

7-Eleven most active upon debut

KUCHING: 7-Eleven Malaysia Holdings Bhd (7-Eleven Malaysia) was the most actively traded stock on Bursa Malaysia Securities Bhd (Bursa Malaysia) yesterday after its official trading under the stock short name SEM and stock code 5250.

The shares rose 15 sen to close at 1.53 sen per share, with more than 202.15 million shares traded. The convenience store chain is currently the largest in Malaysia in terms of number of stores with 1,583 outlets nationwide as at April 10, 2014.



Photo shows Marian (third left) flanked by board of directors as she beats the gong to symbolise 7-Eleven's listing on Bursa Malaysia's main market yesterday.

At the listing ceremony, independent non-executive chairman Shalet Marian commented, "The IPO process has been a long journey, and we are extremely pleased to have reached this important milestone for our Company.

"We are proud of the results achieved for our IPO. On the back of a highly successful marketing process, we priced the IPO at RM 1.38 per share, valuing the company at approximately RM1.7 billion."

This implies an offer size of RM 731.8 million, with an additional RM 102.2 million that could be raised from the over-allotment option, taking the total offer size up to RM 834 million if the over-allotment option was exercised in full.

On this basis, 7-Eleven Malaysia's IPO would be the largest IPO to be completed in Malaysia and the third largest international IPO in Southeast Asia so far in 2014.

Marian was also pleased with the overwhelming response from investors globally as 7-Eleven Malaysia's cornerstone tranche was well-received.

In addition to the cornerstone demand, the group saw strong and broad based investor participation from long only funds, sovereign wealth funds, hedge funds and high net worth accounts.

"More importantly, the strength of demand is supported by a high quality line-up of investors, which would underpin the core of a blue chip shareholder register for the company," Marian added.

"We believe that the success of our transaction underlines the confidence of investors in the compelling 7-Eleven Malaysia equity story. With almost 1,600 stores serving over 900,000 customers per day, we are the largest standalone convenience store operator in Malaysia with 82 per cent market share as of March 2014.

“However, we believe that there is still significant growth left in the industry and for our company, and we will continue to work tirelessly to achieve potential. Our listing is the beginning of a new chapter in our journey and will help us to achieve our goals.”

Going forward, the group plans to further strengthen and consolidate its leading market position in Malaysia as well as to improve sales productivity and operating efficiency.

This was in line with 7-Eleven’s target for 600 new stores between 2014 and 2016.

“We are focused on expanding and improving our offering and store experience for our customers through accelerated store refurbishments and better merchandising; and we continue to invest in and improve our supply chain and IT infrastructure to provide a better platform to facilitate growth and further improve our operating efficiency and productivity.”