



AmInvestment Bank

Sector Report

CONSUMER SECTOR

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Consumer relief measures to spur near-term spending

NEUTRAL

(Maintained)

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Rationale for report: Sector Update

Quick Take

- **Several cost-of-living relief measures announced.** On 23 July 2025, Prime Minister Anwar Ibrahim announced several cost-of-living relief measures aimed at easing financial pressures on Malaysian households. Among them, the key announcements that will impact consumer companies are: 1) SARA for All, 2) Expanded Jualan Rahmah MADANI, 3) Highway Toll Hike Freeze, and 4) RON95 Subsidy Rationalisation.
- **Key relief measures supporting consumer spending.** SARA for All will provide a RM100 one-off credit to all Malaysians aged 18 and above, usable at over 4,100 participating retailers. The Jualan Rahmah MADANI programme receives a significant boost, with its budget doubled to RM600mil. Additionally, the government suspends toll hikes for ten highways, saving the public over RM500mil. RON95 petrol price is reduced to RM1.99/litre from RM2.05/litre under targeted subsidy scheme, benefiting 18 mil road users. However, the mechanism for RON95 targeted subsidy scheme remains unclear at current juncture.
- **RM2.8bil direct boost to disposable income.** The first three measures are expected to directly increase disposable income by RM2.8bil by easing financial burdens through lower essential living costs and direct cash handouts. This should support short-term consumption, particularly among lower- and middle-income groups, and benefit value-focused retailer such as 99 Speedmart.
- **Maintain NEUTRAL, Top pick 99, Mr DIY and Spritzer.** We maintain a neutral view on the consumer sector, with our top picks being 99 Speedmart – the prime beneficiary of the relief measures, Mr DIY and Spritzer. 99 Speedmart stands out due to its cost advantage from scale and strong bargaining power over suppliers. Mr DIY still has ample room for growth and the launch of complementary brands such as KKV, The Colorist and X11, which are expected to expand its total addressable market. Spritzer is expected to benefit from tourist-driven demand for bottled mineral water.

EXHIBIT 1: VALUATION MATRIX

Company	Share price	EPS (sen)		PE (x)		Target Price	Div yield	Rec
	(RM)	FY25F	FY26F	FY25F	FY26F	(RM)	FY25F	
Mr DIY	1.64	7.5	8.8	21.9	18.6	1.90	3.3	Buy
99 Speed Mart	2.34	7.1	7.7	33.0	30.4	2.60	1.5	Buy
Spritzer	1.60	11.6	11.8	13.8	13.6	1.90	2.8	Buy
Padini	2.10	14.5	14.9	14.5	14.1	2.30	3.8	Hold
Power Root	1.31	7.5	6.9	17.5	19.0	1.15	5.0	Hold
Oriental Kopi	0.85	3.1	4.1	27.4	20.7	0.70	1.1	Hold
Nestle	76.90	205.3	213.4	37.5	36.0	73.00	2.6	Underweight

Source: AmlInvestment Bank

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