

Senheng's omnichannel strategy delivers strong online sales growth, unveils 2025 strategy

- *Drives customer engagement and operational efficiency*
- *Unveils "Flywheel" strategy to drive multi-dimensional growth in 2025*

Kuala Lumpur, Malaysia, 24 February 2025 - Senheng New Retail Berhad (Senheng or the Group; Bloomberg: SENHENG MK; 新兴集团) reported significant growth in its online sales for the financial year ended 31 December 2024 (FY2024) and outlined a comprehensive strategy to navigate the retail landscape and drive sustainable growth in 2025.

A key highlight of FY2024 was the online sales performance, reaching RM128.3 million, up 54% from RM83.5 million in the previous year. This achievement underscores the strength of the Group's omnichannel strategy, which seamlessly integrates online and offline channels to provide customers with a convenient and personalized shopping experience.

Senheng's strategic initiatives enabled the Group to partially offset the impact on revenue and profitability from weaker consumer sentiment, as group revenue moderated to RM1.2 billion in FY2024 from RM1.3 billion last year. Net profit for FY2024 stood at RM12.0 million compared to RM25.1 million previously in line with the topline performance, and impacted by one-off tax expenses and write-off of fixed assets. Adjusted for the one-off items, the Group's net profit for FY2024 would have been RM16.3 million.

For the fourth quarter ended 31 December 2024 (4Q24), Senheng registered revenue of RM308.5 million versus RM358.6 million in the previous quarter due to weaker consumer sentiment. The softer sales, coupled with one-off tax expenses and write-off of fixed assets, resulted in net loss of RM1.5 million compared to a net profit of RM7.6 million previously. Excluding the one-off items, the Group would have recorded a net profit of RM2.8 million for 4Q24.

"While the retail sector continues to face challenges, we are innovating our retail model and investing in growth areas. In 2025, we aim to deepen customer loyalty by enhancing our personalized rewards and broadening our product offerings.

Beyond electronics, we see potential in providing a wide range of solutions that deliver long-term value to consumers, such as solar energy and EV charging solutions, in addition to expanding the range of household products under our brand distribution segment.

Our efforts include enriching our online platforms, as well as digital marketing campaigns and boosting content across media platforms to engage with consumers. These initiatives have translated into improved online contribution, and work synergistically with premium in-store experiences nationwide.

We are already seeing positive indicators, with improving customer footfall and sales since early 2025, underscoring the effectiveness of our strategies and reinforcing our positive outlook."

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



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Looking ahead to 2025, Senheng outlined its strategic direction, themed Flywheel 1.0, focusing on six key dimensions: profitability, revenue growth, customer loyalty, operational efficiency, customer experience, and competitive advantage.

At the heart of this strategy is a commitment to deepening customer relationships. Senheng is strengthening its PlusOne loyalty program with new Customer Relationship Management (CRM) projects to personalize rewards and create a truly rewarding customer journey. The Group is also enhancing its S-Coin cashback rewards program, offering a wider range of redemption options and personalized incentives to provide even greater value and flexibility.

Senheng is refining its brand positioning with the new tagline “My Rewards, My Choice”, offering greater flexibility and value to customers through cashback, warranties, a seamless shopping experience, and multiple payment options. The Group is also introducing affordable schemes, such as Senang Milik, to make ownership more accessible to customers, aiming to strengthen customer retention and encourage repeat purchases.

To create a seamless and elevated customer experience, Senheng is investing in both its digital and physical presence. The digital ecosystem is being enriched with enhanced online platforms, e-commerce operations, and social media engagement, designed to deliver personalized consumer experiences. This is complemented by ongoing efforts to optimize its physical store network, focusing on enhancing in-store experiences and strategically expanding in high-demand locations, in addition to right-sizing and relocations where necessary.

Driving operational efficiency is also a key focus for 2025. Senheng is implementing its New Retail System (NRS) and Outlet Operation Platform (OPP), adopting AI capabilities, and building upon its Data Platform & Data Science initiatives.

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.

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

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