

PRESS RELEASE

Senheng's enhanced omnichannel strategy poised to capture incoming consumer electronics wave

- *Comprehensive digital transformation drives growth in online revenue and brand distribution business*
- *Optimized omnichannel network positions Senheng to capitalize on market trends and accelerate sustainable growth*

Kuala Lumpur, Malaysia, 26 June 2025 - Senheng New Retail Berhad (Senheng or the Group; Bloomberg: SENHENG MK; 新兴集团) is strategically positioned to capitalize on an anticipated surge in consumer electronics purchases from 2025 onwards, driven by a comprehensive digital transformation and omnichannel optimization to propel its next phase of growth.

The Group's digital and omnichannel enhancement initiatives aim to expand market reach and increase market share amid a projected acceleration in consumer demand. This strategy aligns with industry trends, as NielsenIQ (NIQ) GfK's Consumer Tech Industry Trends 2025 report indicated that replacement cycles for key tech and durables products, notably including gaming PCs, laptops, and smartphones, have commenced in global markets. The report forecasts substantial growth for Emerging Asia, including Malaysia, mirroring global consumer patterns.

The implementation of strategic initiatives has yielded significant results, with online revenue increasing 54% and brand distribution revenue growing 50% from 2023 to 2024, a momentum sustained into 1Q25. Aggressive digital marketing initiatives, including robust engagement across its e-commerce platforms, Senheng app, and diverse social media channels such as Instagram and TikTok, have successfully diversified revenue streams and expanded its PlusOne membership base.

“As Malaysia’s premier omnichannel retailer for consumer electronics, Senheng is redefining the customer journey and strengthening market leadership through our ‘Flywheel 1.0’ blueprint.

We are refining our operations to deliver superior experiences at every touchpoint, from elevating our physical store network for immersive interactions to harnessing digital platforms and AI for frictionless online engagement.

Our comprehensive reach, anchored by over 4 million PlusOne members, ensures we effectively connect with diverse consumers and are ready to capture the incoming consumer electronics replacement cycle, driving our next phase of growth”

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

The Group's brand distribution business also reported positive performance, driven by an expanded product portfolio. This expansion includes popular international options, such as household and personal care electronics, providing consumers with innovative products and broader choices. Additionally, the Group has introduced more sustainable solutions, like

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home solar solutions launched in partnership with leading brands, enabling households to reduce their carbon footprint and lower energy costs.

The impending growth phase, driven by an incoming replacement cycle, follows a period of cautious consumer activity in 2024. The cautiousness stems from a market normalization after a significant surge in consumer electronics purchases from 2020 to 2021, driven by the COVID-19 pandemic. A new demand cycle is now commencing, aligning with the typical four-to-five-year replacement window.

Despite the cautious market sentiment, Senheng maintained robust revenue of RM1.2 billion in 2024. Underpinning its strategic adaptation and positioning for the next phase of industry growth, Senheng is undertaking its 'Flywheel 1.0' blueprint.

Comprising six interconnected dimensions and 24 actionable initiatives, the blueprint focusing on efficiency and operational optimization measures. Key measures include leveraging AI solutions for precision marketing and inventory management, implementing new retail systems (NRS) and a Centre of Excellence, and upgrading digital platforms.

Senheng's omnichannel network optimization involves continued optimisation of operational performance of outlets, with a strong focus on driving improvements, implementing strategies and promotions to boost store productivity, and enhancing overall efficiency.

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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 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 4 million PlusOne loyalty members to-date.

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