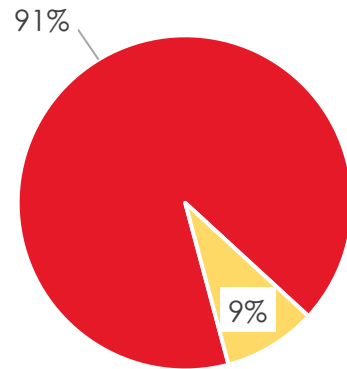
**• PlusOne Loyalty Membership**

- Recruited 66k new members in 1Q23 (FYE 2022: 388k)
- PlusOne paid members contributed approx. 91% of Group revenue in 1Q23 (FYE 2022: 91%)

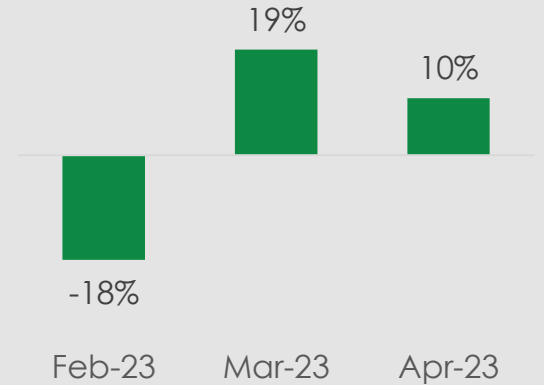
**Number of Registered PlusOne Members**



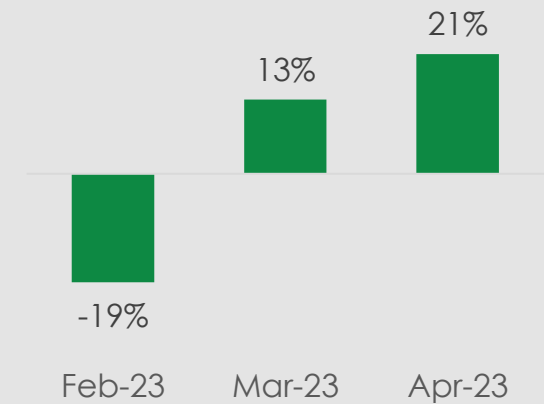
**1Q23 revenue contributed by PlusOne paid members**



**Paid PlusOne New Member Registrations (MoM change)**



**Paid PlusOne Membership Renewals (MoM change)**



# New brand distribution business seeing strong potential... leveraging on Group's deep understanding of customer preferences

- **Brand Distribution**

- Plan to introduce more international brands featuring smart home & IOT products

1Q23 Revenue  
**RM7.7 million**  
(-5.5% yoy)

**Delighto™**



**ROBAM**



**JIMMY**



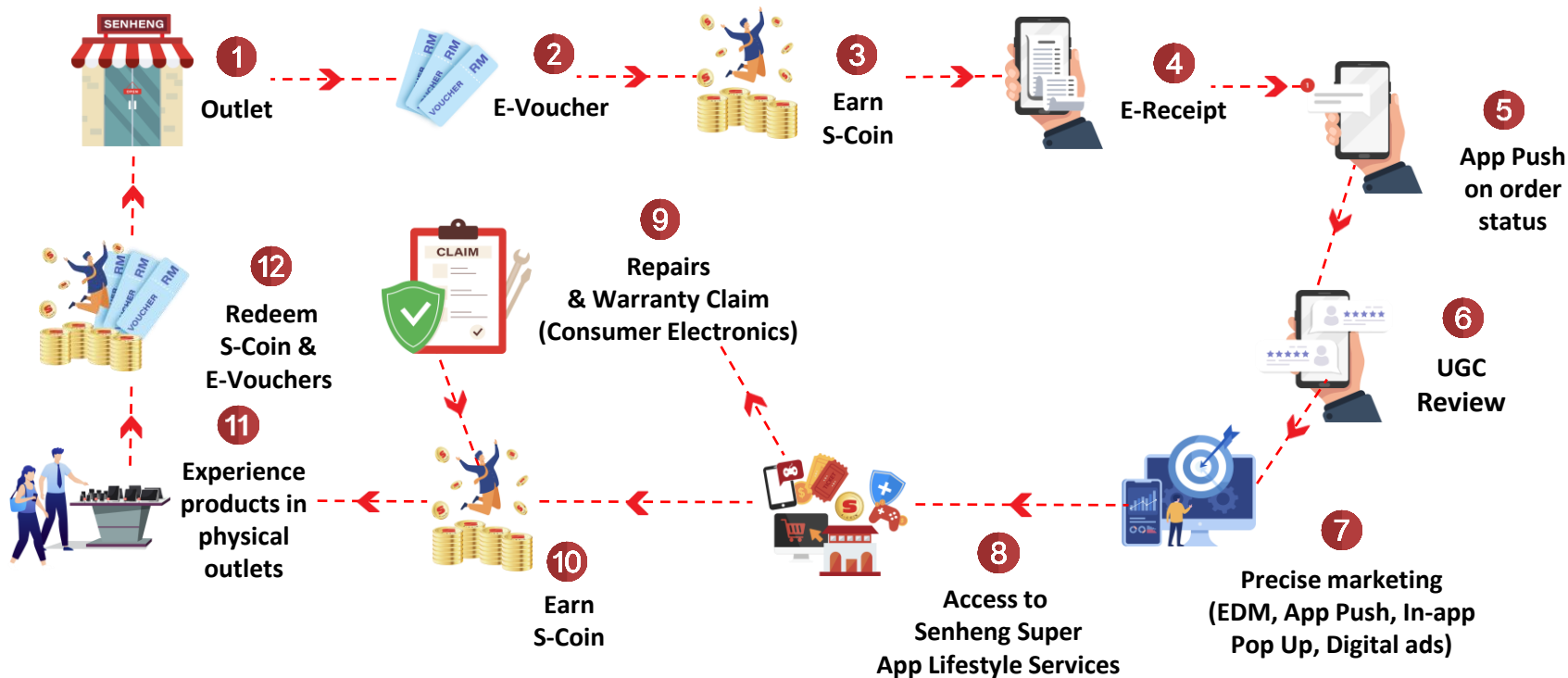
**TESVOR**



**Senheng App is a rewarding app for PlusOne members catering to everyday needs with attractive cashback rewards...**

## BUILDING THE SENHENG ECOSYSTEM EXPERIENCE

Our goal: To enhance the Senheng brand experience, by creating an ecosystem with different verticals that makes being part of the Senheng brand worthwhile. With the app, Senheng customers get a holistic online and offline experience.



- **Total NEW Senheng App downloads of 1.4 million as of May 2023**
- **300k Monthly Active Users (MAU)**
- **Featuring 18 services and product categories pillars**
- **Launched S-Rewards Centre (powered by Alibaba Cloud's B2B2C technology) in 3Q22**
- **To launch S-Coin Redemption Centre in 2Q23**

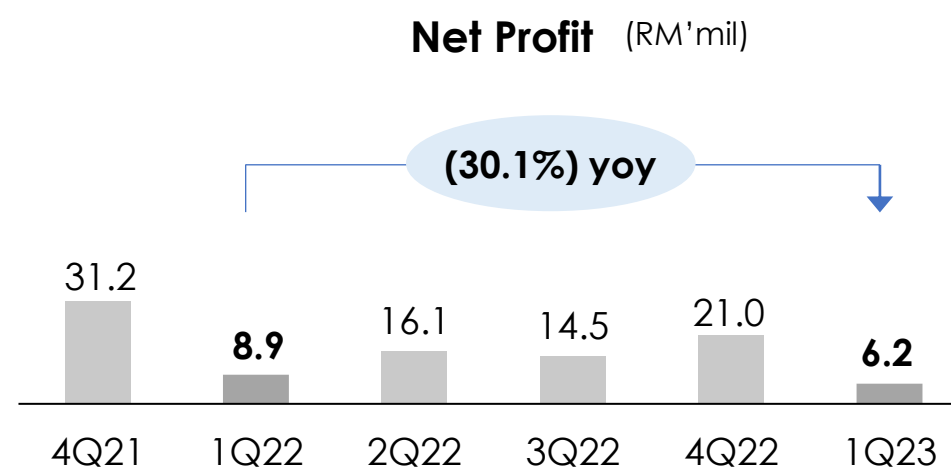
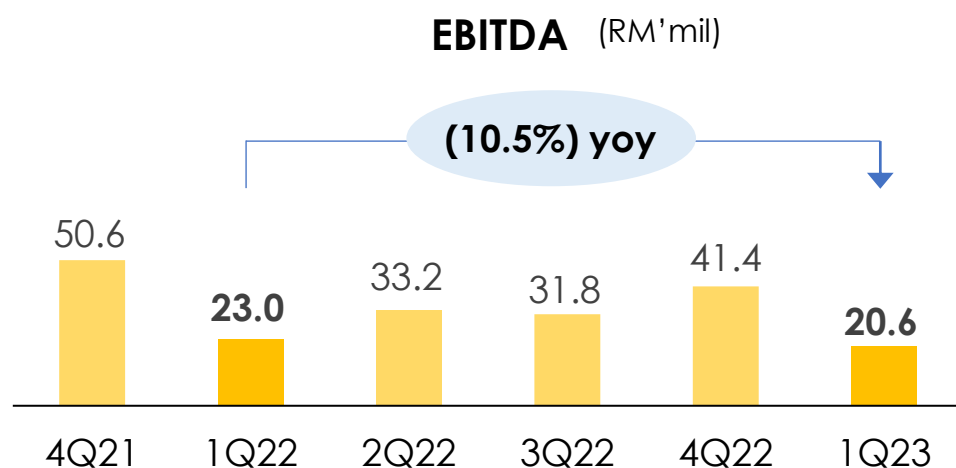
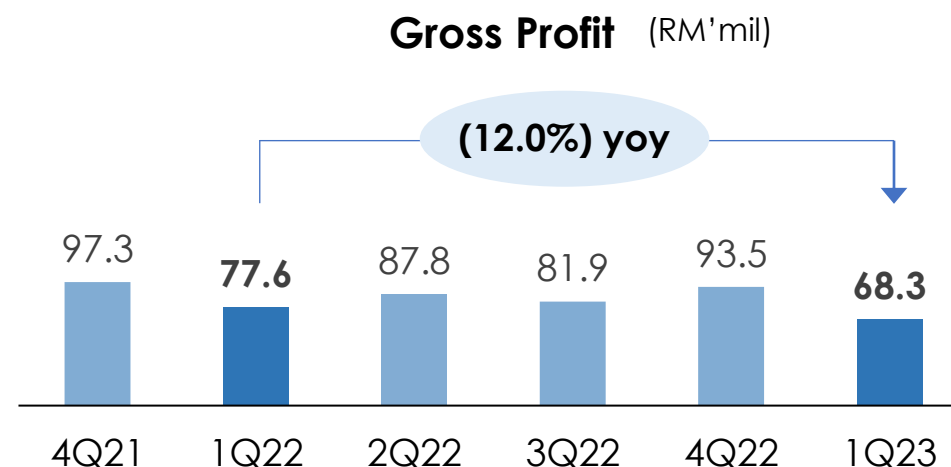
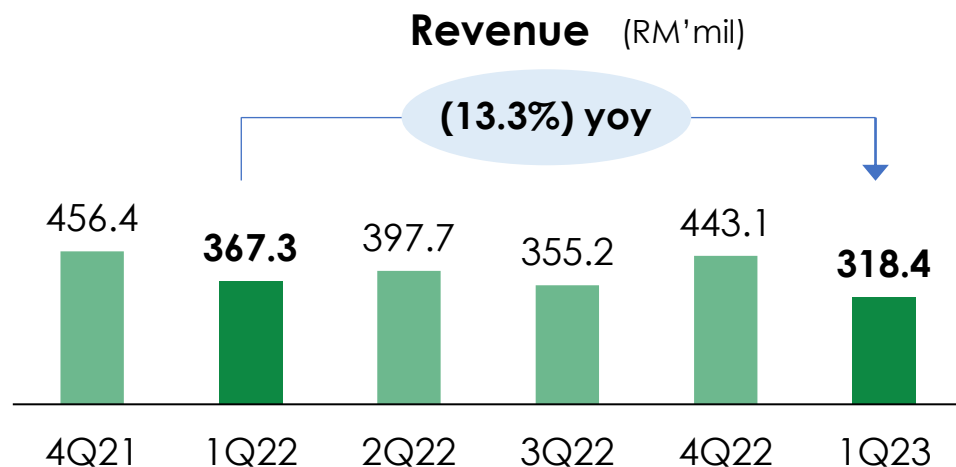
**SENHENG**

FINANCIALS

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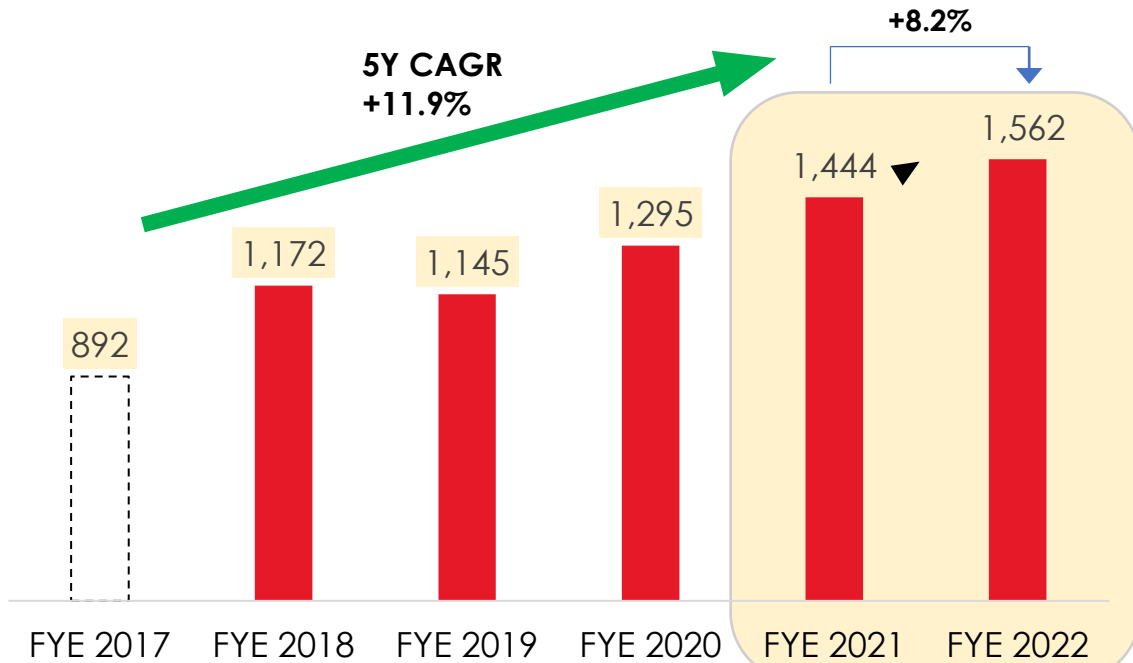


**1Q23 performance moderated by weaker consumer sentiment... also registered higher operating expenses due to expansions, and lower other operating income**



**Seeing higher revenue contribution from new and enlarged stores such as Grand Senheng... online channels play important role in enhancing customers' overall shopping experience**

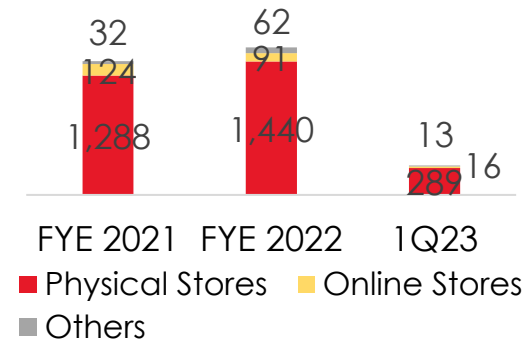
**Revenue Trend**  
(RM'mil)



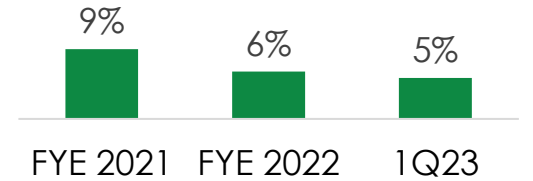
Bumped up by increased purchases due to SST tax holiday

Higher revenue on strategic store expansion, use of technology & data analytics, and targeted digital marketing

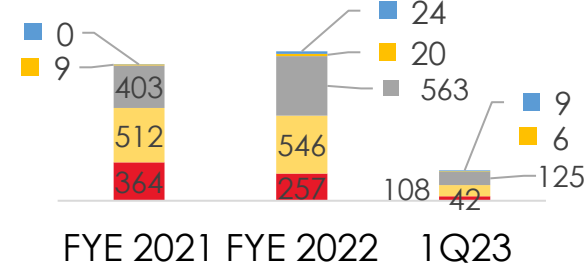
**Revenue by Retail Channel**  
(RM'mil)



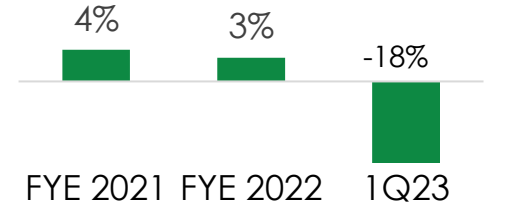
**Online Stores Contribution to Group Revenue**



**Revenue by Physical Store**  
(RM'mil)

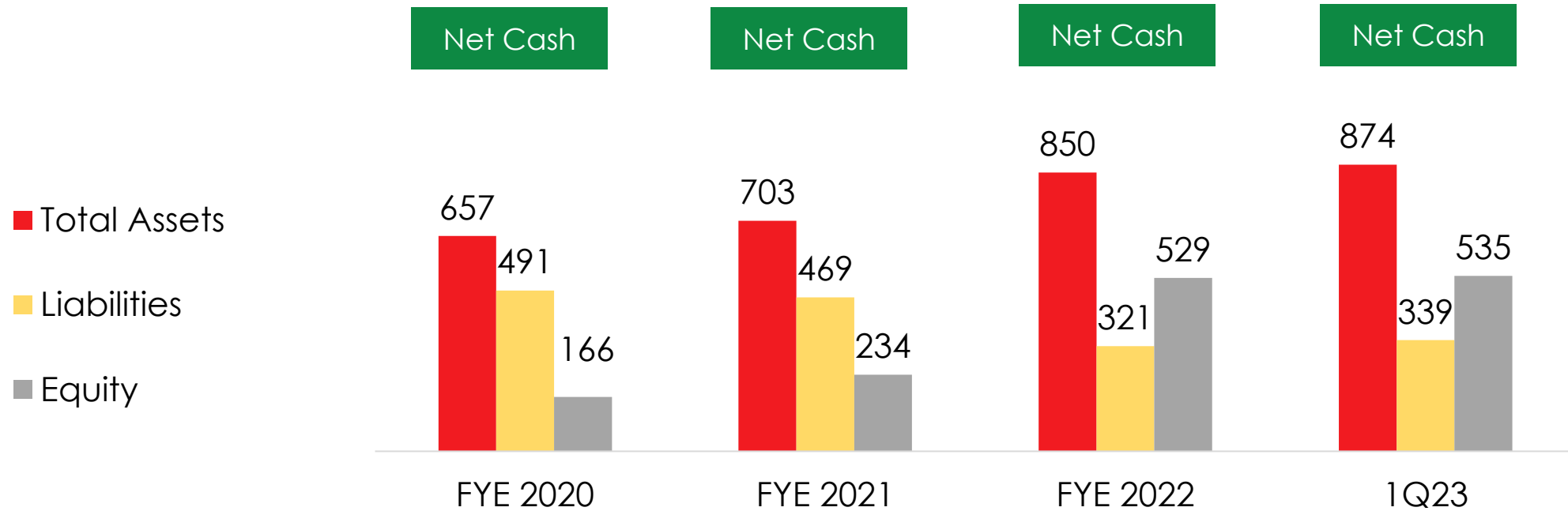


**Same Store Sales Growth**



Healthy financial and net cash position...

### Balance Sheet Highlights (RM'mil)

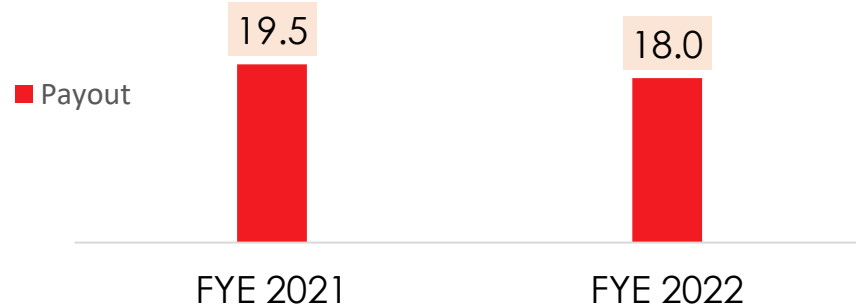




# Declared total dividends of 1.2 sen in respect of FY2022... in line with target dividend payout ratio of at least 30% to reward shareholders

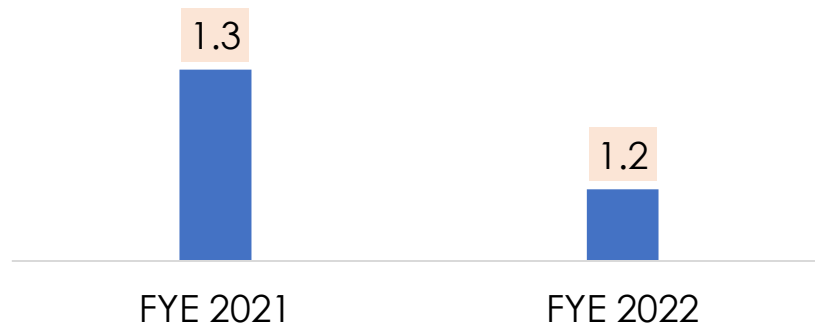
## Dividend Payout

RM'mil



## Dividend Per Share

sen



**Target Dividend Payout of at least 30% of Net Profit**

### In respect of FY2021

- Interim single-tier dividend of 1.3 sen/share (Paid on 29 April 2022)

### In respect of FY2022

- Interim single-tier dividend of 0.5 sen/share (Paid on 14 October 2022)
- Interim single-tier dividend of 0.7 sen/share (Ex-date: 29 May 2023, Payable on 16 June 2023)

## IPO Proceeds to be used to upgrade technology infrastructure, existing stores & operations...

Purposes	Planned (RM 'mil)	Actual (RM 'mil)	Re-allocation (RM 'mil)	Balance (RM 'mil)	Estimated time frame
Enhance customer experience via upgrading and expanding our chain of retail stores	160.5	(38.0)	-	122.5	Within 36 months of listing
Repayment of bank borrowings	46.0	(46.0)	-	-	Within 6 months of listing
Develop new brand distribution business	22.0	(22.0)	-	-	Within 36 months of listing
Expand and upgrade our warehouse and logistics network	20.0	(20.1)	0.1	-	Within 36 months of listing
Boost our digital infrastructure <ul style="list-style-type: none"> <li>• Establish a data lake and upgrading existing technology platform</li> <li>• Cloud-based disaster recovery system</li> <li>• Maintenance of our digital infrastructure</li> </ul>	9.7	(3.2)	-	6.5	Within 36 months of listing
Listing Expenses	9.3	(9.2)	(0.1)	-	Within 3 months of listing
<b>Total</b>	<b>267.5</b>	<b>(138.5)</b>	<b>-</b>	<b>129.0</b>	

# SENHENG

THANK YOU

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## INVESTOR RELATIONS CONTACT

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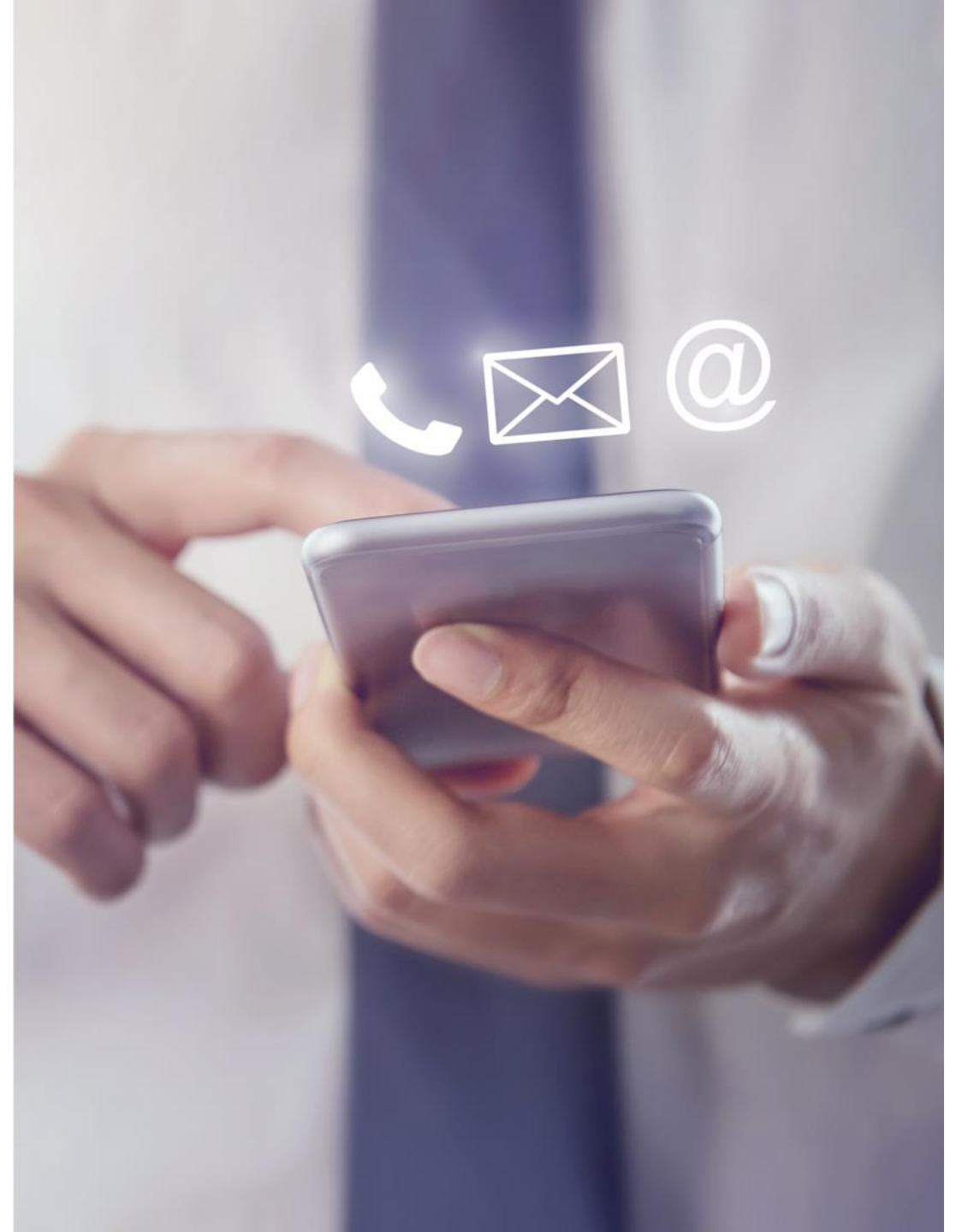
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MOBILE PHONE

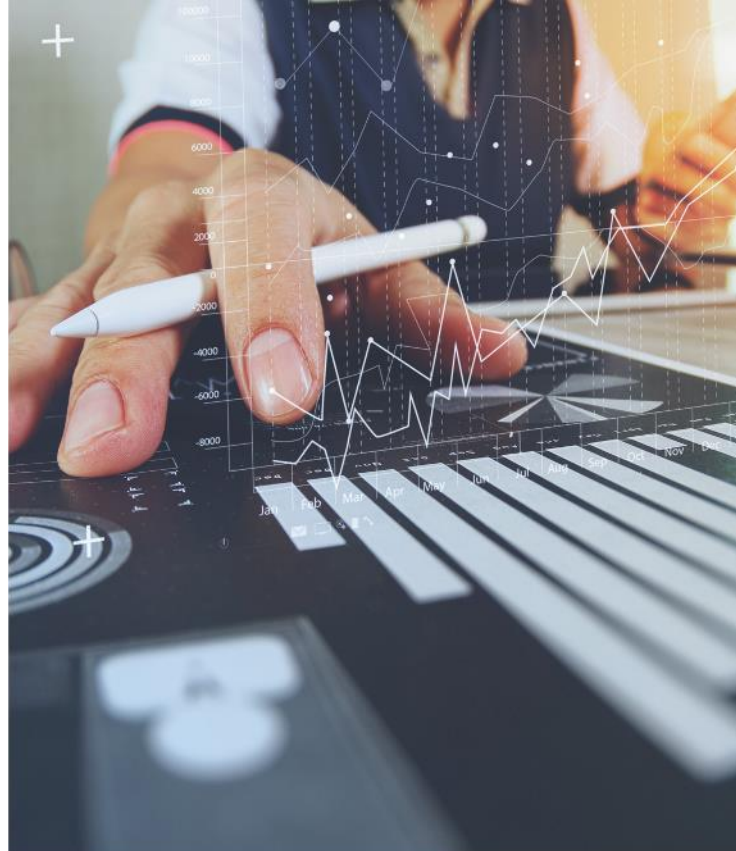
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**SENHENG**

INVESTMENT MERITS

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**Market yet to appreciate Senheng's leading position in consumer E&E retailing and resilient growth proposition... tech-enabling tools remain its trump card**

**Visionary Leadership by Retail Maverick**

**Supplier Magnet**, forming long-term partnership with renowned brands

**Market leader in consumer E&E products in Malaysia**

Adopter of **Innovative Marketing strategies**

**Tech-driven operations**, aided by BI and Data Analytics

**ESG-focused and brand affinity builder**

**Loyal customer base of >3.0 million** a competitive edge against peers

**Enticing valuation** compared to industry peers

Share Price (@ 30 May 2023)	RM0.370
Market Cap ('mil) (@ 30 May 2023)	RM555.0
PE (ttm)	9.6
Price to Book* (x)	1.0

Valuations based on 1.5 billion shares

**Price Movement since IPO**

