

Senheng accelerates online expansion in 2024

- *Sees gradual uptick in customer footfall in early-2024*
- *Enhances online shopping experiences to capture more consumer demand*

Kuala Lumpur, Malaysia, 29 February 2024 - Senheng New Retail Berhad (Senheng or the Group; Bloomberg: SENHENG MK; 新兴集团) is accelerating its online expansion efforts and refining its omnichannel strategy in 2024 to seize market share, leveraging a gradual rebound in consumer confidence following a challenging 2023.

In 2024, the Group is strengthening its online presence by upgrading its e-commerce platforms, deepening marketing collaborations with major brands and suppliers, and ramping up social media campaigns. By aligning with latest consumer behaviour in the digital landscape, Senheng aims to reinforce its position in the digital retail domain.

These measures will enhance the Group's omnichannel retail model, seamlessly integrating online and offline touchpoints to deliver exceptional shopping experiences. With offerings such as 24-hour delivery, convenient in-store pickup, and cohesive digital-to-physical experiences, the Group is committed to delivering industry-leading satisfaction.

“We witnessed a gradual increase in customer footfall to our retail stores since early-2024, indicating a positive shift as consumers adapt to the economic landscape. The improving economy and low unemployment rates further bolster consumer confidence.

In response, we are refining our strategies to maintain our position as the preferred choice for consumers. Our enhanced e-commerce and Online-Merge-Offline strategies will strengthen our competitive edge, offering premium shopping experiences that resonate with consumers.

A key initiative that sets us apart in 2024 is our “Buy Online, We Serve You Like Offline” approach. We are committed to delivering the best experience, where online convenience is complemented by personalised and top-tier customer service. Leveraging the expertise of our trained sales personnel from our nationwide stores, we are setting new benchmarks.”

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

Senheng's revenue declined 19.1% in the fourth quarter ended 31 December 2023 (4Q23) to RM358.6 million from RM443.1 million in the previous corresponding quarter, due to weaker consumer sentiment post-pandemic rebound and government incentives for households in 2022. Consequently, net profit reduced to RM7.6 million in 4Q23 from RM21.0 million previously.

However, comparing to the preceding third quarter ended 30 September 2023 (3Q23), revenue increased 14.6% from RM312.8 million previously, while net profit rose 46.5% from RM5.2 million earlier. The better performance was supported by year-end festive seasons and online campaigns.

For the financial year ended 31 December 2023 (FY2023), the Group recorded RM1.3 billion revenue compared to RM1.6 billion in the previous year. Group FY2023 net profit stood at RM25.5 million versus RM60.5 million previously, as it navigated the impact of weak consumer sentiment.



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Lim concluded: “We are aiming for higher online revenue contribution, targeting over 10% in FY2024 from 6.5% in FY2023. With our ongoing initiatives, we are confident in solidifying our leadership in digital retail.

“Our online expansion maximizes the potential of our extensive infrastructure and the country’s largest consumer electronics retail store network. Coupled with fast delivery capabilities and seamless online platforms, these strengths give us a distinct competitive edge.”

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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