

# IPO FACTSHEET

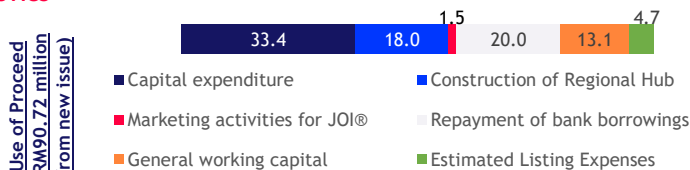


## SNS NETWORK TECHNOLOGY BERHAD (0259)

ACE MARKET | 2 SEPTEMBER 2022 | TECHNOLOGY

### IPO STATISTICS

IPO Price (RM)	0.25
Fund Raised (RM million)	90.72 from new issue 12.10 from offer for sale <b>TOTAL: 102.82</b>
Enlarged issued share capital upon listing (million shares)	1,612.78
IPO Market Capitalisation (RM million)	403.19
Price Earnings Ratio (PER)	11.21x



### BUSINESS OVERVIEW

#### Business Activities

SNS Network Technology (SNS) is principally involved in the sale of information and communications technology (ICT) products that comprise of hardware, devices and related peripherals as well as the provision of ICT services and solutions. This segment contributes to 98% or more of its annual revenue. On top of that, it provides device repair and related services as well as the sale of broadband services, which makes up 2% or less of its total income.

Under the ICT services and solutions, it provides the JOI® smart classroom framework, Device-as-a-service (DaaS) subscription-based service, managed ICT services and other complementary ICT services and solutions. It has entered into **82 DaaS subscriptions amounting to RM255.86 million**.

It carries a total of **33,633 stock-keeping units (SKUs) of third-party ICT products** and **363 SKUs of JOI® products**.

As for the provision of device repair and related services segment, it operates Apple service centre and provides services such as software troubleshooting and hardware components replacement. For the broadband services, it sells third party broadband services and sale of managed internet services.

It derives 86.2% of its total revenue from the local market in FYE2022, 11.7% from Hong Kong and 1.4% from Singapore.

#### Distribution Channels

- Brand Specialty Stores:** it operates 56 brand-specialty stores such as iTworld which sells Apple products, Acer, AMD, Asus, Dell, HP, Huawei, Lenovo, Mi, MSI, OMEN and Intel.
- Multi-brand concept stores:** It operates 7 multi-brand concept stores in the Klang Valley under the brand name "GLOO".
- Consignment counters** amounting to 14 at AEON under "GLOO"
- Online stores: iTworld, GLOO and Notebook Plaza
- Third party market places** such as Shopee, Lazada, PICOM Tech Marketplace
- Commercial channels selling directly to to businesses, government

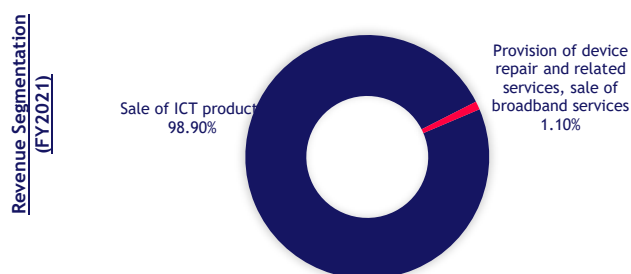
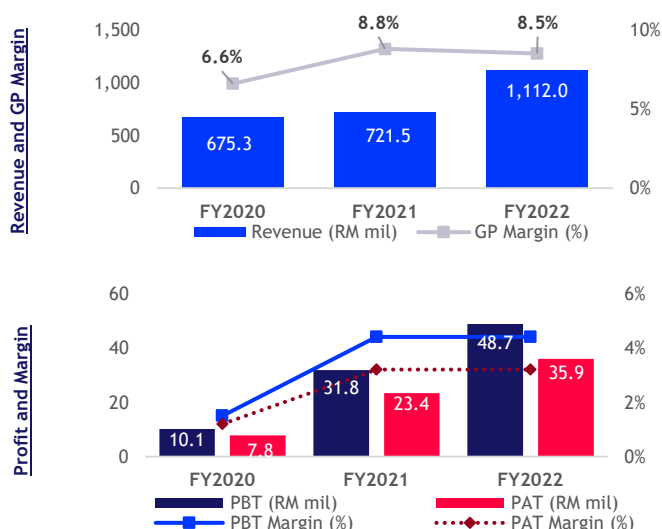
#### Competitive Advantages

- Offers an extensive range of ICT products and services
- Proven track record that spans over 24 years
- Wide market coverage through various distribution channels such as physical stores, online stores and through commercial channels
- Established and developed long-term business relationships with brand principals, appointed distributors, suppliers and OEMs. Its ICT products from brands such as Intel, Microsoft, Samsung, Apple, HP and AMD
- It conceived its house brand JOI® in 2014, which offers good quality ICT products at affordable prices. In 2016, it introduced JOI smart classroom framework and secured 59 projects with educational institutions
- Experience management team

### GROWTH STRATEGIES AND FUTURE PLANS

- Expansion of DaaS,** which comprise of the leasing of hardware, configuration and deployment of software/ hardware solutions as well as IT asset management. It plans to utilise RM30.90 million of its IPO proceeds to support the purchase of ICT products to support this expansion.
- Setting up 10 new retail stores in Malaysia.** Additional 5 brand-specialty stores which are expected to commence operations by September 2022 on top of the 56 existing specialty stores. It plans to utilise RM2.5 million to set up the new retail stores.
- Construct a regional hub** with a built-up area of 261,155 sq ft to showcase new and innovative ICT solutions on IoT such as smart homes, smart retail, smart education, smart signages and smart shelving for an immersive experience for customers.
- Increase marketing activities** to enhance product awareness for its house brand of ICT products, JOI®

### FINANCIAL PERFORMANCE & PEER ANALYSIS



Company	PAT Margin (%)	PER (x)
Mesiniaga Bhd	2.28	14.53
SNS Network Technology Bhd	3.20	11.21

\* Selected peers listed on Bursa Malaysia as identified in the Independent Market Research Report. PAT margin based on prospectus. SNS's PER at IPO.

### PROMOTERS & SUBSTANTIAL SHAREHOLDERS

Promoter/ Substantial Shareholder	Designation	Shareholding after IPO	
		Direct	Indirect
Ko Yun Hong	Promoter and substantial shareholder. Managing Director	32.2	0.5
Pah Wai Onn	Promoter and substantial shareholder. Executive Director	32.2	0.5
Siow Wei Ming	Promoter and substantial shareholder. Executive Director	7.3	-
Eng Su Fern	Promoter	0.5	-
Tham Sau Har	Promoter	0.5	-

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