

7-Eleven Malaysia Holdings Berhad
[Registration No: 201301028701 (1058531-W)]

Date : 27 FEBRUARY 2025

Subject: UNAUDITED INTERIM FINANCIAL REPORT FOR THE FOURTH QUARTER
ENDED 31 DECEMBER 2024

<u>Table of contents</u>	Page
Condensed Consolidated Statements of Comprehensive Income	1 - 2
Condensed Consolidated Statements of Financial Position	3
Condensed Consolidated Statements of Changes in Equity	4
Condensed Consolidated Statements of Cash Flows	5
Notes to the Interim Financial Report	6 - 10
Additional Information Required by the Listing Requirements of Bursa Malaysia Securities Berhad ('Bursa Securities LR')	11 - 15

**UNAUDITED INTERIM FINANCIAL REPORT FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2024
CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME**

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	3 months ended		12 months ended	
	31.12.2024	31.12.2023	31.12.2024	31.12.2023
	RM'000	RM'000	RM'000	RM'000
Continuing operations				
Revenue	745,493	694,277	2,925,548	2,783,552
Cost of sales	(519,385)	(481,140)	(2,022,809)	(1,917,513)
Gross profit	226,108	213,137	902,739	866,039
Other operating income	55,805	49,547	192,630	161,481
Selling and distribution expenses	(207,580)	(192,221)	(801,995)	(736,984)
Administrative and other operating expenses	(47,629)	(98,569)	(151,003)	(196,755)
Profit/(Loss) from operations	26,704	(28,106)	142,371	93,781
Finance costs	(16,371)	(17,088)	(66,040)	(65,837)
Share of results of joint ventures	(442)	(3,211)	(2,530)	(6,373)
Profit/(Loss) before tax from continuing operations	9,891	(48,405)	73,801	21,571
Income tax expense	(13,410)	(5,762)	(35,269)	(36,031)
(Loss)/Profit after tax from continuing operations	(3,519)	(54,167)	38,532	(14,460)
Discontinued operations				
Profit after tax for the year from discontinued operations	-	262,633	-	284,578
(Loss)/Profit for the year	(3,519)	208,466	38,532	270,118
Other comprehensive income not to be reclassified to profit or loss in subsequent year:				
Net Changes in fair value reserve of investments classified as fair value through other comprehensive income ("FVTOCI")				
- continuing operations	(28,447)	21,186	(28,447)	21,186
- discontinued operations	-	-	-	-
Revaluation of land and buildings				
- continuing operations	1,176	3,753	1,176	3,753
- discontinued operations	-	2,022	-	2,022
Deferred taxation				
- continuing operations	(216)	(467)	(216)	(467)
- discontinued operations	-	(175)	-	(175)
Total other comprehensive (loss)/income (net of taxation):	(27,487)	26,319	(27,487)	26,319
Total comprehensive (loss)/income for the financial year	(31,006)	234,785	11,045	296,437
(Loss)/Profit after tax attributable to:				
Equity holders of the Company				
- continuing operations	(2,655)	(53,321)	41,611	(12,510)
- discontinued operations	-	259,662	-	274,276
	(2,655)	206,341	41,611	261,766
Non-controlling interest				
- continuing operations	(864)	(846)	(3,079)	(1,950)
- discontinued operations	-	2,971	-	10,302
	(864)	2,125	(3,079)	8,352
	(3,519)	208,466	38,532	270,118
Total comprehensive (loss)/income for the financial year				
Equity holders of the Company				
- continuing operations	(30,142)	(28,849)	14,124	11,962
- discontinued operations	-	261,509	-	276,123
	(30,142)	232,660	14,124	288,085

**UNAUDITED INTERIM FINANCIAL REPORT FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2024
CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME**

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	3 months ended		12 months ended	
	31.12.2024	31.12.2023	31.12.2024	31.12.2023
	RM'000	RM'000	RM'000	RM'000
Non-controlling interest				
- continuing operations	(864)	(846)	(3,079)	(1,950)
- discontinued operations	-	2,971	-	10,302
	<u>(864)</u>	<u>2,125</u>	<u>(3,079)</u>	<u>8,352</u>
	<u>(31,006)</u>	<u>234,785</u>	<u>11,045</u>	<u>296,437</u>
Basic/diluted earnings per ordinary share (sen)				
(Note B11)				
- continuing operations	(0.24)	(4.81)	3.75	(1.13)
- discontinued operations	-	23.41	-	24.72
	<u>(0.24)</u>	<u>18.60</u>	<u>3.75</u>	<u>23.59</u>

UNAUDITED INTERIM FINANCIAL REPORT FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2024
CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

	The Group	
	Unaudited As at 31.12.2024 RM'000	Audited As at 31.12.2023 RM'000
Assets		
Non-current assets		
Property, plant and equipment	565,648	438,180
Right of use assets	699,985	625,433
Intangible assets	6,719	11,194
Investment in joint ventures	-	-
Investment in an associate	3,287	-
Other investments	157,526	94,664
Sundry receivables	28,296	42,057
Deferred tax assets	16,152	14,616
	<u>1,477,613</u>	<u>1,226,144</u>
Current assets		
Inventories	423,030	356,157
Sundry receivables	202,928	124,923
Tax recoverable	15,862	15,065
Other investment	43,330	9,512
Cash and bank balances	220,469	799,474
	<u>905,619</u>	<u>1,305,131</u>
Total assets	<u>2,383,232</u>	<u>2,531,275</u>
Equity and liabilities		
Equity attributable to equity holders of the Company		
Share capital	1,410,881	1,410,881
Treasury shares	(99,108)	(99,108)
Capital reorganisation deficit	(1,343,248)	(1,343,248)
Reserves	77,388	104,875
Retained profits	298,552	286,886
	<u>344,465</u>	<u>360,286</u>
Non-controlling interest	(2,065)	(2,990)
Total equity	<u>342,400</u>	<u>357,296</u>
Non-current liabilities		
Provisions	15,197	14,832
Borrowings	349,687	449,688
Lease liabilities	640,347	568,539
Contract liabilities	9,793	11,336
Deferred tax liabilities	6,563	4,811
	<u>1,021,587</u>	<u>1,049,206</u>
Current liabilities		
Provisions	1,445	1,418
Borrowings	215,895	287,710
Trade payables	460,038	498,418
Other payables	228,257	229,874
Lease liabilities	104,084	95,730
Contract liabilities	8,593	10,433
Tax payable	933	1,190
	<u>1,019,245</u>	<u>1,124,773</u>
Total liabilities	<u>2,040,832</u>	<u>2,173,979</u>
Total equity and liabilities	<u>2,383,232</u>	<u>2,531,275</u>
Net assets per share attributable to ordinary equity holders of the Company, based on number of outstanding shares in issue with voting rights (sen)	<u>31.06</u>	<u>32.47</u>

UNAUDITED INTERIM FINANCIAL REPORT FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2024
CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

Attributable to Equity Holders of the Company

	Share capital RM'000	Treasury shares RM'000	Capital reorganisation deficit RM'000	Asset revaluation reserve RM'000	FVTOCI reserves RM'000	Retained profits RM'000	Total RM'000	Non-controlling interest RM'000	Total equity RM'000
At 1 January 2024	1,410,881	(99,108)	(1,343,248)	46,351	58,524	286,886	360,286	(2,990)	357,296
Equity contributions from non-controlling interests	-	-	-	-	-	-	-	4,004	4,004
Total comprehensive loss for the year	-	-	-	960	(28,447)	41,611	14,124	(3,079)	-
Transaction with owners:									
Dividends on ordinary shares, representing total transaction with owners	-	-	-	-	-	(29,945)	(29,945)	-	(29,945)
At 31 December 2024	1,410,881	(99,108)	(1,343,248)	47,311	30,077	298,552	344,465	(2,065)	342,400
At 1 January 2023	1,485,138	(194,302)	(1,343,248)	45,599	37,338	103,636	134,161	96,080	230,241
Total comprehensive income for the year	-	-	-	5,133	21,186	261,766	288,085	8,352	296,437
Transaction with owners:									
Acquisition of subsidiaries	-	-	-	-	-	-	-	402	402
Acquisition of joint venture from non-controlling interests	-	-	-	-	-	-	-	(2,610)	(2,610)
Acquisition of treasury shares	-	(1,960)	-	-	-	-	(1,960)	-	(1,960)
Cancellation of treasury shares	(74,257)	97,154	-	-	-	(22,897)	-	-	-
Changes in subsidiary's ownership interests that do not result in a loss of control	-	-	-	-	-	(57)	(57)	143	86
Disposal of subsidiary	-	-	-	(4,381)	-	4,381	-	(83,664)	(83,664)
Dividends on ordinary shares, representing total transaction with owners	-	-	-	-	-	(59,943)	(59,943)	-	(59,943)
Dividends paid to non-controlling interests	-	-	-	-	-	-	-	(21,693)	(21,693)
At 31 December 2023	1,410,881	(99,108)	(1,343,248)	46,351	58,524	286,886	360,286	(2,990)	357,296

UNAUDITED INTERIM FINANCIAL REPORT FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2024
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS

	CUMULATIVE QUARTER	
	12 months ended	
	31.12.2024	31.12.2023
	RM'000	RM'000
Cash flows from operating activities		
Cash receipts from customers and other receivables	3,092,360	4,358,273
Cash paid to suppliers and employees	(2,912,631)	(3,984,389)
Cash generated from operations	179,729	373,884
Interest paid	(28,767)	(34,542)
Tax paid	(36,277)	(83,720)
Tax refund	-	1,387
Net cash generated from operating activities	<u>114,685</u>	<u>257,009</u>
Cash flows from investing activities		
Acquisition of an associate/subsidiaries	(3,287)	(2,678)
Purchase of other investment	-	(4,717)
Acquisition of intangible assets	-	(8,817)
Investment in joint ventures	(5,131)	(6,147)
Changes in subsidiary's ownership interests that do not result in a loss of control	-	86
Equity contributions from non-controlling interests	4,004	-
Purchase of property, plant and equipment	(230,543)	(199,968)
Proceeds from disposal of property, plant and equipment	680	356
Proceeds from disposal of subsidiary	-	570,608
Dividend income received	-	450
Interest received	9,890	5,588
(Placement)/Withdrawal with broker under a Discretionary Investment Fund, net	(126,961)	57,908
Withdrawal short term fund	-	10,790
Net cash (used in)/generated from investing activities	<u>(351,348)</u>	<u>423,459</u>
Cash flows from financing activities		
Acquisition of treasury shares	-	(1,960)
Dividends paid on ordinary shares	(29,945)	(59,943)
Dividends paid to non-controlling interests	-	(21,693)
Proceeds from bankers' acceptances	253,395	234,300
Proceeds from revolving credit	-	17,000
Payment of principal & interest portion of lease liabilities	(140,285)	(170,425)
Repayment of bankers' acceptances	(275,400)	(161,900)
Repayment of medium term notes/term loans	(150,000)	(12,232)
Repayment of revolving credit	-	(1,000)
Repayment of hire purchase and finance lease liabilities	(107)	(265)
Net cash used in financing activities	<u>(342,342)</u>	<u>(178,118)</u>
Net (decrease)/increase in cash and cash equivalents	(579,005)	502,350
Cash and cash equivalents at beginning of the financial year	799,474	297,124
Cash and cash equivalents at end of the financial year	<u>220,469</u>	<u>799,474</u>
Cash and cash equivalents at the end of the financial year comprises the following:-		
Cash and bank balances	220,370	799,375
Fixed deposits with licensed banks	99	99
	<u>220,469</u>	<u>799,474</u>
Less: Fixed deposit pledged to licensed bank	-	-
	<u>220,469</u>	<u>799,474</u>

UNAUDITED INTERIM FINANCIAL REPORT FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2024
NOTES TO THE INTERIM FINANCIAL REPORT

A1. CORPORATE INFORMATION

7-Eleven Malaysia Holdings Berhad ("SEM" or "the Company") is a public limited liability company, incorporated and domiciled in Malaysia.

The principal activity of the Company is investment holding.

The principal activities of its subsidiaries are in the operating and franchising of convenience stores under the "7-Eleven" brand name and investment holdings.

The Company and its subsidiaries are collectively referred to as the Group.

A2. BASIS OF PREPARATION

The interim financial report is unaudited and has been prepared in accordance with the requirements of Malaysian Financial Reporting Standard ("MFRS") 134 Interim Financial Reporting issued by the Malaysian Accounting Standards Board and paragraph 9.22 and Appendix 9B of the Listing Requirements of Bursa Malaysia Securities Berhad. It should be read in conjunction with the Group's annual audited financial statements for the year ended 31 December 2023.

The interim financial report is presented in Ringgit Malaysia ("RM") and all values are rounded to the nearest thousand ("RM'000") except when otherwise indicated.

A3. CHANGES IN ACCOUNTING POLICIES

The accounting policies and methods of computation adopted in the preparation of the interim financial report are consistent with those adopted in the audited financial statements for the year ended 31 December 2023 except as follows:

On 1 January 2024, the Group adopted the following amended MFRSs mandatory for annual financial period beginning on or after 1 January 2024:

Description	Effective for annual financial periods beginning on or after
MFRS 7 & MFRS 107: Supplier Finance Arrangements (Amendments to MFRS 107 and MFRS 7)	1 January 2024
MFRS 16: Lease Liability in a Sale and Leaseback (Amendments to MFRS 16)	1 January 2024
MFRS 101: Non-current Liabilities with Covenants (Amendments to MFRS 101)	1 January 2024

Adoption of the above standards and interpretations did not have any significant impact on the financial performance or position of the Group.

UNAUDITED INTERIM FINANCIAL REPORT FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2024
NOTES TO THE INTERIM FINANCIAL REPORT

The standards, amendments to standards and IC Interpretation that are issued but not yet effective up to the date of issuance of the Group's financial statements are disclosed below:

Description	Effective for annual financial periods beginning on or after
MFRS 128: Sales or Contribution of Assets between an Investor and its Associate or Joint Venture (Amendments to MFRS 10 and MFRS 128)	Deferred
MFRS 121: Lack of Exchangeability (Amendments to MFRS 121)	1 January 2025
MFRS 1, MFRS 7, MFRS 9, MFRS 10 & MFRS 107: Annual Improvements to MFRS Accounting Standards - Volume 11	1 January 2026
MFRS 7 & MFRS 9: Amendments to the Classification and Measurement of Financial Instruments (Amendments to MFRS 9 and MFRS 7)	1 January 2026
MFRS 7 & MFRS 9: Contracts Referencing Nature-dependent Electricity (Amendments to MFRS 9 and MFRS 7)	1 January 2026
MFRS 18: Presentation and Disclosure in Financial Statements	1 January 2027
MFRS 19: Subsidiaries without Public Accountability: Disclosures	1 January 2027

The Group has not early adopted any of the new or revised standards and amendments to standards that have been issued but not yet effective for the Group's accounting period beginning on or after 1 January 2024. The Group intend to adopt these standards, if applicable, when they become effective. The initial application of the new or revised MFRSs and Amendments to MFRSs, which will be applied prospectively or which requires extended disclosures, is not expected to have any significant financial impacts to the financial statements of the Group upon their initial adoption.

A4. SEASONALITY OR CYCLICALITY OF OPERATIONS

The business of the Group typically experience higher customer count, transaction value and sales during weekends, public holidays, school holidays and festive periods such as Chinese New Year, Hari Raya, Deepavali and Christmas.

A5. ITEMS OF UNUSUAL NATURE

There were no unusual items affecting assets, liabilities, equity, net income or cash flows during the financial year under review.

A6. CHANGES IN ESTIMATES

There were no changes in estimates of amounts reported in prior financial year that have had a material effect in the current financial year.

A7. CHANGES IN COMPOSITION OF THE GROUP

There were no changes in composition of the Group during the financial year under review.

A8. DEBT AND EQUITY SECURITIES

There were no issuances and repayments of debt and equity securities, share buy-backs, share cancellations and resales of treasury shares for the current financial year ended 31 December 2024 and period up to the date of this announcement.

A9. DIVIDEND PAID

During the financial year ended 31 December 2024, the Company paid a single tier cash dividend of 2.7 sen per ordinary share in 1,109,066,500 ordinary shares with voting rights. The entitlement date was fixed on 13 May 2024 and the cash dividend was paid on 28 May 2024.

UNAUDITED INTERIM FINANCIAL REPORT FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2024
NOTES TO THE INTERIM FINANCIAL REPORT

A10. SEGMENT REPORT

The results of the Continuing Operations are as follows:

	External RM'000	Inter- segment RM'000	Total RM'000
Revenue			
For the twelve months ended 31 December 2024			
Convenience stores	2,925,040	-	2,925,040
Others	508	454	962
Inter-segment elimination	-	(454)	(454)
	<u>2,925,548</u>	<u>-</u>	<u>2,925,548</u>
For the twelve months ended 31 December 2023			
Convenience stores	2,783,107	-	2,783,107
Others	445	525	970
Inter-segment elimination	-	(525)	(525)
	<u>2,783,552</u>	<u>-</u>	<u>2,783,552</u>

	CUMULATIVE QUARTER	
	12 months ended	
	31.12.2024	31.12.2023
	RM'000	RM'000
Results		
Convenience stores	135,466	123,143
Others	(3,321)	(32,181)
	<u>132,145</u>	<u>90,962</u>
Interest income	10,226	2,819
Profit from operations	142,371	93,781
Finance costs	(66,040)	(65,837)
Share of results of joint ventures	(2,530)	(6,373)
Profit before tax	73,801	21,571
Income tax expense	(35,269)	(36,031)
Net profit for the year	38,532	(14,460)

UNAUDITED INTERIM FINANCIAL REPORT FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2024
NOTES TO THE INTERIM FINANCIAL REPORT

A11. PROPERTY, PLANT AND EQUIPMENT

During the 12 months ended 31 December, the Group acquired assets at costs of RM230.5 million (2023 : RM200.0 million). The assets acquired comprise mainly of renovation, furniture, fittings, equipment and computer equipment.

A12. SIGNIFICANT RELATED PARTY TRANSACTIONS

Transacting party	Type of transaction	CUMULATIVE QUARTER	
		31.12.2024 RM'000	31.12.2023 RM'000
With subsidiaries company			
7-Eleven Malaysia Sdn. Bhd. ("7-Eleven Malaysia" or "7EMSB")	Advances from 7EMSB	215,556	74,342
	Interest income on advances to 7EMSB	1,274	2,330
	Interest expense on advances from 7EMSB	(3,353)	-
Convenience Shopping (Sabah) Sdn. Bhd. ("CSSSB")	Repayment from CSSSB	-	30,000
	Interest income on advances to CSSSB	21,785	21,045
With companies in which TSVT is deemed interested*			
U Mobile Sdn. Bhd. ("U Mobile")	Receipts of payment from U Mobile for commission for sale of mobile phone reloads	8,781	9,162
	Payments to U Mobile for reload transaction values for in-store services for sale of mobile phone reloads	(171,050)	(178,086)
	Receipts of payment from U Mobile for advertisement placement fees	11,875	10,584
	Prepaid incentive receivable for sale of mobile phone reloads	1,115	1,063
	Securexpress Services Sdn. Bhd. ("Securexpress")	Payments to Securexpress for fees relating to the delivery of merchandise to stores	(10,226)
Berjaya Food Trading Sdn. Bhd. ("B Food")	Payment to B Food for purchase of beverages	(526)	(952)
Berjaya Times Square Sdn. Bhd. ("Berjaya Times Square")	Payment to Berjaya Times Square for rental of property	(1,743)	(1,139)
Nural Enterprise Sdn. Bhd. ("Nural")	Payments to Nural for rental of property	(597)	(2,076)

UNAUDITED INTERIM FINANCIAL REPORT FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2024
NOTES TO THE INTERIM FINANCIAL REPORT

A12. SIGNIFICANT RELATED PARTY TRANSACTIONS (CONT'D)

Transacting party	Type of transaction	CUMULATIVE QUARTER 12 months ended	
		31.12.2024 RM'000	31.12.2023 RM'000
With companies in which TSVT is deemed interested*			
Sun Media Corporation Sdn. Bhd. ("Sun Media")	Advertising fees on placement of advertisement in The Sun newspaper	(29)	(366)
	Display fees from placement of The Sun newspaper in 7-Eleven's stores	-	314
Razer Fintech Holdings Pte. Ltd. and its subsidiary companies ("Razer")	Receipts of commission from Razer for in-store services	39,606	43,210
	Payments to Razer for transaction values for in-store services	(5,206,257)	(4,972,935)
	Commission paid for e-wallet transactions (Merchant Discount Rate)	(4,579)	(1,913)
	Receipts of transaction values from Razer for e-wallet transactions	909,240	560,683

A13. CONTINGENT LIABILITIES

The Group has bank guarantees amounting to RM15.9 million (31 December 2023: RM12.3 million) as security deposits in favour of various government and statutory bodies, and private companies.

The bank guarantee facility is granted to 7-Eleven Malaysia Sdn. Bhd. on a clean basis.

A14. CAPITAL COMMITMENTS

	The Group	
	Unaudited As at 31.12.2024 RM'000	Audited As at 31.12.2023 RM'000
Property, plant and equipment		
- approved and contracted for	7,296	15,071
- approved but not contracted for	119,436	32,372
	<u>126,732</u>	<u>47,443</u>

A15. SUBSEQUENT EVENT

There were no significant events since the end of this current quarter up to the date of this announcement.

B1. REVIEW OF THE PERFORMANCE OF THE GROUP

Review of Current Quarter Performance versus Corresponding Quarter Last Year

The Convenience Stores had in 4Q-2024, recorded a Revenue of RM745.5m, an increase of RM51.2m or +7.4% as compared to RM694.3m achieved in the same quarter last year. The growth in Revenue was mainly driven by the net addition of 69 new stores as compared to the corresponding quarter last year, along with the boost in sales from year-end holiday season, leading to a higher APSD.

As compared to the same quarter last year, we had successfully rolled out 289 of our 7-CAFé store formats, driving up the total count to 536 7-CAFé stores in 4Q-2024. We had introduced a range of affordably priced Ready-To-Eat ("RTE") packed meals, prepared with high-quality locally sourced ingredients which had contributed positively to the Fresh Food sales participation as compared to a classic store in 4Q-2024.

Operating Expenses decreased by RM35.6m or -12.2%, primarily due to lower staff cost, reduced spending on media advertising and lower professional fees in 4Q-2024.

Excluding the corporate exercise expenses which comprise share of losses and impairment losses of the investment in joint ventures and tax expenses arise from the corporate investments, the Group recorded a normalised PAT from continuing operations amounting to RM9.0m against the loss after tax last year same quarter.

Review of 12 Months Period Performance versus Corresponding Period Last Year

The Convenience Stores recorded revenue of RM2,925.5m for the year ended 31 December 2024, reflecting an increase of RM142.0m or +5.1% compared to RM2,783.6m in last year. This Revenue growth was accompanied by a Gross Profit of RM902.7m, up RM36.7m or +4.2%, maintaining a stable Gross Profit margin of 30.9%.

Operating Expenses for the Convenience Stores increased by RM19.3m or +2.1%. This rise is attributed to higher store rental costs and utilities as a result of a broadened retail network, increase in store depreciation, and including IT and non-IT maintenance expenses.

Excluding the corporate exercise expenses which comprise share of losses and impairment losses of the investment in joint ventures and tax expenses arise from the corporate investments, the Group recorded a normalised PAT from continuing operations amounting to RM53.2m against the loss after tax last year.

B2. MATERIAL CHANGES IN THE PROFIT BEFORE TAXATION FOR THE CURRENT QUARTER AS COMPARED WITH THE IMMEDIATE PRECEDING QUARTER

The Group recorded a lower Profit before Tax for the fourth quarter by RM5.2m or -34.4% against the immediate preceding quarter mainly due to higher administrative and operating expenses in current quarter.

B3. PROSPECTS

Malaysia's retail sector demonstrated resilience in 4Q-2024, driven by robust growth in overall investment activities, goods exports, tourism and household spending. The nation's gross domestic product is forecasted to grow within 4.5%-5.5% in 2025. Key factors expected to support the retail sector include higher civil servant salary and a rise in the minimum wage from RM1,500 to RM1,700 per month, both of which are expected to bolster consumer spending. However, external headwinds, such as the rationalization of RON95 fuel subsidies in June 2025 and a potential hike in the base electricity tariff for Peninsular Malaysia in July 2025, may lead to inflationary pressures potentially affecting lower-and middle-income households. Despite these hurdles, the Group remains committed to its strategic initiatives that align with market trends. With the anticipated net increase in overall consumer spending, the Group is optimistic for a stronger performance in 2025.

**UNAUDITED INTERIM FINANCIAL REPORT FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2024
ADDITIONAL INFORMATION REQUIRED BY THE BURSA SECURITIES LR**

Our focus for the Convenience Stores segment remains on the expansion of our 7-CAFé store format, which is essential for broadening our product selections, enhancing in-store customer experience, and driving growth in the fresh food category. A notable accomplishment to date includes the opening of 65 7-CAFé stores in 4Q-2024. Our ongoing initiatives include continuing the establishment of 7-CAFés beyond Klang Valley, expanding into high-potential areas, and strengthening our partnership with our Japanese counterpart to broaden fresh food offerings, while maximizing commissary production yields through the adoption of best operational practices and discipline.

Additionally, we are committed to expanding our private label portfolio as we aim to serve the growing numbers of the value-driven consumers who prioritize product quality over brand recognition. In order to align with our customer-centric approach, we will continue our efforts in consumer research and insights, leveraging advanced analytics, social listening, and brand health surveys to continuously improve our services and product offerings.

B4. VARIANCE OF ACTUAL RESULTS FROM PROFIT FORECAST AND PROFIT GUARANTEE

The Group did not issue any profit forecast or profit estimate previously in any public document.

**UNAUDITED INTERIM FINANCIAL REPORT FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2024
ADDITIONAL INFORMATION REQUIRED BY THE BURSA SECURITIES LR**

B5. PROFIT FROM OPERATIONS

Profit from continuing operations is arrived at after charging/(crediting):

	CURRENT QUARTER		CUMULATIVE QUARTER	
	3 months ended		12 months ended	
	31.12.2024	31.12.2023	31.12.2024	31.12.2023
	RM'000	RM'000	RM'000	RM'000
Amortisation of intangible assets	1,119	1,118	4,475	4,474
Amortisation of right of use	27,722	29,964	109,070	106,135
Depreciation of property, plant and equipment	24,713	15,629	93,329	71,255
Dividend income	-	-	-	(450)
Loss/(Gain) on foreign exchange translation differences	13	(4)	29	(28)
Impairment of property, plant and equipment	3,000	2,613	3,000	2,613
Impairment of joint ventures	2,601	9,439	2,601	9,439
Interest income	(2,124)	(679)	(10,226)	(2,819)
Interest expense	6,562	7,576	28,767	31,121
Loss on disposal of property, plant and equipment	986	169	2,024	887
Property, plant and equipment written off	2,478	664	5,785	2,757
Provision for and write off of inventories	14,964	9,674	48,496	35,646

Other than as presented in the condensed consolidated statements of comprehensive income and as disclosed above, there were no gain or loss on disposal of quoted or unquoted investments or properties, impairment of other assets, gain or loss on derivatives and exceptional items included in the results of the current quarter and financial year ended 31 December 2024.

B6. TAXATION

	CURRENT QUARTER		CUMULATIVE QUARTER	
	3 months ended		12 months ended	
	31.12.2024	31.12.2023	31.12.2024	31.12.2023
	RM'000	RM'000	RM'000	RM'000
Income tax:				
Current period provision	12,842	(226)	30,318	30,817
Under/(Over)provision in prior year	-	8,721	(1,617)	8,721
	<u>12,842</u>	<u>8,495</u>	<u>28,701</u>	<u>39,538</u>
Deferred tax:				
Relating to reversal of temporary differences	568	235	7,920	(539)
Overprovision in prior year	-	(2,968)	(1,352)	(2,968)
	<u>568</u>	<u>(2,733)</u>	<u>6,568</u>	<u>(3,507)</u>
	<u>13,410</u>	<u>5,762</u>	<u>35,269</u>	<u>36,031</u>

Income tax expense is recognised based on management's best estimation. The Group's consolidated effective tax rates for the current quarter and financial year ended 31 December 2024 were higher than the Malaysian's statutory tax rate mainly due to certain expenses not deductible under tax legislation.

**UNAUDITED INTERIM FINANCIAL REPORT FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2024
ADDITIONAL INFORMATION REQUIRED BY THE BURSA SECURITIES LR**

B7. STATUS OF CORPORATE PROPOSALS

There were no corporate proposals announced but not completed at the date of this report.

B8. STATUS OF UTILISATION OF PROCEEDS FROM DISPOSAL OF CARING

The status of utilisation of the proceeds from disposal of Caring on 31 December 2024 are as follows:

Purpose	Proposed utilisation RM'000	Actual utilisation on 31 December 2024 RM'000	Balance RM'000	Estimated time frame for utilisation
Repayment of borrowings	250,000	(250,000)	-	within 12 months
7-CAFÉ expansion	407,442	(204,664)	202,778	Within 24 months
Estimated expenses in relation to the Proposed Disposal	8,806	(8,806)	-	Within 6 months
Total gross proceeds	666,248	(463,470)	202,778	

**UNAUDITED INTERIM FINANCIAL REPORT FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2024
ADDITIONAL INFORMATION REQUIRED BY THE BURSA SECURITIES LR**

B9. GROUP BORROWINGS

The Group borrowings which are denominated in Ringgit Malaysia ("RM") as at 31 December 2024 are as follows: -

	Unaudited As at 31.12.2024 RM'000	Audited As at 31.12.2023 RM'000
Short term borrowings		
Unsecured:		
Bankers' acceptances	55,895	77,900
Medium term notes	100,000	149,810
Revolving credit	60,000	60,000
	<u>215,895</u>	<u>287,710</u>
Long term borrowings		
Unsecured:		
Medium term notes	349,687	449,688
Total borrowings		
Bankers' acceptances	55,895	77,900
Medium term notes	449,687	599,498
Revolving credit	60,000	60,000
	<u>565,582</u>	<u>737,398</u>

B10. MATERIAL LITIGATION

There was no material litigation for the current financial year to date.

B11. DIVIDEND

No dividend was declared or recommended for payment by the Company for the current quarter (previous corresponding quarter : Nil)

B12. EARNINGS PER SHARE

	CURRENT QUARTER 3 months ended		CUMULATIVE QUARTER 12 months ended	
	31.12.2024	31.12.2023	31.12.2024	31.12.2023
Net profit attributable to equity holders of the company (RM'000)				
- Continuing operations	(2,655)	(53,321)	41,611	(12,510)
- Discontinued operations	-	259,662	-	274,276
	<u>(2,655)</u>	<u>206,341</u>	<u>41,611</u>	<u>261,766</u>
Weighted average number of ordinary shares in issue ('000)	1,109,067	1,109,067	1,109,067	1,109,620
Basic/diluted earnings per ordinary share (sen)				
- Continuing operations	(0.24)	(4.81)	3.75	(1.13)
- Discontinued operations	-	23.41	-	24.72
	<u>(0.24)</u>	<u>18.60</u>	<u>3.75</u>	<u>23.59</u>

The Company does not have any dilutive potential ordinary shares in issue for the current quarter to date.

B13. AUDITORS' REPORT ON PRECEDING ANNUAL FINANCIAL STATEMENTS

The auditors' report on the financial statements for the financial year ended 31 December 2023 was not qualified.